H.R. 12318. A bill to amend title 10 of the United States Code to establish procedures providing members of the Armed Forces redress of grievances arising from acts of brutality or other cruelties, and acts which abridge or deny rights guaranteed to them by the Constitution of the United States, suffered by them while serving in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. BIAGGI (for himself, Mr. BEVILL, Mr. HOSMER, Mr. BRAY, Mr. PODELL, Mr. BEGICH, and Mr. METCALFE):

H.R. 12319. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a system for the redress of law enforcement officers' grievances and to establish a law enforcement officers' bill of rights in each of the several States, and for other purposes; to the Committee on the Judiciary.

By Mr. DRINAN (for himself and Mr. ROE):

H.J. Res. 1011. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. GALIFIANAKIS:

H.J. Res. 1012. Joint resolution to authorize and request the President to issue a proclamation designating the period from April 23, 1972, through April 29, 1972, as "National Textile Week"; to the Committee on the Judiciary.

By Mr. MILLER of Ohio:

H.J. Res. 1013. Joint resolution authorizing the President to designate the first week in March of each year as "National Beta Club Week"; to the Committee on the Judiciary.

By Mr. HAMILTON:

H. Con. Res. 489. Concurrent resolution requesting the President to proclaim the week of March 20–26, 1972, as "American Football and Basketball Coaches Week"; to the Committee on the Judiciary.

By Mr. HOGAN:

H. Con. Res. 490. Concurrent resolution to relieve the suppression of Soviet Jewry; to the Committee on Foreign Affairs.

By Mrs. DWYER (for herself, Mr. PRICE of Illinois, Mr. COUGHLIN, Mr. HORTON, and Mr. MORSE):

H. Res. 746. Resolution calling for a U.S.-initiated effort to achieve a holiday ceasefire leading to meaningful negotiations and a permanent end of hostilities in Indochina; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself and Mr. YOUNG of Florida):

H. Res. 747. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and the Delegate from the District of Columbia; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CHAPPELL:

H.R. 12320. A bill for the relief of Ramona Castro Flores Vda. de Guzman; to the Committee on the Judiciary.

By Mr. McCLORY:

H.R. 12321. A bill to permit the vessel *Manatra II* to be inspected, licensed, and operated as a passenger-carrying vessel, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ROGERS (by request):

H.R. 12322. A bill for the relief of Lt. Col. Roger M. Reynolds, U.S. Air Force Reserve (retired); to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 12323. A bill for the relief of Jose Villanueva Juachon and Mary Lou, Jose, Romulo, Rey, and Ruth Juachon; to the Committee on the Judiciary.

By Mr. STEPHENS:

H. Res. 748. Resolution for the relief of William H. Spratling; to the Committee on the Judiciary.

By Mr. BADILLO:

H. Con. Res. 491. Concurrent resolution relating to the status of Sylva Yosifovna Zalmanson Kuznetsov, a citizen of the Soviet Union; to the Committee on Foreign Affairs.

By Mr. BRASCO:

H. Con. Res. 492. Concurrent resolution relating to the status of Sylva Yosifovna Zalmanson Kuznetsov, a citizen of the Soviet Union; to the Committee on Foreign Affairs.

SENATE—*Tuesday, December 14, 1971*

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

PRAYER

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

Eternal Father, who at creation caused the light to shine out of darkness, illuminate our minds this holy season that we may be star led to Bethlehem to behold again the divine entering human life. Enable us to make room for Him in our common days that we may live at peace with one another and in good will with all Thy family.

"O come to us, Abide with us.
Our Lord Emmanuel."

Amen.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

H.R. 701. An act to amend the Migratory Bird Hunting Stamp Act to authorize the Secretary of the Interior to establish the fee for stamps issued thereunder, and for other purposes;

H.R. 8856. An act to authorize an additional Assistant Secretary of Defense; and

S.J. Res. 176. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, December 13, 1971, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

H.R. 10367, THE ALASKAN NATIVE CLAIMS—CONFERENCE REPORT

Mr. SCOTT. Mr. President, under the unanimous-consent request entered into yesterday on the Alaskan Native Claims conference report, time on this side is under the control of the minority leader or his designee. At this time, I designate the distinguished Senator from Alaska (Mr. STEVENS) as in control of the time on this side.

Mr. MANSFIELD. Mr. President, I extend to the distinguished Senator from Nevada (Mr. BIBLE) control of the time on our side of the aisle.

EXTENSION OF DATE FOR TRANSMISSION TO CONGRESS OF THE PRESIDENT'S ECONOMIC REPORT

Mr. SCOTT. Mr. President, I send to the desk a joint resolution and ask for its immediate consideration.

The PRESIDENT pro tempore. The joint resolution will be read for the information of the Senate.

The joint resolution (S.J. Res. 183) was read the first time by title, and the second time at length, as follows:

S.J. RES. 183

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 3 of the Employment Act of 1946, as amended (15 U.S.C. 1022), the President shall transmit the Economic Report required under that section not later than February 15, 1972.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution (S.J. Res. 183) was considered, ordered to be engrossed for a third reading, was read the third time, and passed.

DATE FOR FILING OF JOINT ECONOMIC COMMITTEE'S REPORT ON PRESIDENT'S ECONOMIC REPORT

Mr. MANSFIELD. Mr. President, I send to the desk a joint resolution on behalf of the distinguished Senator from Wisconsin (Mr. PROXMIRE) and ask for its immediate consideration.

The PRESIDENT pro tempore. The joint resolution will be read for the information of the Senate.

The joint resolution (S.J. Res. 184) was read the first time by title, and the second time at length, as follows:

S.J. RES. 184

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of section 3 of the Act of February 20, 1946, as amended (15 U.S.C. 1022), the President shall transmit to the Congress not later than February 15, 1972, the Economic Report; and (b) notwithstanding the provisions of clause (3) of section 5(b) of the Act of February 20, 1946 (15 U.S.C. 1024(b)), the Joint Economic Committee shall file its report on the President's Economic Report with the House of Representatives and the Senate not later than March 10, 1972.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution (S.J. Res. 184) was considered, ordered to be engrossed for a third reading, was read the third time, and passed.

The PRESIDENT pro tempore. The Senator from Ohio is recognized.

(The remarks of Mr. TAFT when he introduced S. 3011 are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 30 minutes, with statements therein limited to 3 minutes.

DOLLAR DEVALUATION WELCOME CONTRIBUTION TO BREAKING CURRENCY IMPASSE

Mr. PROXMIRE. Mr. President, the joint statement today by Presidents Pompidou and Nixon indicating the dollar will be devalued as the U.S. contribution to resolving the international monetary impasse is most welcome news. The United States precipitated the existing monetary crisis by the President's decision on August 15 to suspend convertibility of dollars into gold and allow the dollar to float in exchange markets. I welcomed this initiative and believed it was appropriate and necessary, in the face of the balance-of-payments problems the United States was confronting.

Since September the members of the European Economic Community have been requesting that the United States devalue the dollar as our contribution to a general realinement of exchange rates among industrial nations. Such a realinement is absolutely essential for eliminating the persistent balance-of-payments deficits and surpluses that have plagued the international monetary system and that this year ballooned to intolerable proportions.

Here is why the realinement of exchange rates that is now apparently scheduled to occur as a result of dollar devaluation by the United States and upward revaluations of other countries will be highly beneficial from our point of view. Increases in the prices of imports will discourage purchases of unnecessary luxuries, and lower prices in international markets for U.S. goods will stimulate our exports. Thus, on both sides of the trade balance, jobs will be created for Americans. In addition, a cheaper dollar in terms of other currencies will encourage foreigners to travel to the United States. The currency realinement will make it more expensive for U.S. firms to establish subsidiaries abroad. Simultaneously, the cost of stocks and bonds sold in the United States and the cost of establishing manufacturing subsidiaries in this country will be reduced for foreigners. Following an acceptable currency realinement, we may expect a boom of foreign investment in the United States.

The dollar devaluation will be far too modest to benefit speculators. The official price of gold will undoubtedly be raised no more than 10 percent, or from $35 to $38.50 per ounce. Since August gold has been selling in foreign markets at $42 and $43 per ounce. Thus the official value will remain far below the private price. Moreover, official and private gold markets will remain segregated. Private individuals will have no opportunity to profit from selling gold to official institutions at higher prices.

The modest rise in the prices of imports that will result from the currency realinement can hardly contribute significantly to inflation in the United States. Imports constitute only about 4 percent of the total amount of goods and services purchased in the United States. Instead of straining our resources, the stimulus to employment in the United States resulting from a fall in the exchange value of the dollar will provide a small much-needed boost in helping to put our workers back on the job.

The terms of the agreement which will include dollar devaluation have not yet been announced. The Bretton Woods Agreements Act of 1945 states that the Congress and only the Congress can authorize a change in the official gold parity of the U.S. dollar. I am confident that if the terms are reasonable and equitable, the Congress will present no obstacle to getting the international monetary system back on the rails.

Mr. JAVITS. Mr. President, I heard with great interest the remarks of the Senator from Wisconsin (Mr. PROXMIRE) concerning the subject I had in mind speaking on, and especially the last words to the effect that he felt that Congress would respond to the administration request for a change in the price of gold.

This is of critical importance in view of this morning's announcement by President Nixon and President Pompidou, of France, which country has been the major stumbling block in reaching agreement toward the realinement of currencies. A satisfactory realinement hinges upon a devaluation of the dollar since this has been made the condition of France, in common with Germany, Japan, and other countries, revaluing their currencies.

That change must not only include currency adjustments, but also assurances that there will be effective trade negotiations and negotiations on a sharing of the defense burden.

It will be critically important if the current negotiations also can successfully lay the groundwork for a new international monetary system based not on gold or on the dollar as the international reserve currency and which alleviates the serious U.S. balance-of-payments deficit position which is so detrimental to our and the world economy. If this can be done the world will be on the threshold of 30 years in which there is a reasonable hope for a tremendous swing toward peace and economic prosperity.

This is of critical importance not only of us, but also to nations who will literally survive or not survive in terms of this feat being accomplished.

It was for this purpose that nearly a month ago I entered into an agreement with Representative REUSS, whereby he and I introduced identical bills to grant authority to the President to change the value of the dollar in terms of gold up to 10 percent.

The effect of my present amendment to this bill is that its wording has been broadened to encompass necessary adjustments which must be made on trade and defense and burden-sharing matters which is the nature of the words used by the two leaders in making their announcement. I also note that almost daily our major trading partners are announcing steps in these areas toward the end of alleviating the U.S. balance-of-payments crises that has been of such concern to the world.

For that reason, I send the amendment to my bill S. 2879 to effectuate this purpose.

I thoroughly agree with the Senator from Wisconsin that if this interim package can be wrapped up in this session, Congress has every reason to look at it favorably and to give the President this authority, although it could be done on perhaps an interim basis, through the Board of the International Monetary Fund. However, the President should, and I am confident will, come to Congress for the ultimate authority pursuant to the wording of the Bretton Woods Act of July 31, 1945.

A phase I interim settlement looking toward phase II long-term negotiations could open the door to an unmatched balance of economic stability in the world which could lead to greater hope for peace than we have seen since the end of World War II.

The PRESIDENT pro tempore. The Senator from Nebraska is recognized.

(The remarks of Mr. CURTIS when he introduced S. 3012 are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

AMENDMENTS NEEDED TO THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

Mr. CURTIS. Mr. President, last year Congress passed a bill known as the Occupational Safety and Health Act of 1970, which reaffirmed this Nation's commitment to the cause of employees' safety.

From the brief experience we have had with it we have learned that the act in some respects is harsh and unwise. The

regulations also appear to go beyond the law. Many of us supported Mr. DOMINICK's substitute but we were outnumbered.

It is my understanding that many Senators and House Members have received mail indicating serious operational problems and potential injustices because the law paints with too wide a brush and delegates too much which is general authority.

One businessman, who happened to have had the opportunity to see the Federal Register for May 29, 1971, concluded that it would take him more than 2 weeks to simply read the proposed regulations issued by the Secretary of Labor pursuant to this act.

A small roofing company in Nebraska has served notice on home builders that the company no longer can do work for them on a subcontracting basis, because of the cost of scaffolding required by the new law and regulations.

Some of the requirements concerning the type restroom facilities for real small businesses are unrealistic and call for expensive changes.

A heavy contractor told me that his company was ordered to place a safety device on a crane that would make it difficult if not impossible for the crane operator to see part of the terrain, including other workmen located in the area of the crane.

A load moment device for cranes—a computer that tells how much a load weighs and when the crane is going to tip over—will cost one small construction company in Nebraska $120,000 to install on its equipment. Yet I am told that the base of the machine is still the controlling factor, and the device does not take this into consideration.

Roll bars are being required not just on new tractors, but to be installed retroactively on used equipment. The construction industry has estimated that retroactive installation will cost the industry $1,200 million on equipment older than 1969 because the framework on pre-1969 tractors is not strong enough and thus must be strengthened to hold the roll bars that have to be added. I understand further that any farmer who employs one person or more will have to install roll bars on his tractors under the regulations.

Can anyone, seriously and fairly, contend that to obligate small and even medium-sized businesses to comply with such extensive regulations is reasonable? I question whether it is reasonable to require the operator of a small business to even read such volume. There is every reason to believe that too ambitious a program, too unreasonable a program, will cause the objective of occupational safety and health to be lost in regulations too numerous to be remembered, too unreal to be observed, and too broad to be fairly applied to so many different business concerns.

The sheer volume of the regulations is not the only problem. It seems that from reports all over the country we are coming to realize that blanket authority delegated can be, and often is, implemented in a manner not at all within the contemplation of Congress. I make reference to the Federal Register, volume 36, No. 105, dated May 29, 1971, in which the employer is required, among other things, to keep a coathanger in the lavatory and to provide a seat for the facility which is made of nonabsorbent material. Now, really! Is this what the Congress meant, by occupational safety and health? I point this out by way of illustrating that, first, much of the sheer volume is absurd on its face, and second, requirements of the nature that coathangers be always maintained in water closets are frivolous and without merit, but a business is required to treat these regulations with seriousness and to attempt compliance. The presence of such things in proposed regulations binding on all businesses should indicate to the Congress that perhaps we ought to take another look at the legislation which authorizes such nonsense, with a view toward tightening up its scope and delegation.

Another example is the requirement, applicable to all in the building trades—builders of skyscrapers as well as of single-family residences—that window openings in certain circumstances be protected by railings, and any roof more than 10 feet above the ground and being constructed at a slope of a pitch greater than three-twelfths must be backed up by elaborate scaffolding, safety nets, and/or worker lifelines. Mr. President, there may be nothing per se wrong with each of these protective practices in certain circumstances. But surely we are asking a bit too much of every house builder to construct scaffolding. Not only is it calculated that these requirements, as presently proposed, will add approximately $1,500 to the construction cost of the average residence, but we might ask what unreasonable and senseless regulations will be proposed to protect during the construction of the scaffolding?

Mr. President, the point is that if the Secretary of Labor, or his delegate, is attempting to remove all risk from all jobs as he presently views the risk factor, the Government will be forcing business and labor to undertake unwarranted activities which may in fact be more dangerous than that which the protective measures are calculated to cure. Such is the case with certain window railings and backrailings, which one small contractor pointed out to me was significantly more dangerous to construct than the basic job itself. Mr. President, there is serious question whether government, in such a diverse economy as America's, can account for the multiplicity of circumstances and reasonably and effectively provide for them, when it accepts the burden of being the omnipresent regulator.

The legislation fails to distinguish between big business and small and between hazardous occupations and nonhazardous. There is a failure to take into account the varying nature of businesses. The giant corporation and the small contractor cannot be subjected to this legislation in the same manner. This is exactly what we are trying to do because Congress failed to provide for a jurisdictional minimum. A small contractor in my State, who regularly employs three others in addition to himself, is held to the same construction industry regulations as the contractor whose business is skyscrapers. He is required to keep the same records. In fact, what he is required to do will most probably put him out of business.

Mr. President, the Federal officials are harassing small merchants, shopkeepers, beauty operators, printers, appliance dealers, repairmen, and other small businessmen, because the law and the regulations are too broad and unreasonable. Some small businesses cannot afford to make the changes required of them and may be compelled to close. This law is so broad that one dissatisfied person can cause a business to close. The Congress must take another look at the act and revise it so that it most truly deals with the real hazards to health and safety and less with nonessentials.

In the meantime, I expect to offer some needed amendments, particularly in reference to small businesses.

ORDER OF BUSINESS

Mr. CURTIS. Mr. President, I seek recognition on an additional subject.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. MANSFIELD. Mr. President, I seek recognition.

The PRESIDENT pro tempore. The Senator from Montana is recognized for 3 minutes.

Mr. MANSFIELD. Mr. President, I yield my time to the Senator from Nebraska.

The PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. DOMINICK. Mr. President, will the Senator from Nebraska yield to me so that I may ask a question?

Mr. CURTIS. I have no time.

Mr. DOMINICK. On my time.

Mr. CURTIS. I yield.

Mr. DOMINICK. Do I understand that the bill the Senator has introduced today would exempt certain classifications of business from the Occupational Health and Safety Act?

Mr. CURTIS. I have not introduced the bill today. I intend to do so. I had so informed the distinguished Senator from Colorado. I am doing some more work on the proposal or proposals that I expect to introduce. I feel this is so serious I wanted to stimulate some interest in the matter to the end that we might be able to accomplish something in this area.

Mr. DOMINICK. I thank the Senator from Nebraska for bringing this up. I think it is extraordinarily important and very pertinent to the problems we have, and I certainly want to associate myself with the remarks the Senator made in his very good talk

Mr. CURTIS. I thank the Senator very much.

Mr. DOMINICK. I hope I can work with him on any legislation he may develop along these lines.

The PRESIDENT pro tempore. Is there further morning business?

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

The PRESIDENT pro tempore. 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.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

REPORT OF OVERSEAS PRIVATE INVESTMENT CORPORATION

A letter from the President, Overseas Private Investment Corporation, Washington, D.C., transmitting, pursuant to law, a report of that Corporation, for the fiscal year ended June 30, 1971 (with an accompanying report); to the Committee on Foreign Relations.

PROPOSED TRANSFER OF THE TEACHER CORPS TO ACTION

A letter from the Associate Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to transfer the Teacher Corps to Action (with an accompanying paper); 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 letter, in the nature of a petition, relating to the registration and licensing of weapons; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, for Mr. MAGNUSON, from the Committee on Commerce, without amendment:

H.R. 3304. An act to amend the Fishermen's Protective Act of 1967 to enhance the effectiveness of international fishery conservation programs (Rept. No. 92-583).

By Mr. STEVENS, for Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 2191. A bill to amend the act of August 27, 1954 (commonly known as the Fishermen's Protective Act) to conserve and protect U.S. fish resources (Rept. No. 92-582).

ENROLLED BILL SIGNED

The PRESIDENT pro tempore signed the enrolled bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

FEDERAL ELECTION CAMPAIGN ACT OF 1971—CONFERENCE REPORT (S. REPT. NO. 92-580)

Mr. PASTORE, from the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 382) to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes, submitted a report thereon, which was ordered to be printed.

ALASKA NATIVE CLAIMS SETTLEMENT ACT—CONFERENCE REPORT (S. REPT. NO. 92-581)

Mr. BIBLE, from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10367) to provide for the settlement of certain land claims of Alaska Natives, and for other purposes, submitted a report thereon, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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. TAFT:

S. 3011. A bill to offer amnesty under certain conditions to persons who have failed or refused to register for the draft or who have failed or refused induction into the Armed Forces of the United States, and for other purposes. Referred to the Committee on the Judiciary, by unanimous-consent order.

By Mr. CURTIS (for himself, Mr. BENNETT, Mr. FANNIN, Mr. HANSEN, Mr. JORDAN of Idaho, Mr. SCOTT, and Mr. DOMINICK):

S. 3012. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for personal savings for retirement, and by increasing contribution limitations for self-employed individuals and shareholder-employees of electing small business corporations. Referred to the Committee on Finance.

By Mr. THURMOND:

S. 3013. A bill for the relief of John Robert Davies. Referred to the Committee on the Judiciary.

By Mr. BROCK:

S. 3014. A bill to transfer the Teacher Corps to Action. Referred to the Committee on Labor and Public Welfare.

By Mr. NELSON (for himself and Mr. PROXMIRE):

S. 3015. A bill to provide a temporary district judgeship for the U.S. District Court for the Western District of Wisconsin. Referred to the Committee on the Judiciary.

By Mr. INOUYE (by request):

S. 3016. A bill to amend section 101(13) of the Federal Aviation Act by establishing certain conditions under which a corporation organized under the laws of the United States or of any State, territory, or possession of the United States may qualify as a U.S. citizen and for other purposes. Referred to the Committee on Commerce.

By Mr. STEVENS:

S. 3017. A bill to amend section 5303(a) of title 5, United States Code, to authorize higher minimum pay rates for certain additional Federal positions. Referred to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 3018. A bill to amend title II of the Social Security Act to permit, in certain cases, a woman who in good faith has gone through a marriage ceremony with an individual, to be considered the widow of such individual even though, because of a legal impediment, such woman is not legally married to such individual. Referred to the Committee on Finance.

By Mr. LONG:

S. 3019. A bill to amend title XV of the Social Security Act so as to include therein certain provisions designed to prevent parents of children, who are receiving aid under State plans approved under such title, from evading their financial and other parental responsibilities toward such children, and for other purposes. Referred to the Committee on Finance.

By Mr. METCALF:

S. 3020. A bill for the relief of Johng Un Kim. Referred to the Committee on the Judiciary.

By Mr. BYRD of West Virginia (for Mr. BENTSEN):

S. 3021. A bill to amend section 2031(b)(1) of title 10, United States Code, to remove the requirement that a Junior Reserve Officer Training Corps unit at any institution must have a minimum number of physically fit male students. Referred to the Committee on Armed Services.

By Mr. BAYH (for himself and Mr. CRANSTON):

S. 3022. A bill to provide for the issuance of $2 bills bearing the portrait of Susan B. Anthony. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JAVITS:

S. 3023. A bill to amend the Public Health Service Act so as to permit greater involvement of American medical organizations and personnel in the furnishing of health services and assistance to the developing nations of the world, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JAVITS (for himself, Mr. DOMINICK, Mr. SCHWEIKER, Mr. TAFT, and Mr. BEALL) (by request):

S. 3024. A bill to amend the Welfare and Pension Plans Disclosure Act. Referred to the Committee on Labor and Public Welfare.

By Mr. SCOTT:

S.J. Res. 183. Joint resolution extending the date for transmission to the Congress of the President's economic report. Considered and passed.

By Mr. MANSFIELD (for Mr. PROXMIRE):

S.J. Res. 184. Joint resolution extending the dates for transmission of the economic report and the report of the Joint Economic Committee. Considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TAFT:

S. 3011. A bill to offer amnesty under certain conditions to persons who have failed or refused to register for the draft or who have failed or refused induction into the Armed Forces of the United States, and for other purposes. Referred to the Committee on the Judiciary, by unanimous consent order.

Mr. TAFT. Mr. President, I introduce a bill which relates to the matter of providing amnesty for draft resisters within this country and outside, on condition that they undertake 3 years of service in the Armed Forces, or in the alternative, other Government service under regulations prescribed by the Attorney General and various other Federal agencies.

Mr. President, we have consulted with the Parliamentarian and there is some question about the appropriate reference of this bill. I have consulted with the chairman of the Armed Services Committee and I am about to make a request with regard to referral of the bill. The distinguished chairman has indicated that he can preserve his rights in this connection, which, of course, he certainly may do, and I shall make the request I am about to make without prejudice to

his right to ask for later referral of the bill to the Committee on Armed Services after the initial referral.

I, therefore, ask unanimous consent that the bill which I send to the desk, dealing with amnesty for draft resisters, be referred to the Committee on the Judiciary.

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

Mr. TAFT. Mr. President, at the present time, more than 500 draft registers are now in our Federal jails and it is estimated that almost 70,000 young Americans are living as exiles in Canada and other nations, because they sought to avoid participating in the war in Southeast Asia.

Many of these draft resisters are victims of bad judgment of poor advice. Others have acted out of deep and conscientious objections to the course which our country followed as we became involved in the Vietnam conflict.

One of my constituents, Dr. J. Z. Scott of Scio, Ohio, has written to me that—

> It is my contention that many of these young men could be induced or persuaded to return to their native land to assume their responsibilities and become useful citizens again. I do not mean grant them amnesty, but they must earn their return and regain their normal heritage and birthright through hard work and proof that they are honest, sincere, and thankful to be re-accepted by the land of their birth.

In this Christmas season I believe the time has come for us to turn our attention to the question of draft resisters and whether we, as a nation, are so wise, strong, and charitable as to offer them an opportunity to be reunified with our American society.

The Seventh General Synod of the United Church of Christ, the 181st General Assembly of the United Presbyterian Church in the U.S.A., the Union of American Hebrew Congregations, and the Catholic Bishops, are among distinguished groups in this country which have advocated various amnesty proposals.

I believe, however, that Dr. Scott is right when he suggests that unqualified amnesty is not the answer. When over 55,000 young Americans have lost their lives serving their country in Southeast Asia, we should not simply welcome back the draft resisters without any endeavor or requirement on their part to undertake service for their country. Similarly, I believe it is a great mistake for us forever to foreclose these young men, however misguided, from participating fully in American life.

In an attempt to deal fairly and effectively with this problem I am today introducing a bill that would permit these men to return to the United States within 1 year from the date of enactment. During that year they could return without fear to criminal prosecution, provided they agreed to serve their country for a period of 3 years. They could serve America in one of two ways. First, they could agree to enlist as members of the Armed Forces, or second, they could elect to serve in alternative service. The alternative service provided in this amendment would include VISTA, Veterans' Administration hospitals, Public Health Service hospitals, and other Federal service provided by appropriate regulation. It would be my intention that while they could express a preference for one type of alternative service, their duties would be designated in accordance with their abilities and the needs of the various agencies.

Under this approach they would serve such 3-year period at the minimum pay schedule as established by the Armed Forces and the agencies designated for alternative service.

Those electing alternative service would not be eligible for normal Federal employee benefits.

While many draft resisters have gone to Canada, other young men have considered it to be more honorable to stand trial and go to prison. In my judgment we should be no more harsh with these young men; consequently, this bill would permit them to select a form of service to their country and have their time spent in prison credited against their 3-year obligation, except that such credit could not exceed a period of 2 years.

Pending legal proceedings would be dismissed if the defendants entered into such agreements.

Under this measure it would be the sense of the Congress that young men who completed their service obligations under this act would be granted a Presidential pardon.

Young men who had been previously released from prison or given a suspended sentence could receive a pardon if they agreed to undertake the type of military or public service contemplated by this measure.

This measure would be administered by the Attorney General of the United States.

This bill would not apply to those who had deserted the Armed Forces since I believe that is a separate problem which should be dealt with in other ways.

America is a strong country. America is a good country. And I believe that America is the type of country which will give these young men an opportunity to be reunited to the land of their birth by making valuable and positive contributions to our national life.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and without objection it is referred to the Committee on the Judiciary as requested by the Senator from Ohio; and, without objection, the bill will be printed in the RECORD.

The text of the bill is as follows:

S. 3011

A bill to offer amnesty under certain conditions to persons who have failed or refused to register for the draft or who have failed or refused induction into the Armed Forces 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 Amnesty Act of 1972".

SEC. 2. (a) Notwithstanding any other provision of law, any person who has evaded or refused registration under the Military Selective Service Act subsequent to August 4, 1964, or has evaded or refused induction in the Armed Forces of the United States under such Act subsequent to such date is hereby granted immunity from prosecution and punishment under section 12 of the Military Selective Service Act, and all other laws, on account of any such evasion or failure to register under such Act or refusal to be inducted under such Act, as the case may be, if not later than one year after the date of enactment of this Act such person—

(1) presents himself to the Attorney General of the United States or such other official or officials as may be designated by the President.

(2) agrees in accordance with regulations established by the Attorney General of the United States to enlist and serve for a period of three years in the Armed Forces of the United States, or agrees to serve for a period of three years in Volunteers in Service to America (VISTA), a Veterans' Administration hospital, a Public Health Service hospital, or other federal service eligible pursuant to regulations issued under section 6 of this Act, and

(3) agrees to serve for such period in the lowest pay grade at which persons serve in the Armed Forces of the United States, Volunteers in Service to America (VISTA), Veterans' Administration hospitals, Public Health Service hospitals, or other federal service, as the case may be.

(b) The willful failure or refusal of any person to comply with the terms of this agreement under Section 2(a) of this Act shall void any grant of immunity made to such person under this Act.

SEC. 3. (a) Any person who has been convicted and is serving a prison sentence for evading or failing to register under the Military Selective Service Act after August 4, 1964, or for evading or refusing induction in the Armed Forces of the United States under such Act after such date shall be released from prison, and the remaining portion of any punishment shall be waived if such person complies with the provisions of Section 2(a) of this Act, except that the three year period of military or public service required thereunder shall be reduced by any period equal to the period served by such person in prison for his conviction, but such period shall not be reduced by more than two years. Any such person shall be afforded an opportunity to present himself to the Attorney General pursuant to Section 2(a) of this Act.

(b) Any pending legal proceedings brought against any person as a result of his evading or failing to register under the Military Selective Service Act after August 4, 1964, or for evading or refusing induction in the Armed Forces of the United States under such Act after such date shall be dismissed by the United States if such person enters into an agreement described in Section 2(a) of this Act and completes the period of military or public service prescribed in such agreement.

SEC. 4. (a) It is the sense of the Congress that the President grant a pardon to any person convicted of any offense described in Section 3(a) of this Act if such person enters into an agreement described in Section 2(a) of this Act and completes the period of military or public service prescribed in such agreement.

(b) In any case in which a person has been convicted of an offense described in Section 3(a) of this Act and has been released from prison, or given a suspended sentence, it is the sense of the Congress that the President grant a pardon to such person for such offense if such person performs military or public service prescribed in Section 2(a) of this Act, reduced by a period equal to the period served by such person in prison for his conviction (such period of service not to be reduced by more than two years), provided such person undertook to perform such service prior to the expiration

of one year following the date of enactment this Act.

SEC. 5. The provisions of Sections 3 and 4 of this Act shall not apply in the case of any person otherwise eligible for the benefits of such provisions if such person (1) is serving a prison sentence for an offense not described in Section 3 of this Act or is scheduled to serve, immediately after completion of his sentence for an offense described in Section 3 of this Act, a prison term for any other offense for which he has been convicted, or (2) is wanted for trial for any other alleged offense, unless the President determines that the public interest would be better served by affording such person the benefits of this Act.

SEC. 6. The Attorney General is authorized to issue such rules and regulations as may be necessary to carry out effectively the provisions of this Act.

SEC. 7. All references in this Act to the Military Selective Service Act shall be deemed to include a reference to previous corresponding Acts.

SEC. 8. Persons serving in Volunteers in Service to America (VISTA), a Veterans' Administration hospital, a Public Health Service hospital, or other nonmilitary Federal service under this Act shall not be eligible to receive Federal employee benefits otherwise payable to employees of such agencies.

By Mr. CURTIS (for himself, Mr. BENNETT, Mr. FANNIN, Mr. HANSEN, Mr. JORDAN of Idaho, Mr. SCOTT, and Mr. DOMINICK):

S. 3012. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for personal savings for retirement, and by increasing contribution limitations for self-employed individuals and shareholder-employees of electing small business corporations. Referred to the Committee of Finance.

INDIVIDUAL RETIREMENT BENEFITS ACT OF 1971

Mr. CURTIS. Mr. President, I send to the desk on behalf of myself and Senators BENNETT, FANNIN, HANSEN, JORDAN of Idaho, and SCOTT, a proposal known as the Individual Retirement Benefits Act of 1971.

Mr. President, approximately one-half of the wage earners of the United States have the benefits of a company retirement plan. This means that the corporation pays money into the retirement plan before taxes. There is no tax or contribution made to the retirement fund. But that is only part of it. The retirement plan fund itself is free from tax so far as the earnings, interest, dividends, and the like are concerned.

Approximately one-half of the people of our country enjoy no such benefits. The individual must pay taxes on all of his income and, then, if he is able to save something, the interest, dividends, or capital gains on his savings are likewise subject to tax.

The measure I am introducing is the proposal referred to by the President in his message of December 8, 1971. It would bring about equality before the law. It would enable the other half to do what one-half of our people are now doing. It would enable an individual to save 20 percent of his earned income, not to exceed $1,500, to put it in a fund for his retirement, and it would be tax free. He would take that out before he figures his tax. Also, the earnings on these savings likewise would be free.

It is true that whether one is under a company plan or this new plan for individuals, there is a tax to be paid when the money is drawn out, but that is at a lower rate and over a longer period of time, and is not so burdensome.

The measure would bring the tax benefit at the time the individual is endeavoring to save for his old age. This bill is certainly in the public interest. It will promote savings; it will promote self-reliance; and it will lessen the pressures on the Government for many programs. This, of course, is a supplement to our existing social security program.

Mr. President, I ask unanimous consent to have printed in the RECORD an analysis of the proposal and also a letter dated December 13, 1971, from the Treasury Department concerning the proposal.

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

INDIVIDUAL RETIREMENT BENEFITS ACT OF 1971

1. INTRODUCTION

Since 1942 the Internal Revenue Code has accorded special tax benefits to retirement plans established by employers for the benefit of their employees and the beneficiaries of their employees. To insure that benefits are provided under these plans for a broad range of the employees of the sponsoring employer and not merely for a small group of select employees, the availability of these special tax benefits is conditioned upon the plan's meeting certain statutory requirements.

Private retirement plans form an important part of the total framework of income maintenance for older Americans. As such, it is appropriate to provide tax incentives to encourage employers to establish these plans and thus provide for their employees' post-retirement needs. In so doing the employer performs a function and assumes a burden which otherwise might be thrust upon society at large. Private retirement plans are a significant supplement to the social security system as a source of income for retired and disabled Americans and their dependents. Because private retirement plans are established by individual employers, they can be shaped to respond to unique needs and situations in a manner that a public system covering tens of millions of individuals cannot.

The experience of the past 30 years has demonstrated that while the private retirement system has the capacity to deal with an important social problem through individual initiative, changes in existing law are needed. In the first place, recent surveys indicate that, in spite of the incentives provided by existing law, approximately one-half of the non-agricultural labor force does not now participate in private retirement plans and that coverage is not likely to expand significantly under existing conditions. Moreover, overly restrictive requirements for participation in, or acquisition of vested benefits under, private retirement plans have resulted in effectively denying to millions of employees the full benefits of the private retirement system. Special limitations upon contributions on behalf of self-employed individuals and requirements for the plans in which they participate are so restrictive that they have created an artificial preference for the corporate form over other business forms which might be more suitable or desirable for a particular enterprise.

2. ELIGIBILITY REQUIREMENTS

A. Present law

The Internal Revenue Code does not now contain any specific requirements concerning eligibility conditions based on age or service that may be included in a private retirement plan established by a corporate employer. Existing administrative practice does permit such a plan to provide that participation in the plan is limited to employees who have attained a specified age or have been employed for a specified number of years if the effect of such provisions is not discrimination in favor of officers, shareholders, supervisory employees, or highly compensated employees. Likewise, such a plan may exclude from participation employees who have attained a specified age close to retirement when they otherwise become eligible to participate in the plan. On the other hand, the Internal Revenue Code specifically requires that a plan established by an unincorporated business in which an owner-employee (*i.e.*, a sole proprietor or a partner with a greater than 10 percent interest in capital or income) participates must provide that no employee with 3 or more years of service may be excluded from the plan.

B. Proposal

Reasonable service or age requirements are an appropriate means of preventing the dissipation of plan assets. The benefits earned by employees with short periods of service are usually small, both in absolute terms and in relation to the administrative costs attributable to these benefits. Overly restrictive requirements may, however, result in the arbitrary exclusion of employees from participation in private retirement plans and thereby frustrate the effective functioning of the private retirement system.

The proposed bill would therefore provide that a private retirement plan not be permitted to require, as a condition of participation, that an employee have completed a period of service with the employer in excess of 3 years, that the employee have attained an age in excess of 30 years, or that he not have attained an age which is less than 5 years preceding normal retirement age under the plan. For this purpose, normal retirement age means the earliest age under the plan at which an employee may retire and receive benefits which are not actuarily reduced.

In the case of a plan in which self-employed individuals who are owner-employees may participate, the bill would provide that the plan not be permitted to require, as a condition of participation, that the employee have completed more than 1 year of service with the employer if his then age is 35 years or greater, more than 2 years of service if his then age is 30 years or greater but less than 35 years, or more than 3 years of service if his then age is less than 30 years. Thus, the bill will require such plans to permit earlier participation by employees whose age exceeds 30 years.

C. Effective date

These rules would apply to all private retirement plans established after November 30, 1971. In the case of plans in effect on November 30, 1971, these rules would apply to plan years beginning after December 31, 1973, except that in the case of plans which are collectively bargained, these rules would not apply to plan years beginning before the expiration of the collective bargaining agreement in effect on November 30, 1971.

3. VESTING REQUIREMENTS

A. Present law

There is no generally applicable requirement under existing law that a participant in a private retirement plan have at any time before he attains normal retirement age a nonforfeitable right to receive his accrued

benefit under the plan. However, the failure to provide pre-retirement vesting is taken into account by the Internal Revenue Service in determining whether a plan satisfies the statutory requirement that it not discriminate in favor of officers, shareholders, supervisory employees, or highly compensated employees, and in appropriate circumstances the Service will not issue such a determination if a plan does not provide pre-retirement vesting. Neither the circumstances in which pre-retirement vesting is required nor the degree of such vesting is well defined, and considerable variation has arisen. The Internal Revenue Code requires that a plan established by an unincorporated business in which an owner-employee participates must provide that each participant have an immediately nonforfeitable interest in the contributions made on his behalf under the plan.

B. Proposal

Some measure of pre-retirement vesting is essential if the private retirement system is to exist as a functioning and effective supplement to the social security system. This is especially true in view of our highly mobile labor force. An individual whose participation in a private retirement plan terminates before his rights in his benefits accrued under the plan have become nonforfeitable has, for all practical purposes, not really participated in the plan. In addition, pre-retirement vesting is needed to reinforce the non-discrimination requirements of existing law in cases where most of the employer contributions under a plan are made on behalf of participants with a proprietary interest in the employer.

The proposed bill would therefore require a private retirement plan to provide that a participant's rights in at least 50 percent of his accrued benefits (or the employer contributions and other amounts credited to his account) be nonforfeitable when the sum of his age and his years of participation in the plan equal 50 years and that this percentage increase ratably to 100 percent over the succeeding 5 years. Under this rule, the rights of older employees would vest more rapidly than the rights of younger employees, reflecting the fact that an older employee has less of an opportunity to earn a reasonable pension with a new employer or to save for his retirement.

To remove any disincentive against hiring older workers, a plan could provide that an employee's rights remain forfeitable until his period of plan participation is 3 years reduced by any period of service with the employer during which he did not participate in the plan. The plan would have to provide that upon completing this period of participation his rights in at least 50 percent of his accrued benefits are nonforfeitable, and this percentage would be required to increase ratably to 100 percent over the succeeding 5 years. Thus, if a plan requires 1 year of service with the employer as a condition of participation, it could provide that an employee's rights are 50 percent vested when the sum of his age and his years of participation equal 50 years but not before he has participated in the plan for 2 years. An employee hired at age 50 would become eligible to participate in the plan at age 51 and would not become 50 percent vested until age 53. He would not become fully vested until attaining age 58.

To avoid additional costs for plans in difficult financial condition, pre-retirement vesting would not be required with respect to benefits accrued for any plan year for which benefit payments to retired participants exceed benefit accruals by active participants and the present value of accrued liabilities to retired and active participants exceeds the value of plan assets. If, however, the plan is amended to provide greater benefits during a plan year when this exception would otherwise be operable, or within 5 years thereafter, the exception would not apply. This exception is designed to provide relief for plans that have a large number of retired participants in relation to the number of active participants and are not fully funded. These plans are typically found in industries where employment is declining and where any increase in pension costs would be especially burdensome.

In the case of private retirement plans in which self-employed individuals who are owner-employees participate, an employee's interest in at least 50 percent of his rights under the plan would be required to be nonforfeitable when the sum of his age and his years of participation equal 35 years. The balance of his rights under the plan would be required to become nonforfeitable not less rapidly than ratably over the succeeding 5 years of participation.

C. Effective date

These rules would apply to all private retirement plans established after November 30, 1971. In the case of plans in effect on November 30, 1971, these rules would apply only to benefits accrued or contributions made during plan years beginning after December 31, 1973. In the case of collectively bargained plans, however, these rules would not apply to benefits accrued during plan years beginning before the expiration of the collective bargaining agreement in effect on November 30, 1971. In applying these rules, all participation in the plan (whether before or after December 31, 1973) would be considered in determining whether the sum of the employee's age and his years of participation equal 50 years or 35 years, whichever is applicable.

4. SPECIAL ELIGIBILITY AND VESTING REQUIREMENTS TO INSURE NONDISCRIMINATION

A. Present Law

While the Internal Revenue Code does not provide any specific and generally applicable requirements on the age and service and generally applicable requirements on the age and service conditions for participation in a qualified plan and does not contain any specific and generally applicable requirement that a participant in a qualified plan have at any time before retirement age a nonforfeitable right to receive his accrued benefit, the age and service conditions for participation in a plan and the extent of pre-retirement vesting under the plan are considered by the Internal Revenue Service in determining whether the plan satisfies the nondiscrimination requirements of the Code. However, neither the circumstances under which less restrictive age and service conditions for participation and pre-retirement vesting will be required to satisfy the non-discrimination test, nor the substances of satisfactory provisions in cases where they are required, are well defined. As a result, considerable variation and uncertainty has arisen.

B. Proposal

The proposed bill would authorize the promulgation of regulations setting forth (1) the circumstances under which a plan will satisfy the nondiscrimination requirements only if the conditions of participation in the plan are less restrictive than those which would be generally applicable under the proposed bill and the conditions for vesting of benefits under the plan are less restrictive than those of general application under the proposed bill, and (2) the provisions which will be required in order to insure that a plan will satisfy the nondiscrimination requirements in light of the particular circumstances. Failure to include such conditions in a plan would result in the disqualification of the plan. Such provisions could not however, be required to be more restrictive than those which would be imposed by the bill on plans benefiting self-employed individuals who are owner-employees. The proposed bill in this respect would apply only to plans covering—

(1) a partner having (a) more than a 5 percent interest in capital or income, or (b) more than a 1 percent, but not more than a 5 percent, interest in capital or income if all such partners have more than 50 percent of the interests in capital or income; or

(2) an employee owning (or considered as owning within the meaning of section 318(a)(1) of the Code) (a) more than 5 percent in value of the outstanding stock of the corporation or (b) more than 1 percent, but not more than 5 percent, in value of the outstanding stock if all such employees together own more than 50 percent in value of the outstanding stock.

C. Effective date

These rules would apply to plan years to which the proposals relating to eligibility and vesting would apply.

5. DEDUCTION FOR PERSONAL SAVINGS FOR RETIREMENT

A. Present law

Under present law, employer contributions on behalf of an employee to a private retirement plan satisfying the qualification requirements of the Internal Revenue Code and investment earnings on these contributions are generally not subject to tax until paid to the employee or his beneficiaries, even though the employee's right to receive these amounts becomes nonforfeitable before payment is made. Employee contributions to such a plan are subject to tax currently (i.e., no deduction or exclusion is allowable), but investment earnings on these contributions are not subject to tax until paid. Amounts saved by an individual for his retirement outside the scope of a qualified plan are not deductible or excludible from gross income, and investment earnings on such amounts are subject to tax currently.

B. Proposal

The effect of existing law relating to saving for retirement purposes is to discriminate substantially against individuals who do not participate in qualified private retirement plans or who participate in plans providing inadequate benefits. Frequently, this situation is the result of a unilateral decision of the employer not to establish a private retirement plan for its employees or not to improve benefits under an existing plan. Many other individuals, because of the nature of their occupations, never have a sufficient period of service with any one employer to accrue adequate retirement benefits.

To remedy this inadequacy in existing law, the proposed bill would allow individuals a deduction in computing adjusted gross income for amounts contributed to individual retirement plans which they have established or to private retirement plans established by their employers. In addition, investment earnings on amounts contributed to individual retirement plans would be excludable from gross income.

In the case of an individual who does not participate in an employer-financed private retirement plan, the amount deductible would be limited to 20 percent of the first $7,500 of earned income. In the case of a married couple, each spouse would be eligible to claim this deduction, and the limit would be applied separately to each spouse. Thus, if a husband had earned income of $12,000 and his wife had earned income of $7,000, the maximum deduction for him would be $1,500, and the maximum deduction for her would be $1,400, permitting a total deduction of $2,900.

If an individual participates in an employer-financed plan, the 20 percent limitation on the deduction would be reduced

to reflect employer contributions to the plan on his behalf. For this purpose, an individual would be permitted to assume that employer contributions on his behalf are 7 percent of his earned income. He could show, however, that a lesser amount had been contributed on his behalf; such amount would be determined in accordance with Treasury Department regulations on the basis of the particular facts and circumstances of his situation. In the case of individuals who have earned income which is not covered by the social security system or the railroad retirement system, the limitation on the deduction would be further reduced by the amount of tax that would be imposed under the Federal Insurance Contributions Act if that income were covered by the social security system. This reflects the fact that taxes imposed on employees under the Federal Insurance Contributions Act are not deductible.

Under the proposed bill, an individual would be allowed to invest these amounts in a broad range of assets, including stocks, bonds, mutual fund shares, annuity and other life insurance contracts, face-amount certificates, and savings accounts with financial institutions. While these assets could not be commingled with other property, they could be held in custodial accounts, and a taxpayer would not be required to establish a trust for this purpose.

To insure that amounts contributed to individual retirement programs and investment earnings on such amounts are used only for retirement purposes, withdrawals before the individual attains age 59½ would not qualify for the general income averaging provided under existing law and would also be subject to an additional penalty tax of 30 percent of the amount withdrawn. This penalty would not apply, however, if the taxpayer has died or has become disabled or if the amount withdrawn is deposited in another individual retirement plan within 60 days. This last exception is designed to permit transfer of individual retirement amounts from one type of investment to another, or from one trustee or custodian to another.

Moreover, withdrawals would be required to begin by the time the taxpayer reaches age 70½ and would have to be sufficiently large so that the entire accumulation will be distributed over his life expectancy or the combined life expectancy of the taxpayer and his spouse. If sufficient amounts are not withdrawn to meet these rules after age 70½, an annual penalty of 10 percent of the excess accumulation would be imposed.

To insure compliance with the foregoing requirements, trustees, custodians, and other persons having control of amounts deducted under the proposal would be required to submit annual reports to the Internal Revenue Service similar to those which are now required of trustees of plans benefitting self-employed individuals who are owner-employees.

C. Effective date

This proposal would apply to taxable years ending after the date of enactment of the proposed bill.

6. CONTRIBUTIONS ON BEHALF OF SELF-EMPLOYED INDIVIDUALS AND SHAREHOLDER-EMPLOYEES OF ELECTING SMALL BUSINESS CORPORATIONS

A. Present law

The Internal Revenue Code now limits the deductible contribution to a qualified private retirement plan on behalf of a self-employed individual to the lesser of 10 percent of earned income or $2,500. In certain circumstances, an additional $2,500 nondeductible contribution may be made. Penalties are imposed if excessive contributions are made and are not returned. With respect to a shareholder-employee of an electing small business corporation, no limit is imposed on the amount that may be contributed on his behalf, but if the contribution exceeds the lesser of 10 percent of compensation or $2,500, the excess is includable in his gross income.

The limitation on contributions on behalf of self-employed individuals has had a number of undesirable effects. In the first place, while the limitation applies by its terms only to contributions on behalf of self-employed individuals, as a matter of practice, it applies as well to their employees with the result that the contributions on their behalf may be a very small percentage of their compensation. Another undesirable effect of the limitation on contributions on behalf of self-employed persons is that it has provided an artificial incentive for the incorporation of businesses and professional practices.

B. Proposal

The proposed bill would provide that the rate at which deductible contributions may be made on behalf of self-employed individuals should be the rate at which contributions are made on behalf of other participants (but not more than 15 percent), and that the maximum amount of earned income to which this rate may be applied should be $50,000. As a result, a self-employed individual would be permitted a deduction of as much as $7,500, but only if he contributed 15 percent of compensation for his employees. The maximum rate at which additional nondeductible contributions could be made would be limited to 10 percent of earned income (again considering not more than $50,000 of earned income); ten percent is the limit under existing administrative practice applicable to nondeductible voluntary contributions by any participant in a qualified plan.

The limitation of excludable contributions on behalf of shareholder-employees of electing small business corporations would likewise be the product of the rate at which contributions are made on behalf of other employees (but not more than 15 percent) and the lesser of his competition or $50,000.

C. Effective date

These revised limitations would apply to taxable years beginning after December 31, 1972, unless the taxpayer elected to apply them to taxable years ending after December 31, 1971.

THE SECRETARY OF THE TREASURY,
Washington, December 13, 1971.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: In accordance with the President's Message of December 8, 1971, transmitting legislative proposals with respect to private pension plans, I am submitting a draft bill entitled the "Individual Retirement Benefits Act of 1971," for consideration by Congress. This legislation is designed to strengthen the private retirement system by providing minimum standards of participation in the benefits offered by an employer-sponsored pension plan and to encourage the expansion of the private retirement system by offering greater tax benefits to individuals who choose to invest in a retirement savings plan.

Section 2 of the proposed legislation establishes minimum standards for participation and for vesting of benefits under pension and profitsharing plans. It provides that no employee may be excluded from participation in an employer-sponsored plan if he has attained the age of 30 years and has been an employee for at least three years, except an employee who is within five years of retirement age. This section adopts the so-called "rule of 50" vesting standard under which every pension must be half vested when an employee's age plus the number of years he has participated in the plan equals 50. The remaining portion of his pension must vest ratably over the next five years. This standard is designed to provide assurance to older employees that the pension benefits they are accruing will not be forfeited. The Secretary would be granted regulatory authority to require more restrictive rules for plans where inadequate vesting and eligibility provisions would be likely to result in the discrimination prohibited by existing law.

Section 3 of the proposed bill grants deductions to individuals for personal savings for retirement. The deductible amount is 20 percent of the individual's earned income for the year, but not more than $1,500. The deduction is allowed for employee contributions to employer-sponsored plans and, in the case of an individual who is not covered by employer-sponsored plans (or who is inadequately covered by an employer-sponsored plan), a deduction is allowed for amounts set aside by the individual for his own retirement in an individual retirement account. Amounts held in individual retirement accounts would be allowed to earn tax-free income as is presently the case with respect to employer-sponsored retirement plans.

Section 4 of the proposed legislation increases the deductible contribution which may be made on behalf of self-employed individuals and shareholder-employees of electing small business corporations to a retirement plan which covers themselves and their employees. The present law limits this deduction to 10 percent of earned income or $2,500, whichever is less; these limits would be increased to 15 percent or $7,500, whichever is less.

In addition, the requirement under present law for immediate full vesting of all benefits under plans benefiting self-employed persons would be changed by the bill to a so-called "rule of 35" standard. Under this standard a pension would be half vested when an employee's age plus the number of years he has participated in the plan equals 35, with ratable vesting of the remaining benefits over the next five years. The bill would also provide that plans benefiting self-employed persons must allow earlier participation of older employees than is required under present law.

It would be appreciated if you would lay the proposed legislation before the House of Representatives. A similar communication has been addressed to the President of the Senate.

We have been advised by the Office of Management and Budget that there is no objection to the presentation of this draft bill to the Congress, and that its enactment would be in accord with the program of the President.

Sincerely yours,

CHARLES E. WALKER,
Acting Secretary.

Mr. JAVITS. The Senator from Nebraska has just introduced a bill to carry out a part of the administration's proposals respecting pension and welfare funds, the reform of which I have been working on for a long time, and of which the Labor and Public Welfare Committee was authorized to make a rather complete inquiry, which the Senator from New Jersey (Mr. WILLIAMS), I, and other Senators have been considering. Part of the administration's measure was referred to the Committee on Labor and Public Welfare, and I wish to state now that bill will be introduced later in the day, so that both bills will be before the Senate respecting the administration's program.

I welcome the administration's initiative. I do not think it is going far enough, but it is certainly most gratifying that it has moved in this direction. I hope that we in the committee can cooperate with the administration to bring about these magnificent benefits for the mil-

lions in private pension and welfare plans.

Mr. HANSEN. Mr. President, today proposed legislation has been introduced in the Senate carrying out the President's plan to make more equitable the tax laws as they relate to pension and other types of retirement plans. I heartily agree with the thrust of this legislation and have asked that I be listed as a cosponsor of this important bill. Nevertheless, I feel I must say that in at least three areas, the proposed legislation may not completely resolve the problems. I am looking forward to the opportunity to go over these problems in depth as the Committee on Finance, of which I am, of course, a member, studies this much needed reform.

First, one of the primary causes of dissatisfaction with the present rules governing plans is the discrimination that comes about because retirement benefits under self-employment retirement plans are substantially more restrictive than those permitted under corporate pension and profitsharing plans. This discrimination against the self-employed has led to the incorporation of many service type businesses for strictly tax purposes. It has also led to the enactment by most of the States of statutes which permit the incorporation of professional men such as doctors and lawyers, with potential for harm to professional standards and relationships. While the President's proposal raises the limits on deductible contributions by the self-employed to their retirement plans to $7,500, or 15 percent of income, and thus narrows the gap between the benefits available to the self-employed and those available under the corporate form, it does not eliminate the incentive of professional people to incorporate for the primary purpose of obtaining liberal retirement benefits. The distinction between self-employed persons and corporate owners remains.

Second, although the proposal upgrades the protection of employees by requiring early vesting of their rights under the plan, the proposal does not deal with the problem of inadequate funding of retirement benefits. This deficiency of present law was highlighted by the bankruptcy of the Studebaker Corp. several years ago. At that time it was discovered that there were insufficient funds in the Studebaker pension trust to pay the vested benefits to which employees of Studebaker were entitled. I am pleased the President has directed the Departments of Labor and the Treasury to study the extent of this problem. It seems to me that this is a matter with which we should deal in connection with this legislation.

Finally, while I am pleased that corporate employees who are not covered by employee pension plans would be permitted by the President's proposals to make contributions to retirement plans of up to $1,500 or 20 percent of income, whichever is less, I point out again that the basic distinctions between those covered and those not covered remains although this distinction is considerably narrowed by the bill.

The President is to be commended for the serious attention he has obviously given to the need for greater protection of employees' retirement benefits and rights. I am privileged to be a cosponsor of this timely and provocative legislation.

By Mr. BROCK:

S. 3014. A bill to transfer the Teacher Corps to Action. Referred to the Committee on Labor and Public Welfare.

Mr. BROCK. Mr. President, last January I joined a group of seven Congressmen in signing a letter to the President urging him to include the Teachers Corps as a part of the new agency he spoke of in his address at the University of Nebraska.

As a strong supporter of the Action concept, I felt it only logical that the Teacher Corps become a part of the new agency. The Teacher Corps had demonstrated effectiveness in serving our Nation's schools, colleges, and communities as well as having a wide appeal among all segments of our young people.

The Corps maintained a close relationship with Action components and collaborated in their recruiting. In practically every aspect, it fulfilled the President's criteria for coherence among programs for service at home and abroad.

The President's response to our letter was encouraging and assured us that he would submit legislation transferring this fine organization to Action so that it might more effectively continue its mission of attracting young people to programs designed to provide improved educational opportunity to poor children.

Therefore, it is with great pleasure that I send to the desk for introduction the President's proposed bill transferring the Teacher Corps to Action. This bill completes that which the President said he would do in connection with the creation of Action.

In order that the Teacher Corps may take its office among the related components merged in President Nixon's Action Agency, I urge the early consideration and speedy passage of this transfer.

Mr. President, I ask unanimous consent that the text of this bill and the transmittal letter from the Office of Management and Budget be printed in the RECORD.

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

S. 3014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That (a) the Teacher Corps established in the Office of Education by subpart 1 of part B of Title V of the Higher Education Act of 1965, as amended (20 U.S.C. 1101–1107a), together with all members thereof, is hereby transferred from the Office of Education of the Department of Health, Education, and Welfare to the agency known as "Action" which was established by Reorganization Plan No. 1 of 1971.

(b) Members of the Teacher Corps enrolled pursuant to subpart 1 of part B of Title V of the Higher Education Act of 1965 (hereinafter referred to as "subpart 1") on the date the Teacher Corps is transferred to Action shall be transferred pursuant to subsection (a) without reduction in any right, benefit, or privilege to which they were entitled as members of the Teacher Corps immediately prior to such transfer.

(c) All arrangements, agreements, contracts, grants, allocations, rules, regulations, and other documents or actions made, taken, or issued by the Commissioner of Education or the Director or Deputy Director of the Teacher Corps pursuant to subpart 1 and in effect at the time of the transfer of the Teacher Corps pursuant to subsection (a) of this section shall remain in effect according to their terms until modified or terminated pursuant to subpart 1.

SEC. 2. To the extent he deems it appropriate to carry out the purposes of this Act, the Director of the Office of Management and Budget is authorized to provide for the transfer to Action of the personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, or available to or in connection with the Teacher Corps established by subpart 1.

SEC. 3. On and after the date of the transfer of the Teacher Corps to Action pursuant to subsection (a) of the first section of this Act, references in subpart 1 to the "Commissioner" shall be deemed to be references to the "Director of Action," and references to the "Office of Education" shall be deemed to be references to "Action." After such transfer, the Director of Action shall be authorized to exercise any power or perform any function which the Commissioner or the Director of the Teacher Corps was authorized to exercise or perform under the provisions of subpart 1 immediately before such transfer of the Teacher Corps.

SEC. 4. The transfer of the Teacher Corps authorized by subsection (a) of the first section of this Act shall become effective at such time, not more than ninety days after the date of enactment of this Act, as the President shall prescribe.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., December 14, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am herewith transmitting a proposed bill entitled "To Transfer the Teacher Corps to Action." It is requested that the Congress give prompt consideration to this proposed legislation.

On March 24, 1971, the President submitted Reorganization Plan No. 1 of 1971 for the consideration of the Congress. That plan became effective on July 1, 1971, and consolidated into a new volunteer agency known as Action, the Volunteers in Service to America (Vista), Retired Senior Volunteer Program (RSVP), Foster Grandparents Program, Service Corps of Retired Executives (Score) and Active Corps of Executives (ACE).

In the message that accompanied Reorganization Plan No. 1 of 1971, the President announced his intent to transfer the Peace Corps and Office of Voluntary Action to the new agency by Executive Order. Those transfers have been accomplished by Executive Order No. 11603 of July 1, 1971.

In addition, the President declared his intention of submitting legislation providing for the transfer of the Teacher Corps from the Department of Health, Education, and Welfare to the new agency. The enclosed bill is designed to accomplish that transfer.

The Teacher Corps was created in 1965 mainly as a teacher training program. In 1970, the Teacher Corps legislation was amended to provide administrative support and training for part-time and full-time volunteers to assist community-based education programs such as youth and parent tutoring. For the next few years, there will be a growing need for volunteer services in education, particularly in organizing and

supervising projects of service-learning in which students combine their formal educational activities with service to their communities. We believe that the Teacher Corps could better perform these duties within the volunteer agency Action.

Further, the experience of the past three years indicates that many of the activities of the Peace Corps, VISTA, and the Teacher Corps complement each other and can be better managed and coordinated if combined within one agency. In 1968, the Peace Corps, VISTA and the Teacher Corps began collaboration in recruitment. In 1970, the Peace Corps and Teacher Corps joined in the development of a program in which Corps members first serve a year in a United States school while preparing for Peace Corps service abroad, and then, while serving in schools in developing nations, continue in a two-year program of training developed by a U.S. university which prepares them for jobs in U.S. schools and communities upon their return home. These joint programs have never fulfilled their potential because of problems of interagency communication and coordination.

In addition, the Economic Opportunity Amendments of 1967 called for joint VISTA/Teacher Corps programs in correctional institutions. Though the initial programs were well regarded, the problems of inter-agency programming led to their abandonment. Transfer of the Teacher Corps to Action should overcome these problems.

In sum, the transfer of the Teacher Corps to Action would eliminate the cumbersome interagency agreements currently required for joint recruitment, as well as eliminate overlapping activities. Most importantly, the transfer would strengthen both Action and the Teacher Corps, making it possible for each to serve the needs of our people better through volunteer programs.

Enactment of this legislation would be in accord with the program of the President.

Sincerely,

FRANK CARLUCCI,
Associate Director.

By Mr. NELSON (for himself and Mr. PROXMIRE):

S. 3015. A bill to provide a temporary district judgeship for the U.S. District Court for the Western District of Wisconsin. Referred to the Committee on the Judiciary.

Mr. NELSON. Mr. President, for the last several years, the workload of the U.S. District Court for the Western District of Wisconsin has increased at an overwhelming rate.

For that reason, Mr. PROXMIRE and I are submitting a bill requesting a temporary additional judgeship for that district.

Figures recently released by the Administrative Office of the U.S. Courts show that this single judge district leads the Nation in work. Based on the weighted caseload per judgeship index, western Wisconsin had 577. The next busiest district had 125 fewer index cases and the national average for the 382 Federal district judgeships was almost half, at 307.

The only other single judge districts are Maine, New Hampshire, and Wyoming and their totals reflect a substantially smaller workload. Maine 359, New Hampshire 270, and Wyoming 275.

The backlog and work are increasing rapidly. Over the past fiscal year, the backlog increased 39 percent. The increase in new filings increased 80.2 percent between 1968 and 1970.

In a letter from Mr. Clyde Cross, president of the State bar of Wisconsin, he stated:

We are aware of the omnibus, four-year cycle plan for bills creating new judgeships, and in deference to it we have withheld any effort to acquire a second judgeship up to now. However, a bad situation is rapidly becoming desperate, and we respectfully submit that emergency measures are necessary to prevent substantial denials of justice.

If we wait for the omnibus cycle, it could be 1½ to 3 years before the western district of Wisconsin has a new judgeship.

In the interests of justice, the sooner we have another judgeship, the sooner the delays will be eliminated.

I ask unanimous consent that supporting statistics from the Administrative Office of the U.S. Courts and a letter from the State bar be printed in the RECORD.

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

STATE BAR OF WISCONSIN,
OFFICE OF THE PRESIDENT,
Baraboo, Wis., October 7, 1971.

Senator GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: The Board of Governors of the State Bar of Wisconsin have unanimously adopted a resolution urging the immediate creation of a second federal judgeship for the Western District of Wisconsin.

I am sure that you are aware of the very great and dramatically increasing case load imposed upon Judge Doyle, and the obvious necessity for action. A copy of the up-to-date statistics is enclosed.

We are aware of the omnibus, four-year cycle plan for bills creating new judgeships, and in deference to it we have withheld any effort to acquire a second judgeship up to now. However, a bad situation is rapidly becoming desperate, and we respectfully submit that emergency measures are necessary to prevent substantial denials of justice.

We are also aware that there has been some legislative action on this, but we do not know its present status.

We most earnestly solicit your help in this, and we seek your advice as to what we can do to help to accomplish this vital objective.

Very truly yours,

CLYDE C. CROSS,
President.

1971 ANNUAL REPORT OF THE DIRECTOR, ADMINISTRATIVE OFFICE OF THE U.S. COURTS

WEIGHTED CASELOAD PER JUDGESHIP, WESTERN WISCONSIN 1968–71

	Total	Criminal	Civil
1968:			
National average	265	58	207
Western Wisconsin	245	20	225
1969:			
National average	289	65	225
Western Wisconsin	307	32	275
1970:			
National average	277	63	214
Western Wisconsin	465	95	370
1971:			
National average [1]	307	90	217
Western Wisconsin	577	149	428

[1] The weighted caseload index has been revised as of 1971.

TABLE 35.—U.S. DISTRICT COURTS HAVING [1] WEIGHTED CASELOADS PER JUDGESHIP GREATER THAN NATIONAL AVERAGE OF 307, FISCAL YEAR 1971

District	Number of judgeships June 30, 1971	Weighted caseload per judgeship: Civil	Criminal	Total
89 districts	382	217	90	307
Wisconsin, Western	1	428	149	577
Virginia, Eastern	6	297	155	452
Massachusetts	6	363	85	448
California, Eastern	3	205	238	443
Tennessee, Eastern	3	343	88	431
California, Southern	5	84	337	421
Texas, Southern	8	225	192	417
Texas, Western	5	190	218	408
Arizona	5	158	241	399
Missouri, Western	4	294	104	398
Alabama, Northern	4	291	95	386
Tennessee, Middle	2	258	125	383
Florida, Southern	7	274	108	382
Minnesota	4	283	98	381
Texas, Northern	6	294	82	376
Oregon	3	290	83	373
Louisiana, Eastern	10	309	63	372
Virginia, Western	2	258	111	369
Illinois, Northern	13	297	72	369
Maine	1	225	134	359
Kansas	4	259	100	359
Puerto Rico	3	302	55	357
Washington, Western	3⅕	234	122	356
Florida, Middle	6	251	105	356
Arkansas, Eastern	2	262	88	350
Oklahoma, Northern	1⅗	281	60	341
Texas, Eastern	3	300	41	341
Georgia, Northern	6	250	91	341
Michigan, Western	2	271	69	340
Georgia, Middle	2	190	148	338
Indiana, Northern	3	255	81	336
California, Central	16	202	133	335
Alabama, Southern	2	287	46	333
New York, Eastern	9	177	156	333
Indiana, Southern	4	225	106	331
North Carolina, Western	2	175	151	326
Louisiana, Western	4	229	97	326
New York, Northern	2	258	64	322
Alabama, Middle	2	214	107	321
Kentucky, Eastern	2½	187	134	321
Oklahoma, Western	2⅔	239	81	320
Georgia, Southern	2	179	139	318
Iowa, Southern	1½	229	82	311
Mississippi, Northern	2	237	80	317
Ohio, Northern	8	213	104	317
Colorado	4	232	78	310
Missouri, Eastern	4	212	98	310

[1] Based on 1971 revisions of weighted caseload index.

REDUCING CIVIL BACKLOGS

While the national civil case inventory grew by 7.3 percent this year, the comparable statistic in individual districts ranged far above and below this national figure. (See Table 13). Actually, 24 districts managed to have fewer cases pending at the end of the year than at the beginning, which is a better picture than last year, when only 13 districts could make such a claim.

The half dozen courts experiencing the largest backlog decrease, as well as those with the largest increase were:

BACKLOG DECREASE

District	Percent	Number of cases
Florida, northern	19	35
Pennsylvania, western	18	425
New Mexico	18	63
Tennessee, middle	15	93
Oklahoma, eastern	14	22
District of Columbia	15	709
Massachusetts	53	1,011
New Hampshire	45	68
Wisconsin, western	39	131
Michigan, western	38	137
Texas, eastern	36	235
Rhode Island	36	83

TABLE 13.—CIVIL CASES COMMENCED AND TERMINATED IN THE U.S. DISTRICT COURTS FISCAL YEARS 1969 AND 1971

District and fiscal year	Pending July 1	Commenced	Terminated	Pending June 30	Percent change over July 1
Total:					
1969	82,482	77,193	73,354	86,321	4.7
1970	86,321	87,321	80,435	93,207	8.0
1971	93,207	93,396	86,563	100,040	7.3
7th circuit:					
1969	4,358	5,526	5,222	4,662	7.0
1970	4,662	6,173	5,402	5,433	16.5
1971	5,433	7,045	6,315	6,163	13.4
Wisconsin—Western:					
1969	198	256	247	207	4.5
1970	207	351	220	338	63.3
1971	338	432	301	469	38.8

TABLE 23.—CRIMINAL CASES COMMENCED AND TERMINATED IN THE U.S. DISTRICT COURTS FOR THE FISCAL YEARS 1969, 1970, AND 1971

District and fiscal year	Pending July 1	Commenced	Terminated	Pending June 30	Percent change over July 1
Total:					
1969	14,763	35,413	32,406	17,770	20.4
1970	17,770	39,959	36,819	20,910	17.7
1971	20,910	43,157	39,582	24,485	17.1
7th circuit:					
1969	768	1,739	1,587	920	19.8
1970	920	1,994	1,660	1,254	36.3
1971	1,254	2,370	1,982	1,642	30.9
Wisconsin—Western:					
1969	30	70	53	47	56.7
1970	47	141	81	107	127.7
1971	107	141	118	130	21.5

HIGHLIGHTS *

SEVENTH CIRCUIT COURT OF APPEALS

There were modest increases in all appeals workload categories . . . Cases under submission went from zero to 13 . . . District filings per circuit judgeship increased but remained significantly below corresponding ratios for all circuits.

DISTRICTS

Wisconsin, Western—Had the circuit's most sizeable and steady increase in new filings over last five years . . . There were dramatic increases in actions per judgeship . . . The district's 1970 figures for civil filings, pending cases, weighted caseload, and cases terminated were all the largest per judgeship scores in the circuit . . . Simultaneously, median interval from civil filing to disposition was shortest in the circuit—sharply scaled down to six months from 11 months two years ago.

* From the 1970 Report to the Seventh Circuit Council by the Director of the Administrative Office of the United States Courts

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[From the Milwaukee Journal, Nov. 18, 1971]

DOYLE COURT CASELOAD RANKS HIGHEST IN UNITED STATES

MADISON, WIS.—The Federal Court for the Western District of Wisconsin, presided over by Judge James E. Doyle in Madison, has the highest weighted caseload in the country, according to the Administrative Office of the United States Courts.

Joseph W. Skupniewitz, clerk of the court in Madison, said the office had just released a report showing a weighted caseload per judge of 577 for the court—about 28% higher than the next district court on the list and 88% higher than the national average. The report is for the 1970–'71 fiscal year which ended last July 1.

CIVIL CASES LONGER

The weighted caseload category takes into account the number of criminal and civil cases filed, as well as the complexity of the cases and the amount of time each case takes.

"Generally civil cases take longer than criminal and antitrust cases take longer than automobile accident cases," he said.

The table showed a weighted caseload of 428 in civil cases and 149 in criminal cases for Doyle, compared with a national average of 307 as the total weighted caseload, 218 in civil cases and 90 in criminal cases.

2 OTHER SINGLE DISTRICTS

Of the 89 US District Courts in the country, 47 are above the national average and 42 are below. Doyle's court is only one of two district courts above the average to which only one judge is assigned. The other is the Maine District Court where the weighted caseload total is 359.

The other two single judge district courts are Wyoming with a weighted caseload total of 275 and New Hampshire with 275.

The second highest weighted caseload per judge is for the Eastern District of Virginia, with a figure of 452. There are six judges assigned to that district.

The figure for the eastern district of Wisconsin is 283.

The report by the Administrative Office undoubtedly will lend more impetus to efforts to have a second federal judge appointed for the western district of Wisconsin. Such a proposal recently was rejected by a House of Representatives committee.

The report almost surely will insure that authority for a second judge will be proposed in an omnibus court bill submitted to the Congress, Skupniewitz said.

Doyle's court also ranked third in the 1970–'71 fiscal year in the percentage increase in backlog, according to the report. It showed an increased backlog of 131 cases, or an increase of 39%. Massachusetts District Court showed an increased backlog of 1,011 cases or 53% and the New Hampshire Court had an increased backlog of 68 cases or 45%.

[From the Portage Daily Register, Nov. 19, 1971]

DOYLE'S CASELOAD HEAVIEST IN NATION

MADISON.—U.S. Judge James E. Doyle of Madison has the heaviest caseload of any federal judge in the nation, according to a report of the administrative office of the U.S. courts.

The office tabulated the caseloads for the fiscal year ending June 30, 1971, and measured the caseloads on evaluating the difficulty of the cases.

Doyle was given 577 points as his caseload. The second heaviest was in the Eastern Virginia District which had 452 points.

A Massachusetts district was third with 448 and Eastern California with 443 points.

There are 89 federal court districts in the country.

By Mr. STEVENS:

S. 3017. A bill to amend section 5303 (a) of title 5, United States Code, to authorize higher minimum pay rates for certain additional Federal positions. Referred to the Committee on Post Office and Civil Service.

HIGHER PAY FOR CERTAIN FEDERAL EMPLOYEES

Mr. STEVENS. Mr. President, the legislation I am proposing would provide legal basis to adequately pay Federal employees performing unusually demanding services.

Certain governmental occupations require a high degree of specialized training and experience and are characterized by heavy responsibility and extraordinary work shifts. Yet, employees doing these jobs are not compensated accordingly, simply because there is no mechanism to compare their pay with others in the labor market.

Under the present Federal pay schedule higher wages may be paid certain employees when the President finds that rates for comparable jobs in private enterprise are substantially higher than Government levels. Such adjustments are necessary to recruit and retain qualified people. A significant gap exists where the service is so uniquely governmental that there are few, if any, comparable civilian occupations.

I propose to expand existing authority, section 5303(a) of title 5, United States Code, to provide that when the President finds a Government occupation is so unique that no comparison may be drawn with private enterprise, but higher minimum rates are warranted, those higher minimum rates may be established.

A case in point is seen in the air traffic controller, whose Government employment daily places in his hands a profound responsibility for human life and property. The controller works odd hours and endures both physical and mental strain. However, because parallel activities are not represented in the nongovernmental labor force, air traffic controllers do not receive what can be considered an honest level of pay for what they do. The field is becoming less attractive for potential controllers, while the need for professional caliber controllers is growing. This is but one example within the full spectrum of Federal employment, but I think it is sufficiently vivid to support the need for early favorable action on this legislation.

By Mr. INOUYE:

S. 3018. A bill to amend title II of the Social Security Act to permit, in certain cases, a woman who in good faith has gone through a marriage ceremony with an individual, to be considered the widow of such individual even though, because of a legal impediment, such woman is not legally married to such individual. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, I am introducing today for appropriate references a bill that would amend title II of the Social Security Act to permit, in certain cases, a woman who in good faith has gone through a marriage ceremony with an individual, to be considered the widow of that individual in spite of legal impediments that legally invalidate that marriage.

Under present law a woman who marries a man in good faith and according to prescribed law can be deprived of her widow's rights if her purported husband was revealed to have left claimants from his first, legal marriage which was never

formally dissolved. This would be true even if his "second widow" married him in good faith and spent most of her life caring and working for him. The current law does permit her to collect benefits in spite of this invalid marriage, but only in cases where the legal widow predeceased her husband.

From time to time a situation arises where a second widow applies for benefits only to discover that her late husband's legal wife has also applied for them. Under the Social Security Act she has no right or recognizable claim whatsoever. This problem is particularly acute in my State of Hawaii where, because of our insular location, it is difficult for a spouse to confirm her husband's former marital status.

This is, I believe, a gross inequitable situation. In most cases the second widow will be an elderly woman who may be incapable of caring for herself. She may have devoted herself to her husband's welfare most of her life only to find herself destitute and alone because of this restriction in the act.

The bill that I am introducing today will amend section 216 of the Social Security Act to allow a second widow to collect whether or not the legal widow is alive. Second, it will amend section 203 to exempt the second widow from the maximum imposed on family allowances since the ceiling applies only to the first, or legal, family. However, if for some reason the legal widow's benefits are reduced, the second widow's benefits would decline by a commensurate amount in order to avoid the situation in which the second widow would be receiving higher benefits than the legal widow.

Mr. President, I am cognizant that this is not a serious problem for most social security recipients. However, it does present an intolerable situation for all second widows who may have no, or minimal, income other than social security benefits. I urge the Congress to act to prevent further deprivation of benefits to women who find themselves in this unfortunate and painful dilemma.

By Mr. LONG:

S. 3019. A bill to amend title XV of the Social Security Act so as to include therein certain provisions designed to prevent parents of children, who are receiving aid under State plans approved under such title, from evading their financial and other parental responsibilities toward such children, and for other purposes. Referred to the Committee on Finance.

THE WELFARE MESS: A SCANDAL OF ILLEGITIMACY AND DESERTION

Mr. LONG. Mr. President, by this time I am sure all of my colleagues are painfully aware of the precipitous caseload increases that have taken place in the program of aid to families with dependent children generally over the past decade, and in particular during the last 3 years. In December 1960 there were 3.1 million recipients of aid to families with dependent children. The number of recipients passed the 4 million mark in early 1964, and increased to 5 million in the summer of 1967. But by the middle of 1971, only 4 years later, the number had grown to more than 10 million.

Why have the AFDC rolls increased so rapidly? Unfortunately, there is no solid information on which to base an answer. Though the Department of Health, Education, and Welfare has had the authority for some years to conduct research in the welfare area, they have never chosen to direct their research efforts to answering this major question. For the life of me, I cannot understand how they could offer a bill like H.R. 1 as a welfare reform without first analyzing the causes of welfare's growth rate.

But whether or not we know why welfare rolls have grown from the standpoint of human motivation, we do have a partial answer at least in terms of statistics developed by the Department of Health, Education, and Welfare. In 1961, 1967, and again in 1969 the Department conducted a detailed survey of what kinds of families make up the AFDC rolls. These years are well chosen: 1961 marks the beginning of a period of substantial growth in the rolls; 1967 began our current period of explosive growth; and the 1969 survey shows the caseload characteristics after 2 years of this explosive growth.

Aid to families with dependent children offers welfare payments to families in which the father is dead, absent, disabled, or, at the State's option, unemployed. When the AFDC program was first enacted in the 1930's, death of the father was the major basis for eligibility. With the subsequent enactment of survivor benefits under the social security program, however, the portion of the caseload eligible because of the father's death has grown proportionately smaller, from 42 percent in 1940 to 7.7 percent in 1961, and 5.5 percent today. The percentage of AFDC families in which the father is disabled has diminished from 18.1 percent in 1961 to 11.5 percent in 1969. Families with unemployed fathers, representing 5.2 percent of the AFDC caseload in 1961, made up 4.8 percent of the caseload in 1969.

ABSENT FATHERS

It is those families in which the father is absent from the home that the most substantial growth has occurred. As a percentage of the total caseload, AFDC families in which the father was absent from the home increased from 66.7 percent in 1961 to 74.2 percent in 1967 and to 75.4 percent in 1969.

Startling as they are, the percentage increases are not as dramatic as the increases in numbers of recipients. In 1961, 2.4 million persons were receiving AFDC because the father was absent from the home. By 1967, that figure had grown to 3.9 million, and by 1969 to 5.5 million.

Applying that same percentage to the caseload today, we find that more than 7½ million persons are receiving AFDC today because of the father's absence from the home. In the past 3 years, families with absent fathers have contributed more than 3 million additional recipients to the AFDC rolls.

DESERTION

What kinds of families are these in which the father is absent from the home? Basically, these represent situations in which the marriage has broken up or in which the father never married the mother in the first place. In 43.3 percent of the AFDC families on the rolls in 1969, the father was either divorced or legally separated from the mother, separated without court decree, or he had deserted the family. Desertion represented the largest category, constituting 15.9 percent of the total number of AFDC families in 1969. Applying that percentage to the caseload today, this means that well over 1½ million welfare recipients are getting AFDC because the father has deserted.

ILLEGITIMACY

The largest single cause of AFDC eligibility is illegitimacy, and this has been the fastest growing category in recent years. In 21.3 percent of the families receiving AFDC in 1961, the mother was not married to the father of the child.

By 1969, this proportion had grown to 27.9 percent. Applying that percentage to the present caseload, we find that well over 2½ million AFDC recipients today are found in families where the father is not married to the mother. This is a shocking indictment of American morality.

Increasing family breakup and illegitimacy is similarly indicated in data from the 1970 census. These statistics show that more children are now growing up with one or more parent absent than was the case in 1960. The past decade has also seen an increase in the number of married women separated from their husbands. Yet, even larger than these increases has been the rise in the percentage of illegitimate births from 1960 to 1970.

I ask unanimous consent to have printed at the end of my statement an article published in the Washington Star describing the census statistics that I have mentioned.

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

(See exhibit 1).

Mr. LONG. These two factors then, of family break-up and illegitimacy, have contributed the major portion of the phenomenal growth of the AFDC rolls over the last few years in the Nation as a whole. The figures can be even more dramatic when booked at on a State-by-State basis.

A NATIONAL DISGRACE

According to the statistics, 18.1 percent of the AFDC families were on welfare in 1967 because the father had deserted. But in New York and New Jersey, the two States with the highest AFDC payment levels—where welfare is a comfortable way of life—the percentages of desertions were 31.4 percent and 32.4 percent, respectively.

Nationwide, illegitimacy represented the basis of eligibility for 26.8 percent of the AFDC families in 1967. In the District of Columbia, however, the father was not married to the mother in 41 percent of the families.

I ask unanimous consent, Mr. President, that a table showing this information by State be printed at this point in the RECORD.

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

AFDC FAMILIES BY STATUS OF FATHER WITH RESPECT TO THE FAMILY, 1967: FATHER ABSENT FROM HOME

State and census division	Total families	Father absent from home							
		Total	Parents divorced	Parents legally separated	Parents separated without court decree	Father has deserted	Father not married to mother	Father in prison	Other reason
Total:									
Number	1,278,273	948,470	161,277	34,211	123,376	231,758	342,060	38,178	17,610
Percent	100.0	74.2	12.6	2.7	9.7	18.1	26.8	3.0	1.4
New England	68,685	80.1	20.6	7.3	14.1	12.1	22.6	2.2	1.1
Maine	5,874	79.0	41.6	2.4	7.3	5.8	19.1	2.1	.7
New Hampshire	1,402	86.2	36.9	5.4	17.1	13.1	10.8	1.7	1.0
Vermont	2,105	77.0	25.9	4.8	10.6	12.1	18.8	3.1	1.7
Massachusetts	35,958	78.2	20.9	9.2	14.7	10.7	20.0	1.9	.9
Rhode Island	7,501	77.5	17.7	8.7	17.0	9.3	21.1	2.3	1.4
Connecticut	15,845	85.7	11.4	4.6	14.2	18.7	32.3	2.8	1.5
Middle Atlantic	300,050	78.9	4.9	3.0	9.9	28.3	28.7	2.6	1.5
New York	196,218	79.5	4.3	3.4	8.9	31.4	27.5	2.5	1.6
New Jersey	36,176	88.8	5.3	2.3	11.3	32.4	33.7	2.5	1.2
Pennsylvania	67,656	71.8	6.3	2.2	12.3	17.2	29.7	2.9	1.3
East North Central	182,619	82.0	16.1	3.3	10.0	15.6	32.6	3.1	1.2
Ohio	53,479	80.2	15.9	3.3	10.7	14.2	30.8	4.1	1.3
Indiana	12,172	81.9	25.6	8.3	6.3	11.1	24.9	4.4	1.3
Illinois	57,903	84.0	9.8	1.5	7.3	23.9	37.6	2.6	1.2
Michigan	44,455	84.0	18.6	3.3	15.9	10.3	32.9	2.0	1.0
Wisconsin	14,610	74.3	26.8	6.2	3.5	8.0	25.0	3.4	1.4
West North Central	74,940	73.7	27.2	2.5	8.2	10.8	21.2	2.2	1.6
Minnesota	15,929	70.2	36.9	4.6	5.3	5.0	16.2	1.3	1.0
Iowa	11,795	75.3	37.1	1.4	7.3	10.3	15.0	2.5	1.8
Missouri	26,729	75.1	16.9	.8	11.1	15.5	26.9	2.4	1.6
North Dakota	2,312	68.7	27.3	2.9	5.7	10.5	18.1	1.7	2.5
South Dakota	3,706	74.0	24.6	2.5	9.1	9.3	25.2	2.1	1.2
Nebraska	5,509	81.7	31.0	6.0	8.3	10.5	22.2	2.0	1.7
Kansas	8,960	69.6	26.0	3.1	6.4	9.1	19.5	3.5	2.0
South Atlantic	163,011	70.0	5.6	1.4	7.8	22.3	27.8	3.8	1.4
Delaware	3,818	78.5	4.6	4.1	11.9	24.4	29.1	3.1	1.3
Maryland	26,443	78.6	3.4	1.7	16.6	20.1	31.7	3.3	1.8
District of Columbia	5,341	85.3	1.9	.7	12.4	24.3	41.0	3.6	1.3
Virginia	10,153	76.2	6.2	1.5	6.5	22.9	33.4	5.3	.4
West Virginia	20,887	43.0	6.5	1.4	1.5	13.1	18.3	1.5	.7
North Carolina	26,098	72.3	4.1	1.1	5.9	20.9	34.2	4.8	1.4
South Carolina	6,996	49.6	.9	.2	1.2	28.3	11.1	7.9	0
Georgia	25,941	63.9	5.9	1.0	6.2	24.7	18.5	5.0	2.5
Florida	37,334	80.7	9.1	1.6	8.0	26.3	31.9	2.6	1.3
East South-Central	92,146	65.5	9.3	.7	3.3	17.4	31.1	2.8	1.0
Kentucky	26,804	61.9	13.3	1.0	0	15.5	28.4	3.3	.4
Tennessee	23,535	70.1	12.8	.6	4.6	15.6	32.0	3.5	1.0
Alabama	18,137	68.5	5.9	1.0	6.5	17.5	32.7	2.9	2.0
Mississippi	23,671	62.8	4.0	.1	3.3	21.2	32.1	1.3	.9
West South-Central	85,060	68.7	13.9	1.3	9.7	13.5	25.9	3.3	1.1
Arkansas	9,233	63.2	10.6	.9	7.3	14.8	26.4	2.6	.5
Louisiana	27,156	64.3	5.1	1.4	12.9	13.0	27.2	3.3	1.3
Oklahoma	22,316	69.5	24.3	1.1	8.4	6.5	26.7	1.7	.9
Texas	26,355	74.4	15.2	1.6	8.3	19.6	23.7	4.9	1.1
Mountain	48,637	71.5	22.8	1.8	7.1	14.3	21.3	2.8	1.5
Montana	2,495	72.9	31.7	.8	5.0	9.4	21.0	3.0	2.0
Idaho	3,047	83.2	43.0	1.6	6.3	13.4	16.3	1.1	1.4
Wyoming	1,220	80.5	39.4	1.2	6.5	9.0	18.5	2.7	3.3
Colorado	13,951	66.8	19.4	2.1	9.5	15.2	16.1	3.8	.8
New Mexico	9,396	73.0	18.9	1.6	5.7	12.8	30.4	2.1	1.6
Arizona	10,208	74.3	14.9	1.2	6.8	21.4	25.3	3.3	1.4
Utah	6,672	63.5	31.5	2.9	4.6	7.3	12.6	1.7	2.7
Nevada	1,648	86.4	23.1	1.3	10.8	14.5	33.7	2.2	.8
Pacific	225,275	73.8	18.2	3.3	13.6	7.7	25.6	3.6	1.6
Washington	15,867	76.2	30.2	3.6	11.3	9.8	16.3	2.5	2.5
Oregon	10,206	74.0	25.5	1.2	14.7	9.2	17.7	2.7	3.0
California	193,336	73.8	16.7	3.4	13.9	7.6	27.0	3.8	1.4
Alaska	1,717	61.4	17.6	.9	5.5	5.1	27.6	3.2	1.5
Hawaii	4,649	69.9	25.2	2.5	6.8	4.6	25.1	1.7	4.0
Puerto Rico	37,458	46.7	2.4	.4	4.0	35.9	1.1	1.5	1.5
Virgin Islands	393	81.2	3.8	1.5	1.9	57.3	8.7	3.1	5.3

We do not know if any mothers receiving AFDC continue having illegitimate children for the sake of increasing their welfare payments. But the study conducted by the Department of Health, Education, and Welfare shows an astounding amount of multiple illegitimacies. In the 1969 study 721,000 families—44 percent of all families on AFDC—had illegitimate children. Of this total, 346,000 had one illegitimate child, 174,800 had two illegitimate children, and 89,500 had three illegitimate children. There were even 1,300 families with 10 or more illegitimate children.

I ask unanimous consent that a table prepared by the Department of Health, Education, and Welfare on AFDC families by number of illegitimate recipient children be inserted at this point in the RECORD.

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

AFDC FAMILIES WITH SPECIFIED NUMBER OF ILLEGITIMATE RECIPIENT CHILDREN, 1969

Number of children	Number	Percent
Total	1,630,400	100.0
None	906,900	55.6
1	346,600	21.3
2	174,800	10.7
3	89,500	5.5
4	50,500	3.1
5	27,100	1.7
6	15,200	.9
7	10,200	.6
8	4,200	.3
9	2,200	.1
10 or more	1,300	.1
Not reported	1,900	.1

Source: Department of Health, Education, and Welfare.

Mr. LONG. Mr. President, with statistics like these mirroring today's welfare rolls, the administration must recognize that illegitimacy and family breakup are social problems that have made a major contribution to the recent precipitous increases in the welfare rolls.

H.R. 1—NO SOLUTION

I am sorry to say, however, that the administration's original welfare proposal submitted to the Congress in 1969 did nothing to deal with this issue; in some ways, the bill would have aggravated the situation. And this year's bill is no better.

Mr. President, I have already analyzed for the Senate the true nature of the administration's welfare expansion bill in a Senate speech entitled "Welfare reform—Or is it?" In that speech, which apears in the CONGRESSIONAL RECORD of August 6, 1971. I pointed out how the administration bill totally failed to deal with either of the two principal causes of the welfare crisis—the work incentive and the broken home.

In significant respects, the administration's plan, which is nothing less than a guaranteed annual income, actually makes the welfare mess worse—stifling

the work ethic by providing larger payments to those who do no work at all, and encouraging family breakup and illegitimacy with financial rewards.

Let me urge my colleagues to read my August remarks. I will have more to say at a later time regarding the work incentive and the high level of welfare cheating in America. But today, let me offer at least a partial solution to the problems of desertion and illegitimacy.

Family breakup and illegitimacy are issues we must deal with. Let me quote from an article entitled "The Crisis in Welfare" which was written by Daniel P. Moynihan in 1968:

> While minority group spokesmen are increasingly protesting the oppressive features of the welfare system and liberal scholars are actively developing the concept of the constitutional rights of welfare recipients with respect to such matters as man in the house searches, it is nonetheless the fact that the poor of the United States today enjoy a quite unprecedented de facto freedom to abandon their children in the certain knowledge that society will care for them and, what is more, in a State such as New York, to care for them by quite decent standards. Through most of history a man who deserted his family pretty much assured that they would starve or near to it if he was not brought back, and that he would be horsewhipped if he were. Much attention is paid to the fact that the number of able-bodied men receiving benefits under the AFDC program is so small . . .
>
> Now a working-class or middle-class American who chooses to leave his family is normally required first to go through elaborate legal proceedings and thereafter to devote much of his income to supporting them. Normally speaking society gives him nothing. The fathers of AFDC families, however, simply disappear. Only a person invincibly prejudiced on behalf of the poor would deny that there are attractions in such freedom of movement.

That is what was said by Daniel P. Moynihan, the President's family assistance adviser in 1969 and 1970.

Mr. Moynihan cites as a necessary element for welfare reform "a sharp curtailment of the freedom now by and large enjoyed by low-income groups to produce children they cannot support and, in the case of family heads, to abandon women and children they are no longer willing to live with."

ELEMENTS OF THE LONG BILL

Historically, the Congress has attempted to deal with the problems of desertion and illegitimacy over the years but, it must be admitted, with small success. I am introducing today a bill designed to combat these two problems.

In my opinion, a solution to the problem of family desertion and illegitimacy will do more to correct the welfare mess than any other action we can take. Paternity and support suits enforced by the Federal Government can create a semblance of responsibility and discipline in an area where irresponsibility and permissiveness have too long prevailed.

Present law requires that the State welfare agency undertake to establish the paternity of each child receiving welfare who was born out of wedlock, and to secure support for him; if the child has been deserted or abandoned by his parent, the welfare agency is required to secure support for the child from the deserting parent, utilizing any reciprocal arrangements adopted with other States to obtain or enforce court orders for support. The State welfare agency is further required to enter into cooperative arrangements with the courts and with law enforcement officials to carry out this program. Access is authorized to both social security and Internal Revenue Service records in locating deserting parents. But these measures have been shown to be inadequate.

In its consideration last year of ways to improve the welfare program, the Committee on Finance felt that the provisions of present law were useful and should be retained. However, it was clear that further action was necessary to permit more extensive involvement of the Federal Government in cases where the father is able to avoid his parental responsibility by crossing State lines.

CHILD DESERTION—A FEDERAL CRIME

First, the committee bill would have made it a Federal misdemeanor for a father to cross State lines in order to avoid his family responsibilities. The penalty under this provision was imprisonment for up to 1 year.

Today, despite the billions of dollars Uncle Sam is putting into the welfare program to care for needy children, desertion is not a Federal offense. In those States where it is a crime, a deserting parent simply moves to another State and places himself beyond the reach of the State whose law he is violating.

The law today makes it a simple matter for an unwilling parent to avoid his responsibilities, simply disappear, and leave his children to be paid for by the American taxpayers through the welfare system. By and large, these American taxpayers are living up to their own responsibilities, supporting their own children, and it is a brutally unfair law which requires them to also support the children of the deadbeats who abandon them to welfare. Knowing that Federal officials will be on their trail, and that they cannot avoid prosecution merely by crossing State lines, these people are going to think twice before deciding to shirk their responsibility toward their own children.

PARENTAL RESPONSIBILITY ENFORCED

Second, the committee bill would have provided that an individual who has deserted or abandoned his spouse, child or children shall owe a monetary obligation to the United States equal to the Federal share of any welfare payments made to the spouse or child during the period of desertion or abandonment. In those cases where a court has issued an order for the support and maintenance of the deserted spouse or children, the obligation of the deserting parent would be limited to the amount specified by the court order.

We felt we should continue to provide an incentive for States to seek to obtain a court order requiring the deserting parent to support his family. Therefore, under last year's committee bill, if the State has obtained a court order, the Federal Government would attempt to recover both the Federal and non-Federal share of welfare payments to the deserting father's family. If the State has not obtained a court order, the Federal Government would only attempt to recover the Federal share of the welfare payments.

The bill would also have provided that information regarding the whereabouts of the deserting individual would be furnished, on request, by the Federal Government to the deserted spouse, or to the guardian or custodian of the child or children deserted, or their counsel.

This creation of an obligation to reimburse the Federal Government for welfare payments to his children means that an errant father could no longer abandon his children on the taxpayer's doorstep and expect someone else to do for his children what he is unwilling to do.

The bill I am introducing today, Mr. President, incorporates these important provisions of last year's committee bill. It also makes two important additions to last year's committee bill.

A ROLE FOR THE TAX COLLECTOR

First, it provides for the collection of the deserting father's liability to the United States by the Internal Revenue Service through its tax collection procedures. The Senate passed such a provision in 1967, but it was taken out of the bill in conference because it was thought that locating the deserting father through tax records would be sufficient and from that point forward court orders could easily be enforced. Unfortunately, time has proven us wrong and a more effective device is called for. Using the tax collector as the Senate proposed in 1967 is an obvious choice.

This collection procedure is the key to enforcing the Federal obligation to repay amounts disbursed in welfare checks to a runaway father's family.

I know the tax collector feels his function should be limited to the collection of the Federal revenues but, in this instance, the payments he would be collecting are the direct equivalent of tax payments. Every dollar he collects in this way replaces a dollar of tax revenues which today is lost through the welfare system.

A ROLE FOR POVERTY LAWYERS

A second feature of my bill requires the maximum use of legal services lawyers in obtaining support orders on behalf of destitute mothers and children who have been abandoned.

In my opinion, this is the sort of work the poverty lawyers today should be engaged in. They should be helping destitute mothers and children obtain support payments from their absconding father. They should be out enforcing those support payments. In the past, these federally funded poverty lawyers have directed their efforts not to helping poor mothers and children get support money from the runaway father, but toward striking down good Federal laws and creating the welfare mess we have now. This feature of the amendment would permit these poverty lawyers to do the job for the poor that was contemplated when the legal program was established. The success they achieved in obtaining support money from runaway fathers would be directly offset by reductions in welfare costs.

ESTABLISHING PATERNITY

The bill I am introducing today also includes another provision from last year's committee bill, one intended to clarify congressional intent in view of a court interpretation very much out of step with congressional intent.

As I mentioned earlier, the Congress has written into the Social Security Act a provision requiring the State welfare agency—

In the case of a child born out of wedlock who is receiving aid to families with dependent children, to establish the paternity of such child.

Despite this clear legislative history, a U.S. district court in August 1969, ruled that a mother's refusal to name the father of her illegitimate child could not result in denial of Aid to Families with Dependent Children. The applicable State regulation was held to be inconsistent with the provision in Federal law that AFDC be "promptly furnished to all eligible individuals," on the grounds that the State regulation imposed an additional condition of eligibility not required by Federal law.

The dissenting opinion stated:

Unless the principle of personal parental responsibility is to be abandoned, as an obsolete cornerstone for gaging welfare eligibility, a full disclosure is a necessary and implied governmental prerogative, which requires the applicant to disclose all relevant information. Absent this personal responsibility and cooperativeness between the applicant-mother and the government, the effectiveness of the program would be seriously challenged because she is the sole source of this information; and without it the system designed to establish paternity could not function. . . .

Congress created this system which requires only the identity of the father, to allow enforcement officials with the assistance of the Internal Revenue Service and the social security files, to locate an absconding father. It is one of the very few occasions when the information in those records is statutorily made available for use outside the agencies' official business. Could it be that Congress contemplated this elaborate system would be paralyzed by an uncooperative applicant-mother who could still successfully insist that she be paid her full monetary allotment?

Our answer is an emphatic "no." Under the provision we wrote into the committee bill last year, the intent of the Congress that States must attempt to establish the paternity of a child born out of wedlock was reaffirmed by providing that the requirement that welfare be furnished "promptly" may not preclude a State from seeking the aid of a mother in identifying the father of the child.

Why should we not know who the father is? Why should not we identify him and prosecute him, if necessary, to get support money from him for his family? Why should we not do whatever we can to make him a more responsive parent toward his own children, despite his apparent preference for irresponsibility?

We have got to stop this ridiculous situation we find ourselves in today where most any man who wants to can avoid supporting his children by, in effect, depositing them on Uncle Sam's doorstep, expecting the taxpayer of America to pay his bills for him.

WELFARE ALLOWANCE FOR SUPPORT PAYMENTS

So, the bill I am introducing today provides for the identification of the father of illegitimate welfare children or applicants so his responsibility to his offspring can be determined and enforced. Indeed, it goes further. It would provide a positive incentive for abandoned mothers to identify the father and aid in securing support payments from him.

Under present law, we require that a portion of the earnings of welfare recipients be disregarded in determining the amount of the welfare payment in order to provide an incentive to work. My bill would extend the same treatment as it now accorded earned income to income regularly received as support payments from a husband who has deserted, if the payments are made pursuant to a court order. I hope this will serve as an incentive for these mothers to help us in seeking to require a father to meet his responsibility to support his family.

INCREASED FEDERAL MATCHING FOR FAMILY PLANNING

In previous legislation, Congress has also attempted to deal with the problem of growing illegitimacy. In 1962, Federal matching was increased from 50 to 75 percent for services aimed at reducing or preventing dependency; this could include family planning services and other services to combat illegitimacy. In 1965, the medicaid program was established, which provided a further mechanism for funding family planning services. In 1967, the Congress took a significant new step by requiring States as part of their AFDC program to establish a program to combat illegitimacy and by requiring them to offer family planning services to all appropriate AFDC recipients.

The progress which has been made under the 1967 amendments, unfortunately, has not met our hopes. The annual report by the Department of Health, Education, and Welfare covering family planning services includes information which makes clear that the mandate of the Congress that all appropriate AFDC recipients be provided family planning services has not been fulfilled.

Both the HEW report and testimony in hearings before the Finance Committee last year indicated that lack of the State and local 25-percent matching share had held back the expansion of family planning services. The bill I am introducing today, like last year's Senate social security bill, would increase Federal matching for family planning services from 75 to 100 percent.

My own State of Louisiana has taken the lead in providing family services to poor people. They have found tremendous positive response from women who for the first time in their lives have a chance to control their own fate. Women are all for family planning. If you do not believe me, then just ask them as I did. Basically, what we are talking about is equal rights—poor people ought to have the same ability to plan their families as do the middle class and the wealthy.

Not only would this family planning amendment enhance the future of the women whose lives it touches, but, in addition, Federal dollars invested today in family planning services will save us millions of dollars in future welfare costs.

Mr. President, the provisions of my bill would not solve the welfare problem. But they would represent an important first step by dealing responsively and responsibly with the two major causes of the explosive growth of the AFDC rolls in recent years.

EXHIBIT 1

CENSUS DATA ON BLACKS—BROKEN HOMES ON INCREASE

(By Philip Meyer)

Figures indicating an increase in broken homes among Negroes are turning up in new data published by the Census Bureau.

The census statistics also show educational and economic gains.

More nonwhite children now are growing up with one or both parents absent than were 10 years ago.

The same time period has also seen an increase in the number of nonwhite married women who are separated from their husbands.

In the case of whites, both of these broken-home indicators have held fairly constant in the last decade.

Earlier figures in both categories were cited in 1965 by Daniel Patrick Moynihan, then an assistant secretary of Labor, in a report that became highly controversial, "The Negro Family: The Case for National Action."

"At the heart of the deterioration of the fabric of Negro society is the deterioration of the Negro family," Moynihan wrote. "It is the fundamental source of the weakness of the Negro community at the present time."

One figure he cited then was 33.7 percent of nonwhite children under 18 not living with both parents. That figure was based on the 1960 census.

In March 1970, the Census Bureau's population survey found, 39.5 percent of nonwhite children had one or both parents missing.

Ten percent of white children were without one or both parents in 1960 and 10.9 percent in 1970.

Another set of figures listed by Moynihan showed that 13.8 percent of nonwhite married women were separated from their husbands in 1960, compared to 4.1 percent of white married women.

In 1970, the proportion of separated nonwhite women had crept up to 16.8 percent. Among white married women it still was 4.1 percent.

Both sets of figures came from the Census Bureau's Monthly Current Population Survey, which is based on a sample of 50,000 households and is subject to some error.

The illegitimacy rate has also increased for both whites and blacks since the Moynihan report noted that in 1963, 3 percent of white births and 24 percent of nonwhite births were illegitimate. The comparable 1968 figures are 5 percent for whites and 31 percent for nonwhites.

The Moynihan report cited 1963 income figures to show that the median nonwhite family income was only 53 percent of white family income. The Census Bureau's latest consumer income study shows that in 1969, nonwhite income was up to 63 percent of white income.

The gap between white and nonwhite unemployment is also narrowing. For most of the last decade, the unemployment rate for nonwhites has been more than twice the jobless rate for whites. In 1970, it was somewhat less than twice: 4.5 percent for whites and 8.2 percent for nonwhites.

Education has also improved for blacks. In 1960, only 40 percent of blacks between the ages of 20 and 24 had finished high school. In the 1970 figures, 65 percent of blacks in that age group had finished high school.

By Mr. BAYH (for himself and Mr. CRANSTON):

S. 3022. A bill to provide for the issuance of two-dollar bills bearing the portrait of Susan B. Anthony. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BAYH. Mr. President, today I am introducing with Mr. CRANSTON, my colleague from California, a bill to require the Department of Treasury to issue currency in the denomination of two-dollars, bearing the portrait of Susan B. Anthony. If passed, this bill would provide an appropriate formal commemoration of the contribution which women have made to this country.

As you may know, the proposal to issue two-dollar bills in large quantities is under serious consideration by the Department of Treasury. The idea has strong staff support, although the last two-dollar bill was not widely used.

However, I believe that if issued in sufficient quantity, two-dollar bills will be viewed as a convenience and more importantly, will present considerable savings in administrative costs. For example, there are now 3 billion notes of currency, half of which are one-dollar bills. If one-half of the one-dollar bills were to be converted to two-dollar bills, the Director of the Bureau of Engraving and Printing has estimated that savings to the taxpayers would amount to $2 million. For these reasons, I urge the Senate to direct the Secretary of the Treasury to issue these two-dollar bills as soon as possible.

My legislation would also require that the new bill bear a portrait of Susan B. Anthony, one of the outstanding reformers of the 19th century. Susan B. Anthony devoted her entire life to the women's suffrage movement, working with such other leaders as Amelia Bloomer, Lucretia Mott, Lucy Stone, and Elizabeth Cady Stanton. In 1869, Miss Anthony helped found the National Woman Suffrage Association and served as an officer until 1900 when she retired at the age of 80. Before her death, she had the satisfaction of seeing equal suffrage granted in four States and a measure of suffrage granted in others. In her will, Miss Anthony left all her savings to continue the cause to which she had devoted her life.

The proposal which I am introducing has the support of 26 women's organizations, representing over 50 million women in the country. Representative HALPERN'S identical bill has been endorsed by 32 Members of the House and 17 State Governors. I ask unanimous consent that a copy of the bill along with the names of its supporters be printed in the RECORD at the end of my remarks.

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

S. 3022

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that, in addition to such other currency as he is authorized to issue on the date of enactment of this Act, the Secretary of the Treasury is directed to issue United States currency in the denomination of two dollars and bearing the portrait of Susan B. Anthony in such form and design as the Secretary may determine appropriate.

WOMEN'S ORGANIZATIONS

1. National Council of Women (23 million women).
2. American Business Women's Association.
3. National Federation of Republican Women.
4. Federation of Jewish Women's Organizations.
5. National Council of Catholic Women.
6. American Baptist Women.
7. National Association of Women Artists.
8. Women United For the United Nations.
9. American Association for Health, Physical Education and Recreation.
10. National Council of Administrative Women in Education.
11. Women World War Veterans (2nd).
12. Association for Women's Active Return to Education.
13. International Association of Women Police.
14. Chinese Women's Association, Inc.
15. American Mothers' Committee, Inc.
16. Federation of Women Shareholders in American Business.
17. Women Strike For Peace.
18. National Association of Negro Business and Professional Women's Club, Inc.
19. B'nai B'rith Women.
20. American Medical Women's Association, Inc.
21. Association of American Women Dentists.
22. Unitarian Universalist Women's Federation.
23. Women's Overseas Service League.
24. National Women's Conference of the American Ethical Union.
25. National Association of Women Deans and Counselors.
26. Women's International League for Peace and Freedom.
27. National Federation of Business and Professional Women's Clubs, Inc.

HOUSE COSPONSORS

ALASKA

Nick Begich.

ARKANSAS

Bill Alexander, David Pryor.

CALIFORNIA

Phillip Burton, Augustus Hawkins, Peter McCloskey, Edward Roybal, Victor Veysey, Charles Wilson.

FLORIDA

Claude Pepper.

HAWAII

Spark Matsunaga, Patsy Mink.

ILLINOIS

George Collins.

INDIANA

Ray Madden.

KANSAS

William Roy.

KENTUCKY

Romano Mazzoli.

MAINE

William Hathaway.

MARYLAND

Edward Garmatz, Gilbert Gude, Parren Mitchell.

MASSACHUSETTS

Edward Boland, James Burke, Michael Harrington, Margaret Heckler, Louise Day Hicks, Brad Morse.

MICHIGAN

Martha Griffiths.

MINNESOTA

Donald Fraser, Bill Frenzel.

MISSOURI

Jim Symington.

NEBRASKA

John McCollister.

NEW JERSEY

Dominick Daniels, Henry Helstoski, Peter Rodino.

NEW YORK

Bella Abzug, Joseph Addabbo, Herman Badillo, Mario Biaggi, Shirley Chisholm, John Dow, Thaddeus Dulski, Seymour Halpern, Frank Horton, Jack Kemp, Ed Koch, Norman Lent, Odgen Reid, Bill Ryan, Benjamin Rosenthal, James Scheuer.

NORTH CAROLINA

Walter Jones.

PENNSYLVANIA

Larry Coughlin, Robert Nix, John Ware.

SOUTH CAROLINA

James Mann.

TENNESSEE

William Anderson, John Duncan, Dan Kuykendall.

WASHINGTON

Julia Butler Hansen.

WISCONSIN

Les Aspin.

GOVERNORS

1. Dale Bumpers—Arkansas.
2. John Burns—Hawaii.
3. Milton Shapp—Pennsylvania.
4. Stanley Hathaway—Wyoming.
5. Kenneth Curtis—Maine.
6. Robert Docking—Kansas.
7. Wendell Anderson—Minnesota.
8. William G. Milliken—Michigan.
9. Francis W. Sargent—Massachusetts.
10. Russell W. Peterson—Delaware.
11. Preston Smith—Texas.
12. Jimmy Carter—Georgia.
13. Calvin Rampton—Utah.
14. John C. West—South Carolina.
15. Patrick Lucey—Wisconsin.
16. Arch A. Moore, Jr.—West Virginia.
17. Nelson Rockefeller—New York.
18. Edgar Whitcomb—Indiana.

Mr. CRANSTON. Mr. President, I am pleased to join with my colleague from Indiana (Mr. BAYH) in sponsoring a bill which directs the Secretary of the Treasury to issue the $2 denomination bearing the portrait of Susan B. Anthony.

We introduce this bill today as an effort to rectify just one of the many injustices that have accompanied our legal, social, and economic treatment of women as inferiors. The great men of America have traditionally been honored on our coins and currency. The many great women—whose contributions have been long ignored or belittled—have never been so honored. A portrait of Susan B. Anthony on currency that is frequently used by the general public, as our smaller denominations are, would not only be an important symbolic victory in the fight for equal rights, but would constitute a daily reminder of the outstanding contributions made by the great women of America.

Susan Brownell Anthony devoted most of her 86 years to the fight for equal suffrage. During her earlier years, she fought determinedly for other worthy causes. She organized the Woman's State Temperance Society of New York in 1852, the first organization of its kind ever

formed. She continued her efforts for temperance, but met such violent and consistent opposition to women's participation in public affairs that she became convinced that women could be effective workers for social betterment only through equal rights.

She also attended teachers' conventions, being a former teacher herself, where she demanded for women all the privileges then enjoyed only by men. She took a radical abolitionist stand, and in 1857–58 she campaigned under the slogan, "No Union With Slaveholders."

After the Civil War, she was one of the first to advocate Negro suffrage. When the 14th amendment was under discussion, she attempted to have included a provision for extending the franchise to women as well as to male blacks, but was unsuccessful.

In 1852, in commenting on her decision to abandon the Bloomer costume—short skirt and Turkish shorts—which she and her friend Amelia Bloomer had been wearing, she said:

> I found it a physical comfort, but a mental crucifixion. The attention of my audience was fixed upon my clothes instead of my words. I learned the lesson then that to be successful a person must attempt but one reform.

She devoted the balance of her years and her boundless energies to the cause of women's suffrage. In 1869 the National Woman Suffrage Association was organized to secure 16th amendment to the Constitution granting women the franchise. Mrs. Anthony was elected chairman of the executive committee. Another organization, the American Woman Suffrage Association, was formed the same year. The two merged in 1890 to become the National American Woman Suffrage Association, and Mrs. Anthony was elected vice president at large. In 1892, she was elected president and served in this position until 1900 when she retired at the age of 80.

Throughout the many years of her career, Susan B. Anthony encountered opposition and criticism of nearly every kind. But she sustained an unshakable confidence in herself and in the justice of her cause. She never wavered. Before her death, she was rewarded with respect and honor rarely accorded a woman. She lived long enough to see equal suffrage granted in four States and a measure of suffrage granted to others. She died in Rochester, N.Y., in 1906 shortly after celebrating her 86th birthday.

Mr. President, the efforts of women like Susan B. Anthony succeeded in obtaining the vote for women on August 26, 1920, when the 19th amendment was officially proclaimed part of the U.S. Constitution. In the 51 years since that historic breakthrough, however, women have made little progress in their battle for true equality.

Despite substantial gains made in the fight to eliminate prejudice, women remain subject to much legal and institutional discrimination. Racial prejudice, while it still exists, is on the wane because white America is at last admitting its prejudices. Prejudice against women, however, is still socially and legally acceptable. More than half of the population is denied equal rights and responsibilities under the law. The Women's Bureau of the Department of Labor reports that while women constitute 37 percent of the total labor force, they hold only 17 percent of all managerial positions. Their annual average salary is only 59.4 percent of men's. In 1970, full-time women employees averaged a salary of only $5,323, compared to $8,966 for men.

The President's Task Force on Women's Rights and Responsibilities reported in December 1969 that:

> The United States, as it approaches its 200th anniversary, lags behind other enlightened, and indeed some newly emerging, countries in the role ascribed to women.

This task force recommended:

> A national commitment to basic changes that will bring women into the mainstream of American life. Such a commitment . . . is necessary to the growth of our society.

A first major step in this direction would be the approval of the equal rights amendment by the Congress of the United States. This amendment, which passed the House overwhelmingly on October 12, 1971, is simply and effectively stated. It provides that:

> Equality of rights under the law shall not be denied or abridged by the United States or any state on account of sex.

I strongly urge the Judiciary Committee and the Senate to hasten to approve identical language so that the equal rights amendment can move toward ratification without further legislative delays.

Mr. President, this bill I am introducing with Senator BAYH today is a small step toward true equality for women. Its passage would move us a little farther down the road toward the time when men and women can work together without debasing the achievements of each other because of sex, race, national, or religious differences. I hope that our bill will be acted upon favorably by the Senate and that its House counterpart—introduced by Congressman SEYMOUR HALPERN—enjoys early approval.

By Mr. JAVITS:

S. 3023. A bill to amend the Public Health Service Act so as to permit greater involvement of American medical organizations and personnel in the furnishing of health services and assistance to the developing nations of the world, and for other purposes. Referred to the Committee on Labor and Public Welfare.

INTERNATIONAL HEALTH AGENCY ACT FOR 1971

Mr. JAVITS. Mr. President, I introduce the International Health Agency Act of 1971, an amended companion measure to H.R. 10042 introduced by Mr. CAREY and Mr. FRASER and cosponsored by more than 20 Members of the House of Representatives. This legislation is a significant step forward in America's continuing commitment to help developing nations in the battle against disease, malnutrition, and natural disasters and in their critical need for health care.

DESCRIPTION OF BILL

This bill provides:

First, for the establishment of an International Health Agency which would coordinate our fragmented effort to provide health care through organizations such as the Agency for International Development, the World Health Organization, and other private, voluntary, and international agencies. This would permit us to eliminate duplication and secure maximum effectiveness of expenditures for disaster relief so that our Nation, in cooperation with other international agencies, can respond in a more rapid and comprehensive fashion to this problem.

Second, training programs for the health personnel who will serve the developing nations. These programs include intensive language study, cultural studies, and concentration on the variations in medical techniques and philosophy existing all over the world.

Third, assignment of agency personnel to assist host nations in need of mobile medical, paramedical, and technical personnel to assist in health-related environmental projects, epidemic control, specific disease campaigns, immunization campaigns, and other health problems, including alcoholism and drug addiction. With the concurrence of the House bill sponsors, my bill includes health-related environmental projects to enable us to provide broad-ranging health services. Until now, parasitic, contagious and endemic diseases have been treated in a vacuum without their appropriate reference to environmental health. We should not continue to treat episodic physical illness while ignoring its causes.

Fourth, that host country personnel are to be trained to meet that country's own health priorities. This is an essential feature of the bill. It insures that we will assist developing nations to help themselves in accordance with their own priorities. We should not force them to remain dependent upon our medical resources. This modification of the bill also has the concurrence of the House bill's sponsors.

Fifth, authorization of appropriations of $25 million for 5 fiscal years.

SUPPORT FOR LEGISLATION

Among the outstanding international health experts who appeared in support of this legislation at hearings before the House Foreign Affairs Subcommittee on International Organizations and Movements, are: Dr. Kevin Cahill, director, Tropical Disease Center, St. Claire's Hospital, N.Y., Mark Perlman, professor of economics, University of Pittsburgh, Dr. George Lythcott, associate dean and associate professor, Columbia School of Medicine, Dr. John Bryant, director, School of Public Health Administrative Medicine, Columbia, and Dr. Edward O'Rourke, Dean of School of Public Health, University of Hawaii. This legislation also has the support of the National Association for Practical Nurse Education and Service.

PROBLEM OF U.S. HEALTH SHORTAGE

The inadequacies of our own health system do not, I believe, make it at all inappropriate for our Nation to make a strengthened commitment to the health of others who have much less medical care, if any at all. Indeed, to export some badly needed medical manpower, even in a time of domestic need, can be in our Nation's own best interest.

It is only fitting that America make a

commitment to utilize its tremendous medical might to help others.

MEDICAL DIPLOMACY

As Dr. Kevin Cahill, the author of the idea in this bill, so aptly put it—"medicine is our untapped resource." It is a form of aid we can offer that is unique. It cannot be called either political or military aid. This aid is necessarily offered by a new kind of diplomat, the doctor and other health professionals. In a single global community where disease knows no geographic barriers, he is an ideal channel for modern international communication.

Health care is the developing nation's most critical basic need, for the gift of health is the greatest gift of all. This will require redirection of our foreign assistance priorities. To avoid the existing fragmentation and best implement our concern for health assistance, we should establish an administrative structure best suited to accomplish that end. An International Health Agency, as a new and separate executive agency, is the structure that can provide the most unified and coordinated approach.

To attain and maintain peace, man's basic rights such as health care must be guaranteed. One of the primary concerns of a developing nation is the health of its people and this concern is closely tied to the support the people are willing to give to the government. The eminent British statesman Benjamin Disraeli said:

> The health of the people is really the foundation upon which all their happiness, and all their powers as the state, depend.

In the past it has been the practice of our Nation to respond unilaterally to calls for help. However, at this time, strong belief in folk or local practice medicine runs through the developing countries of the world. Therefore, to continue our assistance without full consideration of the prevailing culture and psychology in the host country is not the most effective way and often repels the very country we are trying to help.

SELF-HELP PROGRAMS

Training of the host country's health personnel must be an integral part of every aid program we embark on. In the past it has often happened that a team of our medical specialists have gone into a country, given vaccinations, and then left, only to be called in again when the need occurs. This is not only inefficient health policy, but ineffective foreign policy as well. Programs of medical and technical training must be initiated concurrently with health aid programs. The host countries must be willing to make a contribution in kind and to lend personnel. We must train that personnel to continue to program after we have gone.

It is our responsibility as a technologically advanced nation to aid developing nations to help themselves. I do not believe it is good policy or practice to make these countries continually dependent upon us. Rather, it is significant that we give the initial aid when we can and encourage the host countries' continuance of the program after we have gone.

A self-help program supported and fostered by American assistance as envisioned by this bill will permit the establishment of cadres of host country health personnel which will provide the nucleus of necessary public health and medical leadership.

ENVIRONMENTAL HEALTH

I am also concerned that in the past we have not recognized the significance of coordinated health programs. Rather, parasitic, contagious, and endemic diseases were treated in a vacuum without reference to environmental health problems. A broad-ranging program to reduce the rate of infant mortality is almost ineffectual in some countries without a coordinated effort to increase the nutritional standard. A program designed to thwart an intestinal disease that is caused by poisoned water is ineffective unless there is a coordinated program to try to purify that water, or at least find a new source of it. We cannot continue to do what we have done in the past, treat the episodic physical ills while ignoring their causes.

Health is an integral part of human development as Dr. Cahill shows us by the example of irrigation projects which, when completed, altered the ecology of a region and led to the spread of certain diseases in that region.

CONCLUSION

I would emphasize that, if aid is to be effective and responsive—it cannot be a transfer merely of our goals, priorities, and technological prowess—but also must be an effort to aid the developing countries attain a standard of living and health that will allow them to develop in their own way. My bill seeks to do this by the creation of a new international mechanism to improve health care throughout the developing world.

By Mr. JAVITS (for himself, Mr. DOMINICK, Mr. SCHWEIKER, Mr. TAFT, and Mr. BEALL) (by request):

S. 3024. A bill to amend the Welfare and Pension Plans Disclosure Act. Referred to the Committee on Labor and Public Welfare.

EMPLOYEE BENEFITS PROTECTION ACT

Mr. JAVITS. Mr. President, together with Senators DOMINICK, SCHWEIKER, TAFT, and BEALL, I introduce for appropriate reference the administration bill to amend the Welfare and Pension Plans Disclosure Act. This bill is the subject of the Presidential message transmitted to the Congress on December 8, 1971.

This bill, together with a companion measure introduced today by Senator CURTIS on behalf of the administration, to amend the Internal Revenue Code, to set vesting standards for private pension plans and to provide tax deductions for employee contributions to individual and group retirement programs, constitutes an important step forward by the administration in securing a basic reform and strengthening of the private pension system. It is the first time—and I emphasize this—that any administration has committed itself formally to substantial reform of private pension plans, above and beyond proposing added disclosure and fiduciary standards for private retirement programs.

The administration is, therefore, to be commended for undertaking a significant initiative and one—which I hope—will stimulate and promote a sound legislative policy for private pension plans. Although I have reservations concerning certain aspects of the administration's proposals—which I will describe later—the administration's pension initiative is timely, coming as it does in the midst of a comprehensive and thorough investigation under Senate Resolution 35 by the Senate Labor Subcommittee, of which I am ranking minority member, into the employee benefit area—an investigation which already has had a profound impact with regard to alerting the Government and the public to extensive inequities and inadequacies in the private pension system.

I am pleased to be associated with the chairman of the subcommittee, Senator HARRISON A. WILLIAMS, Jr., Democrat of New Jersey, in this investigation. The chairman and the subcommittee staff, both from the majority and the minority, have pursued this investigation with unusual zeal and diligence, and there can be little doubt that these efforts have been instrumental in generating close attention to the hardships caused to workers under private retirement plans and the critical need for enacting remedial legislation.

I welcome the administration's recognition of the serious problems under employee benefit plans, and their endorsement of fundamental reform. Hopefully, it will not be very long before the American worker gets the pension protection he needs and deserves.

MAJOR ELEMENTS OF ADMINISTRATION'S BILL

The bill I introduce today represents a vast improvement over existing law by greatly strengthening the disclosure requirements for employee benefit plans and establishing stringent fiduciary standards designed to protect the rights of millions of American workers who are covered by employee welfare or pension benefit plans. While, as I shall indicate later, I also favor other types of pension plan reforms, there is no question that the present bill is also vitally needed to remedy serious defects in existing law which have permitted racketeers and other unscrupulous persons to jeopardize the security of thousands of American workers.

Existing law, namely, the Welfare and Pension Plans Disclosure Act, is predicated on a philosophy of disclosure. Congress assumed at the time that act was passed in 1958 that, given adequate disclosure of the facts related to employee benefit plans, employees adversely affected by the acts of plan fiduciaries would be willing and able to take the necessary steps to protect their rights under State law.

Sadly, the facts which have surfaced in recent years as a result of investigation by the news media and by local, State, and Federal Government bodies, including the Senate Permanent Investigations Subcommittee and the Senate Labor Subcommittee, have demonstrated that we were too optimistic in 1958 about the sufficiency of disclosure requirements alone to prevent chicanery by plan ad-

ministrators and other "parties in interest."

Present law is inadequate for the following reasons:

First, the disclosure required is not sufficiently detailed.

Second, aggravating the lack of specificity in the required disclosure is a definition of "party in interest" which fails to include persons who are not nominally parties in interest—for example, employers, trustees, union officers—but really are under the control of such parties. Thus, transactions between employee benefit plans and wholly owned subsidiaries of contributing employers or relatives of trustees or union officials need not be reported under present law.

Third, under present law, even if the Secretary of Labor suspects misfeasance, he is unable to do anything about it. At most he can investigate and report it, but the burden is left on the participants or beneficiaries to protect their rights under State law. All too often, participants and beneficiaries of plans, out of ignorance or fear or both, have just not been capable of bearing this burden.

Fourth, the State law which applies to employee-benefit plans is usually the common law of trusts, developed over the centuries. These trusts usually involve but a single settler, at most, a relatively small, well-defined class of beneficiaries. In addition, there is a very serious problem arising from the fact that at common law the definition of "trustee" is quite narrow in scope, while in pension and welfare trust administration, the number of persons who handle and exercise control of the funds is much broader. Further, of course, the multistate operations of many such funds make the application of a single State's law often unworkable, and in any event, the "conflict of laws" problems which arise in such cases are often a stumbling block to effective enforcement of State law.

Clearly, this body of traditional trust law, vast as it is, must be applied quite differently to employee benefit plans which are the product of collective bargaining and may cover thousands of employees of many different employers. It is not surprising then that a great deal of uncertainty exists today with respect to the duties, rights, obligations of, and remedies against, plan trustees and administrators; especially in connection with jointly administered plans where the trustees actually represent different parties with possibly opposing interests.

Finally, in the case of plans covering employees and beneficiaries in many States service of process, venue, and jurisdictional requirements compound even further the difficulty facing individual employees who might want to institute a suit to protect their rights under present law.

The administration bill which I am introducing today is specifically designed to remedy these defects, as well as to provide additional protections to plan participants.

Much greater specificity of disclosure would be required, particularly with respect to investments in, and transactions with, "parties in interest," which are defined much more broadly than under existing law.

An annual audit by an independent accountant would also be required.

The new definition of "party in interest" includes those, such as administrators, officers, trustees, contributing employers and unions having members covered by the plan and the officers' agents and employees of such employers or union now included under present law, as well as persons controlling or controlled by contributing employers and relatives, partners or joint venturers with persons now included in the definition. "Relatives" is defined to include all ancestors, descendants, spouses and close in-laws.

The bill also provides a Federal standard of conduct—the "prudent man" rule—for all employee benefit fund administrators and imposes an obligation on cofiduciaries with joint responsibility to prevent and redress breaches of such responsibility by each other. Fiduciaries who breach their responsibility are made personally liable to make good losses to the fund, and exculpatory provisions are rendered null and void.

The bill further specifies that fiduciaries must discharge their duties "solely in the interests of the participants and their beneficiaries" and also specifically prohibits a wide range of conflict-of-interest transactions between the fund and parties in interest subject to certain necessary and reasonable exceptions. Of particular interest is the provision limiting future investments in contributing employer's stock to a total—when combined with previous holdings—of 10 percent of fund assets. This limitation does not apply to profit sharing, stock bonus and similar types of funds.

This provision has been further clarified by the new administration bill to insure that profit-sharing plans are treated appropriately.

Also to be noted is a provision prohibiting payment of compensation by a fund—except reasonable expenses—to persons receiving full-time pay from contributing employers or unions whose members are participants in the fund. Another safeguard is the prohibition for 5 years of persons convicted of certain crimes serving in fiduciary positions on employee benefit funds. This is similar to the prohibition on holding union office contained in section 504 of the LMRDA.

The present bill remedies the defect in existing law relating to enforcement by opening the Federal courts to suits by the Secretary of Labor or plan participants—if the amount in controversy exceeds $10,000. The Secretary may enforce any provision of the act, including the fiduciary standards provisions; plan participants or beneficiaries may sue to enforce their right to copies of reports and other documents required to be made available to them, to recover benefits or clarify their right to benefits under a plan, and, as representatives of a class, to redress breaches of fiduciary responsibility by plan administrators. In Federal court actions, process may be served nationwide.

In view of the problems of service of process and jurisdiction involved in maintaining individual suits against funds or their administrators I have some doubts about the desirability of conditioning access to the Federal courts by individuals on at least $10,000 being in controversy, the provisions of the bill permitting counsel fees to be awarded to successful defendants, as well as plaintiffs, and allowing the court to require plaintiffs to post bond to cover such fees.

In summary, those are the highlights of this important bill. I am convinced that it represents a long step in the right direction of providing adequate protection for the rights and expectations of participants and beneficiaries of employee benefit funds.

RELATIONSHIP OF ADMINISTRATION'S PROPOSALS TO S. 2

I would also like to discuss, briefly, some aspects of the relationship between the two administration bills and the approach I am taking in S. 2, the Pension and Employee Benefit Act, my bill now pending before the Senate Labor Subcommittee.

The ultimate objective of Federal legislation in this field ought to be insure that employees who are depending on benefit plans to provide them with help in times of sickness or disability or with retirement security ought to receive that to which they are reasonably and lawfully entitled. At a bare minimum this means that employee benefit funds ought to be protected from outright embezzlement as well as the more subtle, but no less insidious, types of malfeasance and breaches of trust that have occurred and to which the administration's bill is directed. S. 2 covers this problem in a manner quite similar to the approach taken by the administration bill, and in fact, many of the concepts in the administration bill, which is similar to the bill the administration offered in the last Congress, are incorporated in S. 2. Although there are some differences, clearly the administration's bill does a most thorough and complete job in this area.

We must also be concerned with the plan participant who loses his benefits because his employment is terminated, frequently for reasons beyond his control, or because his plan is not completely or adequately funded and his employer goes out of business.

With respect to the former, a prelinary study of the Senate Labor Subcommittee released earlier this year, showed, for example that in 51 plans which provided vesting after 11 years of continuous service or more, only 5 percent of all employees who left their plans since 1950 became entitled to retirement benefits. A substantial number of those who lost benefits were longer service employees, many having had more than 15 years service. In July and October of this year, the Senate Labor Subcommittee held hearings in which the severity of employee benefit loss was demonstrated through the testimony of disillusioned employees and the evidence presented by employers, unions and plan administrators.

ADMINISTRATION'S VESTING PROPOSAL

The administration proposes to deal with this problem by amending the Internal Revenue Code to require all plans

qualified for tax privileges to provide 50 percent partial vesting when an employee's age and service adds up to 50. The vesting would increase an additional 10 percent thereafter, so that full vesting is achieved 5 years later.

By way of contrast, my bill, S. 2, would require pension plans covering over 25 participants, to provide a 10-percent partial vesting after 6 years of service, regardless of whether the plan is tax qualified. Each year thereafter, vesting would increase by 10 percent, until full vesting is attained with 15 years of service.

There is no doubt that under the administration's proposed formula older workers theoretically would benefit to a greater degree than under S. 2, because they would vest faster and in a larger percentage. Unfortunately, the practical implications of the administration's formula may, in the long run, do more harm than good to older workers.

First, by providing a shorter waiting period for greater vesting, the administration's formula will tend to exacerbate age discrimination in hiring even though such discrimination is illegal if proved. We can argue, of course, as to whether this factor will be significant in light of other important factors that inhibit employers from hiring the older worker. However, to the extent an employer is confronted with choosing from applicants for employment—all other things being equal—he will choose the younger man to avoid the additional costs that stem from vesting the older man so quickly. Naturally, his incentive to avoid hiring the older worker increases as more generous benefits are provided by the plan.

Second, the administration's vesting formula provides an incentive for employers to find ways of separating workers on the verge of qualifying under the "rule of 50." While I doubt that many employers will seek to do this, there is evidence that such things happen now when employers who lack the moral commitment to their employees attempt to reduce costs.

Third, the administration's formula unevenly distributes the costs of vesting among employers. By not requiring an employer to assume responsibility for vesting the younger worker with substantial service, virtually the entire cost burden is transferred to the employer whose plan covers the employee when his age and service add up to 50. I doubt that employers who encounter this burden will appreciate the cost advantages enjoyed by those of their competitors who have found ways to separate younger workers with substantial service and to avoid hiring older workers who would vest quickly.

Finally, by depriving the worker of vesting credit for his service when he was younger, the administration's formula precludes the average worker from putting a sufficient number of vested pensions together from different employers—thus unfairly limiting the amount of ultimate retirement benefit he will receive. For example, a worker enrolled in a plan at age 20, who is separated at age 34, with 14 years of service, receives no vesting credit under the administration's formula.

By way of contrast, none of the foregoing deficiencies would be encountered under the vesting formula provided by S. 2. It treats younger and older workers alike, by tying vesting strictly to length of service. True—it does not provide greater vesting protection to the older worker—but it also does not create the possibility of further age discrimination in hiring, of incentives to separate workers on the verge of vesting, of artificially created inequities in the distribution of employer costs, or of inadequate retirement benefits due to lack of credit for service when young. For these reasons, I believe the formula in S. 2 is to be preferred.

ADMINISTRATION'S FAILURE TO PROPOSE PROGRAMS OF FUNDING AND REINSURANCE

Without adequate funds to back up the employer's promise of retirement benefits, the promise is illusory. When a proposal is made to institute mandatory vesting standards through legislation, and that legislation fails to contain adequate funding requirements to back up the promise of greater benefits to the workers of this country, a highly vulnerable and potentially dangerous policy is set in motion.

S. 2—the bill I have authorized—provides for strengthening funding of pension plans under law, and a program of reinsurance to cover unfunded vested benefits when economic circumstances compel the employer to discontinue the plan before the funding is completed.

The administration's proposal does neither of these things; instead it is indicated that a one year study of these matters will be undertaken jointly by the Departments of Treasury and Labor.

I find it curious that the administration should wait until now to launch such a study, particularly when the existence of these problems have been known for quite some time—certainly since I first introduced my bill in 1967—and especially so in light of the administration's determination to seek vesting reform.

If it is true that the data is incomplete and questionable with respect to loss of benefits due to plan termination—which clearly is not the case with regard to the Studebaker plant closing in 1963, and a similiar case which was the subject of Senate Labor Subcommitee hearings in July of this year—then I think it is incumbent on the administration to proceed with dispatch to gather the data it regards as essential. The administration's resolve to secure effective pension protection will be measured by its ability to develop a meaningful funding and reinsurance program; unnecessary delay in this connection can only serve to create doubts as to the strength of the administration's underlying commitment to pension reform.

TAX DEDUCTIONS FOR EMPLOYEE CONTRIBUTIONS TO INDIVIDUAL RETIREMENT PLANS AND EMPLOYER PLANS

I am quite favorably impressed by the administration's proposals to provide tax deductions for employee contributions to individual retirement savings plans and to employer plans. These proposals would not only rectify an existing tax inequity which favors the self-employed who may presently deduct from tax, contributions to so-called H.R. 10 or "Keough" retirement plans; it also promises to influence favorably the expansion of some type of supplemental private pension coverage to workers who are not presently able to secure the advantages of private pension plans. This idea has been successfully tested in Canada, and I believe that the administration's proposals in this connection constitute an important advance towards solving the problems of inadequate income in old-age.

I also believe it would be desirable to provide some form of "portability" to enable employees to freely transfer their accumulated contributions from plan to plan so that they may derive the maximum benefit in retirement from the retirement savings they have put together. This also is a technique which has been adopted successfully in Canada, and my own bill, S. 2, would provide an appropriate mechanism for handling this approach.

CONCLUSION

Although some of the administration's proposals, particularly its vesting provisions, have been referred to the Committee on Finance as part of amendments to the Internal Revenue Code, it is highly important that these matters be thoroughly explored by the Subcommittee on Labor as well in connection with its forthcoming hearings on comprehensive pension legislation. Because of the critical importance of this legislation to the American worker, I believe it to be essential that the Subcommittee on Labor and the Committee on Finance proceed in such a manner on this subject so as to minimize any potential differences that could arise.

Accordingly, appropriate consultation between the respective committees is highly desirable and should take place as soon as possible with a view toward harmonizing problems which may arise from the differing approaches to the legislation.

Mr. President, I ask unanimous consent that there be printed in the RECORD the full text of the bill, the text of the accompanying letter from the Secretary of Labor, the text of an accompanying explanatory statement, a summary of major changes made to the bill since its introduction in the 91st Congress, as well as a detailed description of these changes, both prepared by the administration.

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

S. 3024

A bill to amend the Welfare and Pension Plans Disclosure Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to strengthen and improve the protection of participants in and beneficiaries of employee welfare and pension benefit plans under the Welfare and Pension Plans Disclosure Act of August 28, 1958, as amended (72 Stat. 997), such Act is amended as follows:

SECTION 1. Short Title. Immediately follow-

ing the Table of Contents of such Act is added the title "Short Title", and the following paragraph:

"SECTION 1. This Act may be cited as the 'Employee Benefits Protection Act'."

SEC. 2(a). The title of section 2 of such Act is amended by adding the word "Declaration of" after the word "and".

(b) Subsection (a) of section 2 of such Act is amended by striking out the words "welfare and pension", and by adding the words "that the operational scope and economic impact of such plans is increasingly interstate;" after the word "substantial;", adding the words "and adequate safeguards" after the word "information", and adding the words "and safeguards be provided" after the word "made".

(c) Section 2(b) is amended by striking out the period at its end and inserting in lieu thereof a comma followed by the words "by establishing fiduciary standards of conduct, responsibility and obligation upon all persons who exercise any powers of control, management or disposition with respect to employee benefit funds or have authority or responsibility to do so, and by providing for appropriate remedies and ready access to the federal courts."

SEC. 3. (a) Subsections 1 through 13 of section 3 of such Act are redesignated by striking out the numbers "1" through "13" and inserting in lieu thereof the letters "a" through "m" respectively.

(b) Sections 3(a) and (b) are amended by inserting the words "or maintained" after the word "established" in both subsections.

(c) Sections 3(c), (d), (f) and (g) are amended by striking out the words "welfare or pension" where they appear in each subsection respectively.

(d) Section 3(m) is amended to read as follows: "(m) The term 'party in interest' means any administrator, officer, trustee custodian, counsel or employee of any employee benefit plan, or a person providing benefit plan services to any such plan, or an employer any of whose employees are covered by such a plan or any person controlling, controlled by, or under common control with, such employer or officer or employee or agent of such employer or such person, or an employee organization having members covered by such plan, or an officer or employee or agent of such an employee organization, or a relative, partner or joint venturer of any of the above described persons."

(e) Section 3 is further amended by adding subsections "n" through "x", to read as follows:

"(n) The term 'relative' means a spouse, ancestor, descendant, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law.

"(o) The term 'administrator' means—

(1) the person specifically so designated by the terms of the plan, collective bargaining agreement, trust agreement, contract, or other instrument, under which the plan is operated; or

(2) in the absence of such designation (A) the employer in the case of an employee benefit plan established or maintained by a single employer, (B) the employee organization in the case of a plan established or maintained by an employee organization, or (C) the association, committee, joint board of trustees, or other similar group of representatives of the parties who established or maintain the plan, in the case of a plan established or maintained by two or more employers or jointly by one or more employers and one or more employee organizations.

"(p) The term 'employee benefit plan' or 'plan' means an employee welfare benefit plan or an employee pension benefit plan or a plan providing both welfare and pension benefits.

"(q) The term 'employee benefit fund' or 'fund' means a fund of money or other assets maintained pursuant to or in connection with an employee benefit plan and includes employee contributions withheld but not yet paid to the plan by the employer. The term does not include: (1) any assets of an investment company subject to regulation under the investment Company Act of 1940; (2) premiums, subscription charges, or deposits received and retained by an insurance carrier or service or other organization, except for any separate account established or maintained by an insurance carrier.

"(r) The term 'separate account' means an account established or maintained by an insurance company under which income, gains, and losses, whether or not realized, from assets allocated to such account, are, in accordance with the applicable contract, credited to or charged against such account without regard to other income, gains, or losses of the insurance company.

"(s) The term 'adequate consideration' when used in section 14 means either (1) at the price of the security prevailing on a national securities exchange which is registered with the Securities and Exchange Commission, or (2) if the security is not traded on such a national securities exchange, at a price not less favorable to the fund than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer.

"(t) The term 'nonforfeitable pension benefit' means an immediate or deferred pension or other benefit which a participant or his beneficiary would upon proper application be entitled to receive under the provisions of the plan if at the time in question he had terminated his employment, irrespective of any conditions subsequent which could affect receipt of such benefit.

"(u) The term 'accrued benefit' means that benefit which, irrespective of whether such benefit is nonforfeitable, is equal to: (1) in the case of a profit sharing or money purchase type pension plan, the total amount credited to the account of a participant; (2) in the case of a unit benefit type pension plan, the benefit units credited to a participant; or (3) in the case of other types of pension plans, that portion of the prospective benefit of a participant of the Secretary may by rule or regulation provide constitutes the participant's accrued benefit under the plan.

"(v) The term 'security' has the same meaning as in the Securities Act of 1933, 15 U.S.C. 77(a) et seq.

"(w) The term 'fiduciary' means any person who exercises any power of control management or disposition with respect to any moneys or other property of an employee benefit fund, or has authority or responsibility to do so.

"(x) The term 'market value' or 'value' when used in this Act means fair market value where available, and otherwise the fair value as determined in good faith by the administrator."

SEC. 4. (a) Subsection (a) of section 4 of such Act is amended by striking out the words "welfare or pension", "or employers", and "or organizations".

(b) Section 4(b) is amended by striking out the words "welfare or pension", and is further amended in paragraph (3) thereof by adding the letter designation "(A)" after the word "administered" the second time it appears, adding a comma after the word "society" the first time it appears, followed by the words "order or association," adding the letter designation "(B)" after the word "or" the first time it appears, striking out the word "and" the second time it appears and adding in lieu thereof the word "or", and by adding a comma after the word "society" the second time it appears, followed by the words "order, association".

(c) Paragraph (4) of section 4(b) is amended by striking out the period at its end and adding in lieu thereof a comma, followed by the words "except that participants and beneficiaries of such plan shall be entitled to maintain an action to recover benefits or to clarify their rights to future benefits as provided in section 9(e)(1)(B)."

SEC. 5. (a) Subsection (a) of section 5 of such Act is amended to read as follows:

"(a) The administrator of an employee benefit plan shall cause to be published in accordance with section 8 to each participant or beneficiary covered thereunder (1) a description of the plan and (2) an annual financial report. Such description and such report shall contain the information required by sections 6 and 7 of this Act in such form and detail as the Secretary shall prescribe and shall be executed, published, and filed in accordance with the provisions of this Act and regulations of the Secretary."

(b) Section 5(b) is amended, and section 5(c) added, to read as follows:

"(b) The Secretary may require the filing of special terminal reports on behalf of an employee benefit plan which is winding up its affairs, so long as moneys or other assets remain in the plan. Such reports may be required to be filed regardless of the number of participants remaining in the plan and shall be on such forms and filed in such manner as the Secretary may by regulation prescribe.

"(c) The Secretary may by regulation provide for the exemption from all or part of the reporting and disclosure requirements of this Act of any class or type of employee benefit plans, if the Secretary finds that the application of such requirements to such plans is not required in order to effectuate the purposes of this Act."

SEC. 6. Section 6 of such Act is amended to read as follows:

"(a) A description of any employee benefit plan shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this Act.

(b) The description of the plan shall be comprehensive and shall include the name and type of administration of the plan; the name and address of the administrator; the schedule of benefits; a description of the provisions providing for non-forfeitable pension benefits (if the plan so provides) written in a manner calculated to be understood by the average participant, and if the plan does not provide such benefits, a statement to this effect; the source of the financing of the plan and the identity of any organization through which benefits are provided; whether records of the plan are kept on a calendar year basis, or on a policy or other fiscal year basis, and if on the latter basis, the date of the end of such policy or fiscal year; the procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part. Amendments to the plan reflecting changes in the data and information included in the original plan, other than data and information also required to be included in annual reports under section 7, shall be included in the description on and after the effective date of such amendments. Any change in the information required by this subsection shall be reported in accordance with regulations prescribed by the Secretary."

SEC. 7. (a) Subsection (a) of section 7 of such Act is amended by adding the number "(1)" after the letter "(a)", and by striking out that part of the first sentence which precedes the word "if" the first time it appears and inserting in lieu thereof the words "An annual report shall be published with respect to any employee benefit plan if the plan provides for an employee benefit fund subject to section 14 of this Act or".

(b) Section 7(a)(1) is further amended by striking out the word "investigation" and inserting in lieu thereof the words "notice and opportunity to be heard", by striking out the words "year (or if" and inserting in lieu thereof the words ", policy or fiscal

year on which", adding a period after the word "kept", and striking out all the words following the word "kept."

(c) Section 7(a) is further amended by adding the following paragraphs:

"(2) If some or all of the benefits under the plan are provided by an insurance carrier or service or other organization, such carrier or organization shall certify to the administrator of such plan, with one hundred and twenty days after the end of each calendar, policy, or other fiscal year, as the case may be, such reasonable information determined by the Secretary to be necessary to enable such administrator to comply with the requirements of this Act.

"(3) The administrator of an employee benefit plan shall cause an audit to be made annually of the employee benefit fund established in connection with or pursuant to the provisions of the plan. Such audit shall be conducted in accordance with accepted standards of auditing by an independent certified or licensed public accountant, but nothing herein shall be construed to require such an audit of the books or records of any bank, insurance company, or other institution providing an insurance, investment, or related function for the plan, if such books or records are subject to periodic examination by an agency of the Federal Government or the government of any State. The auditor's opinion and comments with respect to the financial information required to be furnished in the annual report by the plan administrator shall form a part of such report."

(d) Sections 7(b) and (c) of such Act are amended to read as follows:

"(b) A report under this section shall include:

"(1) the amount contributed by each employer; the amount contributed by the employees; the amount of benefits paid or otherwise furnished; the number of employeess covered; a statement of assets, liabilities, receipts, and disbursements of the plan; a detailed statement of the salaries and fees and commissions charged to the plan, to whom paid, in what amount, and for what purposes; the name and address of each fiduciary, his official position with respect to the plan, his relationship to the employer of the employees covered by the plan, or the employee organization, and any other office, position or employment he holds with any party in interest;

"(2) A schedule of all investments of the fund showing as of the end of the fiscal year:

(A) The aggregate cost and aggregate value of each security, by issuer;

(B) The aggregate cost and aggregate value, by type or category, of all other investments, and separately identifying (i) each investment the value of which exceeds $100,000 or three percent (3%) of the value of the fund and (ii) each investment in securities or properties of any person known to be a party in interest.

"(3) a schedule showing the aggregate amount, by type of security, of all purchases, sales, redemptions and exchanges of securities made during the reporting period; a list of the issuers of such securities; and in addition a schedule showing, as to each separate transaction with or with respect to securities issued by any person known to be a party in interest, the issuer, the type and class of security, the quantity involved in the transaction, the gross purchase price, and in the case of a sale, redemption or exchange, the gross and net proceeds (including a description and the value of any consideration other than money) and the net gain or loss.

"(4) A schedule of purchases, sales or exchanges during the year covered by the report of investment assets other than securities

(A) by type or category of asset the aggregate amount of purchases, sales, and exchanges; the aggregate expenses incurred in connection therewith; and the aggregate net gain (or loss) on sales, and

(B) for each transaction involving a person known to be a party in interest and for each transaction involving over $100,000 or three percent (3%) of the fund, an indication of each asset purchased, sold or exchanged (and, in the case of fixed assets such as land, buildings, and leaseholds, the location of the asset); the purchase or selling price; expenses incurred in connection with the purchase, sale or exchange; the cost of the asset and the net gain (or loss) on each sale; the identity of the seller in the case of a purchase, or the identity of the purchaser in the case of a sale, and his relationship to the plan, the employer, or any employee organization.

"(5) a schedule of all loans made from the fund during the reporting year or outstanding at the end of the year, and a schedule of principal and interest payments received by the fund during the reporting year, aggregated in each case by type of loan, and in addition a separate schedule showing as to each loan which

(A) was made to a party in interest, or

(B) was in default or

(C) was written off during the year as uncollectible, or

(D) exceeded $100,000 or three percent (3%) of the value of the fund,

the original principal amount of the loan, the loan, the amount of principal and interest amount of principal and interest received during the reporting year, the unpaid balance, the identity and address of the obligor, a detailed description of the loan (including date of making and maturity, interest rate, the type and value of collateral and other material terms), the amount of principle and interest overdue (if any) and as to loans written off as uncollectable and explanation thereof.

"(6) a list of all leases with

(A) persons other than parties in interest who are in default, and

(B) any party in interest,

including information as to the type of property leased (and, in the case of fixed assets such as land, buildings, leaseholds, etc., the location of the property), the identity of the lessor or lessee from or to whom the plan is leasing, the relationship of such lessors and lessees, if any, to the plan, the employer, employee organization, or any other party in interest, the terms of the lease regarding rent, taxes, insurance, repairs, expenses and renewal options; if property is leased from persons described in (B) the amount of rental and other expenses paid during the reporting year; and if property is leased to persons described in (A) or (B), the date the leased property was purchased and its cost, the date the property was leased and its approximate value at such date, the gross rental receipts during the reporting period, the expenses paid for the leased property during the reporting period, the net receipts from the lease, and with respect to any such leases in default, their identity, the amounts in arrears, and a statement as to what steps have been taken to collect amounts due or otherwise remedy the default;

"(7) a detailed list of purchases, sales, exchanges or any other transactions with any party in interest made during the year, including information as to the asset involved, the price, any expenses connected with the transaction, the cost of the asset, the proceeds, the net gain or loss, the identity of the other party to the transaction and his relationship to the plan;

"(8) If some or all of the assets of a plan or plans are held in a common or collective trust maintained by a bank or similar institution or in a separate account maintained by an insurance carrier, the report shall include a statement of assets and liabilities and a statement of receipts and disbursements of such common or collective trust or separate account and such of the information required under section 7(b)(2), (3), (4), (5), (6), and (7) with respect to such common or collective trust or separate account as the Secretary may determine appropriate by regulation. In such case the bank or similar institution or insurance carrier shall certify to the administrator of such plan or plans, within one hundred and twenty days after the end of each calendar, policy, or other fiscal year, as the case may be, the information determined by the Secretary to be necessary to enable the plan administrator to comply with the requirements of this Act. "(9) In addition to reporting the information called for by this subsection 7(b), the administrator may elect to furnish other information as to investment or reinvestment of the fund as additional disclosures to the Secretary."

"(c) If the only assets from which claims against an employee benefit plan may be paid are the general assets of the employer or the employee organization, the report shall include (for each of the past five years) the benefits paid and the average number of employees eligible for participation."

(e) Section 7(d) is amended by striking out the capital "T" in the word "The" the first time it appears in paragraphs (1) and (2) and inserting in lieu thereof a lower case "t".

(f) Section 7(e) is amended to read as follows:

"(e) Every employee pension benefit plan shall include with its annual report (to the extent applicable) the following information:

(1) the type and basis of funding,

(2) the number of participants, both retired and nonretired, covered by the plan,

(3) the amount of all reserves or net assets accumulated under the plan,

(4) the present value of all liabilities for all nonforfeitable pension benefits and the present value of all other accrued liabilities,

(5) the ratios of the market value of the reserves and assets described in (3) above to the liabilities described in (4) above.

(6) a copy of the most recent actuarial report, and

(A) (i) the actuarial assumptions used in computing the contributions to a trust or payments under an insurance contract, (ii) the actuarial assumptions used in determining the level of benefits, and (iii) the actuarial assumptions used in connection with the other information required to be furnished under this section 7(e), insofar as any such actuarial assumptions are not included in the most recent actuarial report,

(B) (i) if there is no such report, or (ii) if any of the actuarial assumptions employed in the annual report differ from those in the most recent actuarial report, or (iii) if different actuarial assumptions are used for computing contributions or payments than are used for any other purpose, a statement explaining same,

(7) a statement showing the number of participants who terminated service under the plan during the year, whether or not they retain any nonforfeitable rights, their length of service by category, the present value of the total accrued benefits of said participants and the present value of such benefits forfeited, and,

(8) such other information pertinent to disclosure under this section 7(e) as the Secretary may by regulation prescribe.

(g) Section 7 is further amended by striking out in their entirety subsections (f), (g), and (h).

SEC. 8. (a) Section 8 of such Act is amended by striking out subsections (a) and (b) in their entirety and by redesignating subsection (c) as subsection (a).

(b) The subsection redesignated as subsection (a) is further amended by striking out the words "of plans" after the word "descriptions", striking out the word "the" be-

fore the word "annual" and adding the word "plan" before the word "descriptions".

(c) Section 8 is further amended by adding subsections (b), (c), (d), (e) and (f) to read as follows:

"(b) The administrator of any employee benefit plan subject to this Act shall file with the Secretary a copy of the plan description and each annual report. The Secretary shall make copies of such descriptions and annual reports available for inspection in the public document room of the Department of Labor.

"(c) Publication of the plan descriptions and annual reports required by this Act shall be made to participants and beneficiaries of the particular plan as follows:

(1) the administrator shall make copies of the plan description (including all amendments or modifications thereto) and the latest annual report and the bargaining agreement, trust agreement, contract, or other instrument under which the plan was established and is operated available for examination by any plan participant or beneficiary in the principal office of the administrator;

(2) the administrator shall furnish to any plan participant or beneficiary so requesting in writing a fair summary of the latest annual report;

(3) the administrator shall furnish to any plan participant or beneficiary so requesting in writing a complete copy of the plan description (including all amendments or modifications thereto) or a complete copy of the latest annual report, or both. He shall in the same way furnish a complete copy of the bargaining agreement, trust agreement, contract, or other instrument under which the plan is established and operated. In accordance with regulations of the Secretary, an administrator may make a reasonable charge to cover the cost of furnishing such complete copies.

"(d) The administrator of an employee pension benefit plan shall furnish to any plan participant or beneficiary so requesting in writing a statement indicating (1) whether or not such person has a nonforfeitable right to a pension benefit, (2) the nonforfeitable pension benefits, if any, which have accrued or the earliest date on which benefits will become nonforfeitable, (3) and the total pension benefits accrued.

"(e) Upon the termination of service under the plan of a participant having a right to a benefit, payable at a later date, the plan administrator shall furnish to the participant or his surviving beneficiary a statement setting forth his rights and privileges under the plan. The statement shall be in such form, be furnished and filed in such manner, and shall contain such information, including but not limited to the nature and amount of benefits to which he is entitled, the name and address of the entity responsible for payment, the date when payment shall begin and the procedure for filing his claim, as the Secretary may by regulation prescribe. The statement furnished to the participant or his surviving beneficiary or a true copy shall be prima facie evidence of the facts, rights and privileges set forth therein."

(f) In the event that a plan which is subject to federal vesting standards is exempted or otherwise not required to provide for preretirement vesting in any given year because of financial difficulty or in other circumstances authorized by the Internal Revenue Code, a notice stating that benefits were not required to be vested for such year, written in a manner calculated to be understood by the average participant, shall be furnished to each participant once in each year that the plan is so relieved.

SEC. 9. (a) Subsection (a) of section 9 of such Act is amended by adding the words "sections 5 through 13 of" before the word "this".

(b) Section 9 is further amended by striking out in their entirety subsections (b) through (i) and inserting in lieu thereof subsections (b) through (k), to read as follows:

"(b) Any plan administrator who fails or refuses to comply with a request as provided in section 8 within thirty days (unless such failure or refusal results from matters reasonably beyond the control of the administrator) by mailing the material requested to the last known address of the requesting participant or beneficiary may in the court's discretion be personally liable to such participant or beneficiary in the amount of up to $50 a day from the date of such failure or refusal, and the court may in its discretion order such other relief as it deems proper.

"(c) The Secretary shall have power, when he believes it necessary in order to determine whether any person has violated or is about to violate any provision of this Act, to make an investigation and in connection therewith he may require the filing of supporting schedules of the financial information required to be furnished under section 7 of this Act and may enter such places, inspect such records and accounts, and question such persons as he may deem necessary to enable him to determine the facts relative to such investigation. The Secretary may report to interested persons or officials concerning the facts required to be shown in any report required by this Act and concerning the reasons for failure or refusal to file such a report or any other matter which he deems to be appropriate as a result of such an investigation.

"(d) For the purposes of any investigation provided for in this Act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, records, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (15 U.S.C. 49, 50), are hereby made applicable to the jurisdiction, powers, and duties of the Secretary or any officers designated by him.

"(e) Civil actions under this Act may be brought;

"(1) by a participant or beneficiary—

"(A) for the relief provided for in section 9(b), or

"(B) to recover benefits due him under the terms of his plan or to clarify his rights to future benefits under the terms of the plan;

"(2) by the Secretary or by a participant or beneficiary (as a representative party on behalf of all participants or beneficiaries similarly situated where the requirements for maintaining a class action are met) for appropriate relief, legal or equitable, to redress a breach of any responsibility, obligation or duty of a fiduciary, including the removal of a fiduciary who has failed to carry out his duties and the removal of any person who is serving in violation of section 15 of this Act; or

"(3) by the Secretary, to enjoy an act or practice which appears to him to violate any provision of this Act.

"(f)(1) Civil actions under this Act brought by a participant or beneficiary may be brought in any court of competent jurisdiction, state or federal.

(2) Where such an action is brought in a district court of the United States, it may be brought in the district where the plan is administered, where the breach took place, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found.

(3) Notwithstanding any other law, the Secretary shall have the right to remove an action from a State court to a district court of the United States, if the action is one seeking relief of the kind the Secretary is authorized to sue for herein. Any such removal shall be prior to the trial of the action and shall be to a district court where the Secretary could have initiated such an action.

"(g) The district court of the United States shall have jurisdiction without respect to the amount in controversy, to grant the relief provided for in sections 9(e)(2) and (3) in any action brought by the Secretary. In any action brought under section 9(e) by a participant or beneficiary the jurisdiction of the district court shall be subject to the requirement contained in 28 U.S.C. 1331.

"(h) (1) In any action by a participant or beneficiary, the court in its discretion may

(A) allow a reasonable attorney's fee and costs of the action to any party;

(B) require the plaintiff to post security for payment of costs of the action and reasonable attorney's fees.

(2) A copy of the complaint in any action by a participant or beneficiary shall be served upon the Secretary by certified mail who shall have the right, in his discretion, to intervene in the action.

"(i) In any civil action authorized to be brought by the Secretary by this Act, or to enjoin any act or practice, or to collect any penalty assessed by the Secretary, the Attorney General shall represent the Secretary, unless the Attorney General delegates all or part of this authorization to the Secretary.

"(j) Except as provided in this Act, nothing contained herein shall be construed or applied to authorize the Secretary to regulate, or interfere in the management of, any employee welfare or pension benefit plan.

"(k) In order to avoid unnecessary expense and duplication of functions among Government agencies, the Secretary may make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this Act and the functions of any such agency as he may find to be practicable and consistent with law. The Secretary may utilize the facilities or services of any department, agency, or establishment of the United States or of any State or political subdivision of a State, including the services of any of its employees, with the lawful consent of such department, agency, or establishment; and each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary and, to the extent permitted by law, to provide such information and facilities as he may request for his assistance in the performance of his functions under this Act. The Secretary shall immediately forward to the Attorney General or his representative any information coming to his attention in the course of the administration of this Act which may warrant consideration for criminal prosecution under the provisions of this Act or other Federal law."

SEC. 10. Section 13 of such Act is amended by striking out the word "welfare" after the word "employee" the second time it appears in subsection (a), striking out the words "or of any employee pension benefit plan" after the word "plan" the first time it appears in subsection (a), striking out the words "welfare benefit plan or employee pension" after the word "employee" the second time it appears in subsection (b) and striking out the words "welfare benefit plan or of an employee pension" after the word "employee" the first time it appears in subsection (d).

SEC. 11. Such Act is further amended by renumbering sections 14 through 18 as sections 16 through 20, respectively, and by adding the following new sections:

"FIDUCIARY RESPONSIBILITY

"SEC. 14. (a) Every employee benefit fund shall be deemed to be a trust and shall be held for the exclusive purpose of (1) providing benefits to participants in the plan and their beneficiaries and (2) defraying reasonable expenses of administering the plan.

"(b)(1) A fiduciary shall discharge his duties with respect to the fund—

(A) solely in the interests of the participants and their beneficiaries;

(B) with the care under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and

(C) in accordance with the documents and instruments governing the funds insofar as is consistence with this Act.

(2) Except as permitted hereunder, a fiduciary shall not—

(A) lease or sell property of the fund to any person known to be a party in interests;

(B) lease or purchase on behalf of the fund any property known to be property of any party in interest;

(C) deal with such fund in his own interest or for his own account;

(D) represent any other party with such fund, or in any way act on behalf of a party adverse to the fund or to the interests of its participants or beneficiaries;

(E) receive any consideration from any party dealing with such fund in connection with a transaction involving the fund;

(F) loan money or other assets of the fund to any person known to be a party in interest;

(G) furnish goods, service or facilities to any person known to be a party in interest, or

(H) permit the transfer of any property of the fund to, or its use by or for the benefit of, any person known to be a party in interest.

The Secretary may by rule or regulation provide for the exemption of any fiduciary or transaction from all or part of the proscriptions contained in this subsection 14(b)(2), when the Secretary finds that to do so is consistent with the purposes of this Act and in the interest of the fund and its participants and beneficiaries: *Provided, however,* That any such exemption shall not relieve a fiduciary from any other applicable provisions of this Act.

"(c) Nothing in this section shall be construed to prohibit any fiduciary from:

(1) receiving any benefit to which he may be entitled as a participant or beneficiary in the plan under which the fund was established;

(2) receiving any reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of his duties with the fund: *Provided,* That no person so serving who already receives full-time pay from an employer or an association of employers whose employees are participants in the plan under which the fund was established, or from an employee organization whose members are participants in such plan, shall receive compensation from such fund, except for reimbursement of expenses properly and actually incurred and not otherwise reimbursed;

(3) serving in such position in addition to being an officer, employee, agent or other representative of a party in interest;

(4) engaging in the following transactions:

(A) purchasing on behalf of the fund any security which has been issued by an employer whose employees are participants in the plan under which the fund was established or a corporation controlling, controlled by, or under common control with, such employer: *Provided,* That the purchase of any security is for no more than adequate consideration in money or money's worth; *Provided further,* that if an employee benefit fund is one which provides primarily for benefits of a stated amount, or an amount determined by an employee's compensation, an employee's period of service, or a combination of both, or money purchase type benefits based on fixed contributions which are not geared to the employer's profits, no investment shall be made subsequent to the enactment of this amendment by a fiduciary of such a fund in securities of such an employer or of a corporation controlling, controlled by, or under common control with such employer, if such investment, when added to such securities already held, exceeds 10 percent of the fair market value of the assets of the fund. Notwithstanding the foregoing, such 10 percent limitation shall not apply to profit sharing, stock bonus, thrift and savings or other similar plans which explicitly provide that some or all of the plan funds may be invested in securities of such employer, or a corporation controlling, controlled by, or under common control with, such employer, nor shall said plans be deemed to be limited by any diversification rule as to the percentage of plan funds which may be invested in such securities. Profit sharing, stock bonus, thrift or other similar plans, which are in existence on the date of enactment and which authorize investment in such securities without explicit provision in the plan, shall remain exempt from the 10 percent limitation until the expiration of one year from the date of enactment of this Act.

(B) purchasing on behalf of the fund any security other than one described in (A) immediately above, or selling on behalf of the fund any security which is acquired or held by the fund, to a party in interest: *Provided,* (i) That the security is listed and traded on an exchange subject to regulation by the Securities and Exchange Commission, (ii) that no brokerage commission, fee (except for customary transfer fees), or other remuneration is paid in connection with such transaction, and (iii) that adequate consideration is paid;

(5) making any loan to participants or beneficiaries of the plan under which the fund was established where such loans are available to all participants or beneficiaries on a nondiscriminatory basis and are made in accordance with specific provisions regarding such loans set forth in the plan;

(6) contracting or making reasonable arrangements with a party in interest for office space and other services necessary for the operation of the plan and paying reasonable compensation therefor;

(7) following the direction in the trust instrument or other document governing the fund insofar as consistent with the specific prohibitions listed in subsection 14(b)(2);

(8) taking action pursuant to an authorization in the trust instrument or other document governing the fund, provided such action is consistent with the provisions of subsection 14(b).

"(d) Any fiduciary who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this Act shall be personally liable to make good to such fund any losses to the fund resulting from such breach, and to restore to such fund any profits of such fiduciary which have been made through use of assets of the fund by the fiduciary.

"(e) When two or more fiduciaries undertake jointly the performance of a duty or the exercise of a power or where two or more fiduciaries are required by any instrument governing the fund to undertake jointly the performance of a duty or the exercise of a power, but not otherwise, each of such fiduciaries shall have the duty to prevent any other such co-fiduciary from committing a breach of a responsibility, obligation or duty of a fiduciary or to compel such other co-fiduciary to redress such a breach: *Provided,* That no fiduciary shall be liable for any consequence of any act or failure to act of a co-fiduciary who is undertaking or is required to undertake jointly any duty or power if he shall object in writing to the specific action and promptly file a copy of his objection with the Secretary.

"(f) Each employee benefit plan shall contain specific provisions for the disposition of its fund assets upon termination. In the event of termination, whether under the express terms of the plan or otherwise, such fund, or any part thereof, shall not be expended, transferred or otherwise disposed of, except for the exclusive benefit of the plan participants and their beneficiaries. Notwithstanding the foregoing, after the satisfaction of all liabilities with respect to the participants and their beneficiaries under an employee pension benefit plan (and in the case of plans qualified under 26 U.S.C. 401 et seq. in accordance with applicable Internal Revenue Code provisions and regulations promulgated thereunder), any remaining fund assets may be returned to any person who has a legal or equitable interest in such assets by reason of such person or his predecessor having made financial contribution thereto.

"(g) No fiduciary may be relieved from any responsibility, obligation or duty under this Act by agreement or otherwise. Nothing herein shall preclude any agreement allocating specific duties or responsibilities among fiduciaries, or bar any agreement of insurance coverage or indemnification affecting fiduciaries, but no such agreement shall restrict the obligations of any fiduciary to a plan or to any participant or beneficiary.

"(h) No action, suit, or proceeding based on a violation of this section shall be maintained unless it be commenced within three years after the filing with the Secretary of a report, statement or schedule with respect to any matter disclosed by such report, statement or schedule, or, with respect to any matter not so disclosed, within three years after the complainant otherwise has notice of the facts constituting such violation, whichever is later, provided, however, that no such action, suit or proceeding shall be commenced more than six years after the violation occurred. In the case of a willfully false or fraudulent statement or representation of a material fact or the willful concealment of, or willful failure to disclose, a material fact required by this Act to be disclosed, a proceeding in court may be brought at any time within ten years after such violation occurs.

"(i) A fiduciary shall not be liable for a violation of this Act committed before he became a fiduciary or after he ceased to be a fiduciary.

"PROHIBITION AGAINST CERTAIN PERSONS HOLDING OFFICE

"SEC. 15. (a) No person who has been convicted of, or has been imprisoned as a result of his conviction of: robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, kidnapping, perjury, assault with intent to kill, assault which inflicts grievous bodily injury, any crime described in section 9(a)(1) of the Investment Company Act of 1940, 15 U.S.C. 80a-9(a)(1), or a violation of any provision of this Act, or a violation of section 302 of the Labor Management Relations Act of 1947, 61 Stat. 157, as amended, 29 U.S.C. 186, or a violation of Chapter 63 of Title 18, United States Code, or a violation of section 874, 1027, 1503, 1505, 1506, 1510, 1951, or 1954 of Title 18, United States Code, or a violation of the Labor-Management Reporting and Disclosure Act of 1959, 73 Stat. 519, as amended, 29 U.S.C. 401, or conspiracy to commit any such crimes or attempt to commit any such crimes, or a crime in which any of the foregoing crimes is an element, shall serve—

1. as an administrator, officer, trustee, custodian, counsel, agent, employee (other than as an employee performing exclusively clerical or janitorial duties) or other fiduciary position of any employee benefit plan, or

2. as a consultant to any employee benefit plan, during or for five years after such conviction or after the end of such imprisonment, unless prior to the end of such five year period, in the case of a person so convicted or imprisoned, (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) the Board of Parole of the United States Department of Justice determines that such person's service in any capacity referred to in clause (1) or (2) would not be contrary to the purposes of this Act. Prior to making any such determination the Board shall hold an administrative hearing and shall give notice of such proceeding by certified mail to the State, County, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Board's determination in any such proceeding shall be final. No person shall knowingly permit any other person to serve in any capacity referred to in clause (1) or (2) in violation of this subsection.

"(b) Any person who willfully violates this section shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

"(c) For the purposes of this section, any person shall be deemed to have been 'convicted' and under the disability of 'conviction' from the date of the judgment of the trial court or the date of the final sustaining of such judgment on appeal, whichever is the later event, regardless of whether such conviction occurred before or after the date of enactment of this section.

"(d) For the purposes of this section, the term 'consultant' means any person who, for compensation, advises or represents an employee benefit plan or who provides other assistance to such plan, concerning the establishment or operation of such plan."

SEC. 12. (a) Subsection (b) of section 16 of such Act, as renumbered by this Act, is amended by striking out the word "such" the second time it appears and by inserting in lieu thereof the word "the", and striking out the word "calendar" the second time it appears and inserting in lieu thereof the word "fiscal".

(b) Renumbered section 16(d) is amended by striking out the words "rate of $50 per diem" and inserting in lieu thereof the words "maximum per diem rate authorized in the current Department of Labor Appropriation Act for consultants and experts", adding the words "such members are" after the word "when" the first time it appears, and striking out the designation "73B–2" after "5 U.S.C." and inserting in lieu thereof the designation "5703".

(c) Renumbered section 16 is further amended by striking out in its entirety subsection (e).

SEC. 13. (a) Renumbered section 17 is amended by adding a comma after the word "Act" the first time it appears in subsection (a), followed by the designation "5 U.S.C. 551 et seq.,", and by adding at the end of subsection (a) the following sentence: "The Secretary, or his delegate, in consultation with the Secretary of the Treasury or his delegate, shall prescribe all necessary rules and regulations for the administration and enforcement of this Act, except that all rules and regulations issued with respect to Section 14 shall be prescribed by the Secretary of Labor or his delegate with the concurrence of the Secretary of Treasury or his delegate."

(b) Renumbered section 17 is further amended by deleting in their entirety subsections (c) and (d).

SEC. 14. Renumbered section 18 is amended to read as follows:

"SEC. 18(a). It is hereby declared to be the express intent of Congress that except for actions authorized by section 9(a)(1)(B) of this Act; the provisions of this Act shall supersede any and all laws of the States and of political subdivisions thereof insofar as they may now or hereafter relate to the fiduciary, reporting, and disclosure responsibilities of persons acting on behalf of employee benefit plans; *Provided*, That nothing herein shall be construed:

(1) to exempt or relieve any person from any law of any State which regulates insurance, banking, or securities or to prohibit a State from requiring that there be filed with a State agency copies of reports, required by this Act to be filed with the Secretary; or

(2) to alter, amend, modify, invalidate, impair, or supersede any law of the United States (other than the Welfare and Pension Plans Disclosure Act of 1958, as amended (72 Stat. 997)) or any rule or regulation issued under any such law.

(b) Subsection (a) of this section shall not be deemed to prevent any State court from asserting jurisdiction in any action requiring or permitting accounting by a fiduciary during the operation of the fund or upon the termination thereof or from asserting jurisdiction in any action by a fiduciary requesting instructions from the court or seeking an interpretation of the trust instrument or other document governing the fund. In any such action:

(1) the provisions of this Act shall supercede any and all laws of the States and of political subdivisions thereof, insofar as they may now or hereafter relate to the fiduciary, reporting, and disclosure responsibilities of persons acting on behalf of employee benefit plans except insofar as they may relate to the amount of benefits due beneficiaries under the terms of the plan;

(2) notwithstanding any other law, the Secretary shall have the right to remove such action from a State court to a district court of the United States if the action involves an interpretation of the fiduciary, reporting, and disclosure responsibilities of persons acting on behalf of employee benefit plans. In determining whether to request such removal, the Secretary shall consider any additional expenses or inconvenience to the parties;

(3) the jurisdiction of the State court shall be conditioned upon:

(A) written notification, sent to the Secretary by registered mail at the time such action is filed, identifying the parties to the action, the nature of the action, and the plan involved; and

(B) the right of the Secretary to intervene in the action as an interested party.

SEC. 15. Renumbered section 20 is amended as follows:

"Sec. 20. (a) The provisions of paragraph (b) (3), and (4) and (5) of section 7 relating to the aggregating of items reported shall become effective two years after enactment hereof.

(b) The amendments made by this Act to the reporting requirements of the Welfare and Pension Plans Disclosure Act shall become effective upon the promulgation of revised report forms by the Secretary.

(c) All other provisions of this Act shall become effective thirty days after enactment hereof.

(d) In order to provide for an orderly disposition of any investment, the retention of which would be deemed to be prohibited by this Act, and in order to protect the interest of the fund and its participants and its beneficiaries, the fiduciary may in his discretion effect the disposition of such investment within three years after the date of enactment of this Act or within such additional time as the Secretary may by rule or regulation allow, and such action shall be deemed to be in compliance with this Act.

SEC. 16. The Table of Contents of such Act is amended to read as follows:

"TABLE OF CONTENTS

Employee Benefits Protective Act

SEC. 17. (a) Sections 664, 1027 and 1954 of title 18, United States Code, are amended by striking out the words "Welfare and Pension Plans Disclosure Act" and "Welfare and Pension Plans Disclosure Act as amended" wherever they appear and inserting in lieu thereof the words "Employee Benefit Protection Act".

(b) Subsection (a) of section 1954 of title 18, United States Code, is further amended by striking out the words "3(3) and 5(b)(1) and (2)" and inserting in lieu thereof the words "3(c) and 3(o)".

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., December 8, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith draft legislation entitled "Employee Benefits Protection Act," as recommended by the President in his message today. Such draft legislation was also submitted during the last session of Congress, as recommended by the President. I am also forwarding an explanation of the bill's major objectives and its provisions.

The proposal will amend the Welfare and Pension Plans Disclosure Act to impose fiduciary responsibility on persons who exercise powers of control, management or disposition over employee benefit funds. Additional amendments require disclosure of further information concerning the financial operations of such funds. The proposed legislation will provide basic protection for the vast sums now being handled through private welfare and pension funds.

I urge that early and favorable consideration be given to this bill.

Sincerely,

JAMES D. HODGSON,
Secretary of Labor.

EXPLANATORY STATEMENT OF AMENDMENTS TO THE WELFARE AND PENSION PLANS DISCLOSURE ACT

The fundamental purpose of the proposed amendments to the Welfare and Pension Plans Disclosure Act is the broadening and strengthening of the protection of rights and interests of participants and beneficiaries of employee welfare and pension benefit plans. This aim is accomplished in three ways. First, by the addition of two new sections: one setting forth responsibilities and proscriptions applicable to persons occupying a fiduciary relationship to employee benefit plans, including a "prudent man" standard for evaluating the conduct of all fiduciaries; the other barring from responsible fiduciary positions in such plans for a period of five years all persons convicted of certain listed criminal offenses. Second, by additions to and changes in the reporting requirements designed to disclose more significant information about plans and the transactions engaged in by those controlling plan operations and to provide specific data to participants and bene-

ficiaries concerning the rights and the benefits they are entitled to under the plans. Third, by providing remedies through either State or Federal courts to insure that the protections provided by the Act can be effectively enforced.

I. FIDUCIARY RESPONSIBILITY

A fiduciary is one who occupies a position of confidence or trust. As defined by the amendments, a fiduciary is a person who exercises any power of control, management or disposition with respect to monies or other property of an employee benefit fund, or who has authority or responsibility to do so. The fiduciary responsibility section, in essence, codifies and makes applicable to these fiduciaries certain principles developed in the evolution of the law of trusts. The section was deemed necessary for several reasons.

First, a number of plans are structured in such a way that it is unclear whether the traditional law of trusts is applicable. Predominantly, these are plans, such as insured plans, which do not use the trust form as their mode of funding. Administrators and others exercising control functions in such plans under the present Act are subject only to minimal restrictions and the applicability of present State law to employee benefit plans is sometimes unclear. Second, even where the funding mechanism of the plan is in the form of a trust, reliance on conventional trust law often is insufficient to adequately protect the interests of plan participants and beneficiaries. This is because trust law had developed in the context of testamentary and inter vivos trusts (usually designed to pass designated property to an individual or small group of persons) with an attendant emphasis on the carrying out the instructions of the settlor. Thus, if the settlor includes in the trust document an exculpatory clause under which the trustee is relieved from liability for certain actions which would otherwise constitute a breach of duty, or if the settlor specifies that the trustee shall be allowed to make investments which might otherwise be considered imprudent, the trust law in many States will be interpreted to allow the deviation. In the absence of a fiduciary responsibility section in the present Act, courts applying trust law to employee benefit plans have allowed the same kinds of deviations, even though the typical employe benefit plan, covering hundreds or even thousands of participants, is quite different from the testamentary trust both in purpose and in nature.

Third, even assuming that the law of trusts is applicable, without provisions (lacking in the present Act) allowing ready access to both detailed information about the plan and to the courts, and without standards by which a participant can measure the fiduciary's conduct (also lacking in the present Act) he is not equipped to safeguard either his own rights or the plan assets. Furthermore, a fiduciary standard embodied in Federal legislation is considered desirable because it will bring a measure of uniformity in an area where decisions under the same set of facts may differ from State to State. It is expected that courts will interpret the prudent man rule and other fiduciary standards bearing in mind the special nature and purposes of employee benefit plans intended to be effectuated by the Act.

Finally, it is evident that the operations of employee benefit plans are increasingly interstate. The uniformity of decision which the Act is designed to foster will help administrators, fiduciaries and participants to predict the legality of proposed actions without the necessity of reference to varying State laws.

Section 14(a), when read in connection with the definition of the term "employee benefit fund", makes it clear that the fiduciary responsibility provisions apply only to those plans which have assets at risk.

Thus an unfunded plan, such as one in which the only assets from which benefits are paid are the general assets of the employer, is not covered. However, if the plan does have assets at risk, the form in which those assets are held is deemed to be a trust, whether or not a trust agreement exists, and the trust assets may be used only for the two stated purposes: providing benefits for participants and defraying reasonable administrative expenses.

The next two subsections (14(b) and (c)) incorporate the core principles of fiduciary conduct as adopted from existing trust law, but with modifications appropriate for employee benefit plans. These salient principles place a twofold duty on every fiduciary: to act in his relationship to the plan's fund as a prudent man in a similar situation and under like conditions would act, and to act solely in the interest of the participants and beneficiaries of the plan; that is, to refrain from involving himself in situations or transactions where his personal interests might conflict with the interests of the participants and beneficiaries for whom the fund was established. Thus, section 14(b)(1) sets out the prudent man standard and the attendant affirmative duties to discharge responsibilities in conformance with instructions (as set out in the governing plan documents) and solely in the interest of the plan's participants and beneficiaries. There follows a list of proscriptions (section 14(b)(2)) which represent the most serious type of fiduciary misconduct which in one way or another has occurred in connection with some welfare or pension plans. Some of these situations have been found in the administration of the WPPDA. Others have been discovered by congressional investigations, newspaper reporters, audits, and miscellaneous sources. While the magnitude of these improper practices is small in relation to the total number of plans in existence, the seriousness of the improper practices disclosed indicates the need for additional precautions to insure that these specific examples do not become general conditions. The list of proscriptions is intended to provide this essential protection.

The exemption provision which follows the listed proscriptions has been included in recognition of established business practices, particularly of certain institutions, such as commercial banks, trust companies and insurance companies which often perform fiduciary functions in connection with employee benefit plans. The Secretary will provide, by individual or class exemptions, exceptions so that the established practices of these institutions and others are not unduly disrupted, so long as they are consistent with the purposes of the Act.

Next, there are listed transactions in which fiduciaries are expressly allowed to engage. This listing is necessary for reasons similar to those which required inclusion of the exemption provision. That is, the breadth of the proscriptions, while considered necessary for the reasons stated above, would operate in some cases to prohibit transactions which are deemed desirable to the sound, efficient functioning of employee benefit plans. It was therefore necessary to specify that certain transactions, likely to be engaged in by fiduciaries of virtually all plans, will be allowed notwithstanding the proscriptions.

It is emphasized, however, that even with respect to the transactions expressly allowed, the fiduciary's conduct must be consistent with the prudent man standards unless the trust instrument specifically directs investments.

Especially significant among the expressly allowed transactions is that which permits, in most type of plans, investment of up to ten percent of the fund assets in securities issued by the employer of employees who are participants in the plan. Since such an employer will often be an administrator of his plan, or will function as a trustee or in some other fiduciary capacity, this provision creates a limited exception to the listed proscription against self-dealing. The exception is made in recognition of the symbolic relationship existing between the employer and the plan covering his employees. Such investments are commonly made under provisions in a trust agreement expressly allowing them. The ten percent limitation is prospective only, and does not require divestitute by funds already holding more than that percentage. Furthermore, in recognition of the special purpose of profit sharing plans, the limitation does not apply to such plans if they explicitly provide for greater investment in the employer's securities. Subsection 14(c) also recognizes the practice of including in trust instruments various authorizations governing the handling of the fund. Many such authorizations have been inserted by legal draftsmen because of questions in their judgment as to authority and are generally recognized as appropriate.

The next two subsections (14(d) and (e)) are intended to codify, with respect to employee benefit fund fiduciaries, rules developed under the law of trusts. Thus a fiduciary is made personally liable for his breach of any responsibility, duty or obligation owed to the fund, and must reimburse the fund for any loss resulting from such a breach. He must also pay over to the fund any personal profit realized through use of fund assets. Where two or more fiduciaries manage a fund, each must use care to prevent a co-fiduciary from committing a breach or to compel a co-fiduciary to redress a breach. Plan business is to be conducted by joint fiduciaries in accordance with the governing instruments of the plan, or in the absence of such provisions by a majority of fiduciaries and a fiduciary who objects in writing to a specific action and files a copy of his objections with the Secretary is not liable for the consequences of such action.

The requirement (subsection 14(f)) that every plan contain specific provisions for the disposition of fund assets upon termination is necessary to avoid confusion on the part of fiduciaries and participants and beneficiaries alike as to the proper disposition of the fund assets upon termination of the plan. It is essential at such a time that the plan administrator (who is still, notwithstanding the termination, a fiduciary subject to the Act) know how assets remaining in the plan's fund must be distributed and it is important that the distribution plan be specified so that participants and beneficiaries can assess the propriety of the fiduciary's actions when the plan terminates. The requirement that liabilities to particpants and beneficiaries be satisfied before claims on the fund by contributing parties will be heard is inserted to insure that the interests of participants and beneficiaries will be fully protected.

Exculpatory and similar clauses which purport to relieve a fiduciary from any responsibility, obligation or duty when under the Act are expressly prohibited and made void as against public policy. Whatever the validity such provisions might have with respect to testamentary trusts, they are inappropriate in the case of employee benefit plans.

The large numbers of people and enormous amounts of money involved in such plans coupled with the public interest in their financial soundness, as expressed in the Act, require that no such exculpatory provision be permitted.

It is noted that the basic three year statute of limitations (subsection 14(h)) for suits to enforce the fiduciary provisions or redress a fiduciary's breach may be extended up to an additional three years where the breach is not discovered earlier. In no event can a suit be maintained more than six years after the

violation occurred. Where there has been a willfully false or fraudulent misstatement or concealment of a material fact, an action may be brought any time within ten years after the violation occurs.

Finally, by subsection (i) a fiduciary is specifically made not liable for violations committed before he became or after he ceased to be a fiduciary.

The second all new section, section 15, prohibits persons convicted of certain listed crimes from serving, for a period of five years after conviction or the end of imprisonment for such conviction, in a responsible position in connection with an employee benefit plan. The prohibition is considered necessary because of the large funds involved and the attendant great risk of a loss affecting a large number of persons. Section 15 is modeled after section 504 of the Labor-Management Reporting and Disclosure Act (LMRDA) which bars persons convicted of certain crimes from serving as union officers. The presence of the LMRDA prohibition is another reason for including a similar provision in the Protection Act. Without such a provision persons barred from serving as union officers might take positions with employee benefit plans. The danger inherent in such a transfer is especially great where elements of organized crime are involved.

The crimes listed have been chosen with reference to three kinds of criminal activity. These are (1) activities which involve a wrongful taking of property, (2) activities which are related to, and often occur in connection with the efforts of organized crime elements in the labor-management and securities fields, and (3) activities of a nature so vicious that involvement in them casts grave doubt on the individual's responsibility. Thus, in addition to the specifically named crimes the list includes crimes described in section 9(a)(1) of the Investment Company Act of 1940 (involving misconduct in the securities field), violations of section 302 of the Labor-Management Relations (Taft-Hartley) Act, certain violations of the LMRDA, violations of chapter 63 of Title 18, United States Code (mail fraud) and violation of sections 874 (kickbacks from public works employees), 1027 (false statements in documents required by the Welfare and Pension Plans Disclosure Act), 1954 (offer, acceptance or solicitation to influence operations of employee benefit plan), 1503 (jury tampering), 1505 (obstruction of government agency proceedings), 1506 (theft or alteration of court record or process; false bail), 1510 (obstruction of criminal investigations) and 1951 (interference with commerce by threats or violence) of Title 18, United States Code. The section contains its own criminal penalty, with a higher fine than that provided for other criminal violations of the Act. It is the same penalty as that specified in section 504, LMRDA.

II. REPORTING AND DISCLOSURE

The underlying theory of the Welfare and Pension Plans Disclosure Act to date has been that reporting of generalized information concerning plan operations to plan participants and beneficiaries and to the public in general would, by subjecting the dealings of persons controlling employee benefit plans to the light of public scrutiny, insure that the plan would be operated according to instructions and in the best interests of the participants and beneficiaries. The Secretary's role in this scheme was minimal. Disclosure has been seen as a device to impart to participants and beneficiaries sufficient information to enable them to know whether the plan was financially sound and being administered as intended. It was expected that the knowledge thus disseminated would enable participants to police their plans. But experience has shown that the limited data available under the present Act is insufficient even though the burden of enforcement has been partly assumed by the Secretary. The Amendments therefore are designed to increase the data required in the reports, both in scope and in detail. Experience has also demonstrated a need for a more particularized form of reporting, so that the individual participant knows exactly where he stands with respect to his plan—what benefits he is entitled to and what steps he must follow to secure his benefits. Moreover, the addition of fiduciary responsibility provisions has increased the need for both generalized and particularized data. On one hand, participants will be able to ascertain whether the plan's fiduciaries are observing the rules set out in the fiduciary responsibility section only if they have access to sufficient data about plan transactions. On the other hand, the prophylactic effect of the fiduciary responsibility section will operate efficiently only if fiduciaries are aware that the details of their dealings will be open to inspection, and that individual participants and beneficiaries will be armed with enough information to enforce their own rights as well as the obligations owed by the fiduciary to the plan in general.

There are three significant changes designed to impart more information about the plan and its operations in general. First, the annual report must include the opinion of an independent accountant based upon the results of an annual audit. Such information will allow better assessment of the plan's financial soundness by administrators and participants alike (the exemption for the books of institutions providing investment, insurance and related functions and subject to periodic examination by a government agency will prevent duplicative audit examinations of these institutions). Second, plans except those which are unfunded must include in their reports information pertaining to leases, party in interest transactions and investment assets other than securities in addition to information about securities, investments and loans. Finally, actuarial information is now required so that participants and beneficiaries can judge the progress of the plan's funding scheme and its overall financial soundness.

Amendments to provide particularized information to individual participants and beneficiaries are found in section 8. In addition to the obligation to make available copies of the plan description and latest annual report, the administrator will be required to furnish to a participant or beneficiary so requesting in writing a fair summary of the annual report or a statement of what benefits (including nonforfeitable benefits, if any) have accrued in his favor or both. This will enable a participant to find out where he stands with respect to the plan at any given time. Administrators must make good faith efforts to supply to a participant (or his survivor) upon his termination of service under a plan, a notice telling the participant or survivor exactly what procedures must be followed to secure his benefits.

Further, the Administrator must furnish to participants and beneficiaries upon request copies of the plan description, annual report, or bargaining agreement, trust agreement, contract or instrument under which the plan is established and operated. He may make a reasonable charge to cover the cost of such copies. If a plan is subject to a Federal vesting requirement and is exempted from providing pre-retirement vesting for benefits earned during a year of financial hardship, good faith efforts will have to be made to inform participants of the lack of vesting in that year.

III. ENFORCEMENT

The changes in the enforcement provisions have been made so that the rights given to participants and beneficiaries elsewhere in the Act will be enforceable in an appropriate forum. The enforcement section reflects the addition of the fiduciary responsibility provisions and provides remedies of two kinds; those designed to rectify fiduciary breaches and those to insure that participants and beneficiaries, and the Secretary, will receive the information required by the reporting and disclosure provisions. Suits to redress breaches of duty by a fiduciary or to remove persons from plan positions serving in violation of the criminal conviction bar may be brought by a participant or beneficiary only as a representative in a class action. Certification by an accountant as a prerequisite to the Secretary's investigation is no longer necessary because the annual audit requirement allows an assumption that the plan report is accurate.

Participants and beneficiaries may sue in any State court of competent jurisdiction.

For actions in Federal courts, nationwide service of process is provided in order to remove a possible procedural obstacle to having all proper parties before the court. Federal and State courts are given discretion to award attorney's fees and court costs to any party in actions brought by a participant or a beneficiary. The court also has discretion to require the plaintiff to post security for court costs and reasonable attorney's fees.

Fiduciary breaches may be rectified through civil suits only. Criminal penalties for such breaches are inconsistent with the principles established under the common law of trusts. However, criminal penalties remain available in cases of reporting violations, and, under Title 18, United States Code, in cases of embezzlement, false statements, bribery and kickbacks in connection with employee benefit plans.

IV. EFFECT OF OTHER LAWS

The Act provides for a uniform source of law for evaluating the fiduciary conduct of persons acting on behalf of employee benefit plans and a singular reporting and disclosure system in lieu of burdensome multiple reports. States may require the filing with a State agency of copies of reports required under the Act. State courts as well as Federal courts are available to provide remedies under the Act and actions in State courts for accountings are expressly allowed. Furthermore, the Act expressly authorizes cooperative arrangements with State agencies as well as other Federal agencies and provides that State laws regulating banking, insurance and securities remain unimpaired.

SUMMARY OF CHANGES REFLECTED IN ADMINISTRATION'S "EMPLOYEE BENEFITS PROTECTION ACT" TO BE SUBMITTED IN 92D CONGRESS FROM THE ADMINISTRATION'S PROPOSAL SUBMITTED IN THE 91ST CONGRESS

The new draft makes a number of minor word and typographical changes. The substantive changes are:

1. On page 16a, section 8 adds a new section 8(f) to provide that in the event that a plan is subject to the new Federal vesting standards (as provided in the draft vesting bill) and is excused or exempted from these requirements because of financial difficulties or other authorized reasons, written notice of such exemption or excuse must be sent to the participant.

2. On page 18, subsection 9(b), amending section 9(e)(2) is changed by making clear that legal action may be brought for removal of non-fiduciaries (as well as fiduciaries) who are serving in violation of section 15 of the bill.

3. Section 11, amending section 14(c)(4)(A), p. 23 is revised in three principal ways. First, under the bill submitted during the 91st Congress, the 10 percent limit on investment in an employer's or an employer's affiliate securities is not applicable to profit sharing plans where such plans have the

requirement that some or all of the plans funds shall be invested in securities of such employer. The new language would allow the exception where the plans "explicitly provide" that the funds may be so invested. It allows a one year grace period during which existing plans may amend their documents to provide explicit reference to investments in the employer or his affiliates. Second, the revision provides that such investments may be made in corporations controlling, controlled by, or under common control with such employer. The language of last year's submission limited such investment to the securities of the employer. Third, it insures that profit sharing and similar plans will not be held to any other diversification requirement (which might arise from the prudent man concept) as regards investments in the employer's securities.

4. In section 11, p. 25 which adds sections 14 and 15, section 14(f) is revised to make clear that upon satisfaction of all liabilities, a non-qualified, as well as a qualified plan, may return remaining fund assets to the contributing employer.

5. Section 14, amending renumbered section 18, p. 28, is revised to make clear that Federal preemption of State law does not preclude actions in a State court for accountings or for requests for instructions by a fiduciary. Such actions are subject to the following conditions:

(1). Federal law governs insofar as the matters relate to fiduciary, reporting, and disclosure responsibilities of persons acting on behalf of the funds (but not with regard to amount of benefits due beneficiaries under the terms of the plan).

(2). The Secretary has right of removal to Federal court.

(3). The jurisdiction of the State courts is conditioned upon notice being given to the Secretary of the action and the right of the Secretary to intervene.

CHANGES REFLECTED IN THE ADMINISTRATION'S "EMPLOYEE BENEFITS PROTECTION ACT" TO BE SUBMITTED IN THE 92ND CONGRESS FROM THE ADMINISTRATION'S "EMPLOYEE PROTECTION ACT" SUBMITTED IN THE 91ST CONGRESS

1. Enacting clause, the "9" in 92 stat. was changed to a "7" so that the amended law will read "(72 stat. 997),".

2. Section 7(b), amending 7(a)(1), page 8, a comma was placed before the phrase "policy or fiscal year on which" so that the amended law will read "calendar, policy or fiscal year on which".

3. Section 7(d), amending 7(b)(2)(A), page 9, "insurer" was changed to "issuer".

4. Section 7(d), amending 7(b)(4)(B), page 10, "leasehold" was changed to "leaseholds".

5. Section 7(d), amending 7(b)(6)(B), page 12, the word "the" was inserted before the word "date" and before the word "expenses".

6. Section 8(c), adding subsections (b), (c), (d) and (e), page 16a, adds new subsection (f), to read as follows:

(f) In the event that a plan which is subject to federal vesting standards is exempted or otherwise not required to provide for preretirement vesting in any given year because of financial difficulty or in other circumstances authorized by the Internal Revenue Code, a notice stating that benefits were not required to be vested for such year, written in a manner calculated to be understood by the average participant, shall be furnished to each participant once in each year that the plan is so relieved."

If, federal vesting legislation which includes a cost-relief provision is enacted, it is important that participants be informed if their plan is exempted from the vesting requirements under such a provision. New section 8(f) is designed to provide such notice.

7. Section 9(b), inserting 9(b) through (k), page 18, subsection (e)(2), the words "and the removal of any person" were substituted for the word "or" between "duties" and "who" in the last line. The clause now reads:

". . . including the removal of a fiduciary who has failed to carry out his duties and the removal of any person who is serving in violation of section 15 of this Act; or . . ."

The purpose is to conform the scope of civil removal suits to match the scope of prohibited positions under section 15(a)(1) and (2).

8. Section 11, amending section 14(b)(2)(H), page 22, a comma was deleted after the words "use by" and a comma was inserted after the words "benefit of".

9. Section 11, amending section 14(c)(2) and (c)(4)(A), page 23, respectively, a comma was inserted after the word "plan" and after the word "with".

10. Section 11, amending section 14(c)(4)(A), page 23, was revised in the last sentence to read as follows:

"Notwithstanding the foregoing, such 10 percent limitation shall not apply to profit sharing, stock bonus, thrift and savings or other similar plans which explicitly provide that some or all of the plans funds may be invested in securities of such employer or a corporation controlling, controlled by, or under common control with such employer, nor shall said plans be deemed to be limited by any diversification rule as to the percentage of plan funds which may be invested in such securities. Profit sharing, stock bonus, thrift or other similar plans, which are in existence on the date of enactment and which authorize investment in such securities without explicit provision in the plan, shall remain exempt from the 10 percent limitation until the expiration of one year from the date of enactment of this Act."

This language embodies three changes in the bill as submitted in the 91st Congress. First, under the bill submitted during the 91st Congress, the 10 percent limit on investment in an employer's or an employer's affiliates securities is not applicable to profit sharing plans were such plans have the *requirement* that some or all of the plans funds shall be invested in securities of such employer. The new language would allow the exception where the plans "explicitly provide" that the funds may be so invested. It allows a one year grace period during which existing plans may amend their documents to provide explicit reference to investments in the employer or his affiliates. Second, the quoted language provides that such investments may be made in corporations controlling, controlled by, or under common control with such employer. The language of last year's submission limited such investment to the securities of the employer. Third, it insures that profit sharing and similar plans will not be held to a diversification requirement as regards investments in the employer's securities.

11. Secton 11, adding sectons 14 and 15, page 25, section 14(f), now reads:

"Notwithstanding the foregoing, after the satisfaction of all liabilities with respect to the participants and their beneficiaries under an employee pension benefit plan (and, in the case of plans qualified under 26 U.S.C. 401 et seq. in accordance with applicable Internal Revenue Code, provisions and regulations promulgated thereunder), any remaining funds assets may be returned to any person who has a legal or equitable interest in such assets by reason of such person or his predecessor having made financial contribution thereto."

The purpose is to make it clear that upon satisfaction of all liabilities a non-qualified, as well as a qualified plan, may return remaining fund assets to the contributing employer.

12. Section 15(a), page 26, "employee welfare or pension benefit plan" was changed to read "employee benefit plan".

13. Section 14, amending renumbered section 18, page 28, to read as follows:

"Sec. 18. (a) It is hereby declared to be the express intent of Congress that except for actions authorized by section 9(e)(1)(B) of this Act, the provisions of this Act shall supersede any and all laws of the States and of political subdivisions thereof insofar as they may now or hereafter relate to the fiduciary, reporting, and disclosure responsibilities of persons acting on behalf of employee benefit plans: *Provided,* That nothing herein shall be construed:

(1) to exempt or relieve any person from any law of any State which regulates insurance, banking, or securities or to prohibit a State from requiring that there be filed with a State agency copies of reports required by this Act to be filed with the Secretary; or, (2) to alter, amend, modify, invalidate, impair, or supersede any law of the United States (other than the Welfare and Pension Plans Disclosure Act of 1958 as amended (72 Stat. 997) or any rule or regulation issued under any such law.

(b) Subsection (a) of this section shall not be deemed to prevent any State court from asserting jurisdiction in an action requiring or permitting accounting by a fiduciary during the operation of the fund or upon the termination thereof or from asserting jurisdiction in any action by a fiduciary requesting instructions from the court or seeking an interpretation of the trust instrument or other document governing the fund. In any such action:

(1) the provisions of this Act shall supersede any and all laws of the States and of political subdivisions thereof, insofar as they may now or hereafter relate to the fiduciary, reporting, and disclosure responsibility of persons acting on behalf of empleyee benefit plans, except insofar as they may relate to the amount of benefits due beneficiaries under the terms of the plan;

(2) notwithstanding any other law, the Secretary shall have the right to remove such action from a State court to a district court of the United States if the action involves an interpretation of the fiduciary, reporting and disclosure responsibilities of persons acting on behalf of employee benefit plans. In determining whether to request such removal, the Secretary shall consider any additional expenses or inconvenience to the parties;

(3) the jurisdiction of the State court shall be conditioned upon:

(A) written notification, sent to the Secretary by registered mail at the time such action is filed, identifying the parties to the action, the nature of the action, and the plan involved; and

(B) the right of the Secretary to intervene in the action as an interested party.

This section is redrafted to make clear that actions in a state court for accountings and the seeking of court instructions by a fiduciary are allowed, subject to the specified conditions.

14. Section 15, amending renumbered section 20, page —, by changing the word "plan" to "plans" in section 20(b) to make it the "Welfare and Pension Plans Disclosure Act".

15. Renumbered section 17, page 30, after the words "Welfare and Pension Plans Disclosure Act" were inserted the words "and Welfare and Pension Plans Disclosure Act, as amended."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 346

At the request of Mr. PEARSON, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 346, a bill to

encourage new job-creating industries in rural areas.

S. 662

At the request of Mr. PEARSON, the Senator from Michigan (Mr. GRIFFIN) was added as cosponsor of S. 662, a bill to reform and improve penal and post-adjudicatory systems in the United States.

S. 2669

At the request of Mr. PEARSON, the Senator from Missouri (Mr. EAGLETON) was added as a cosponsor of S. 2669, the Federal Child Support Security Act.

S. 2728

At the request of Mr. BYRD of West Virginia, for Mr. HUMPHREY, the Senator from Illinois (Mr. STEVENSON), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Florida (Mr. CHILES), the Senator from Rhode Island (Mr. PELL), the Senator from Minnesota (Mr. MONDALE), the Senator from New York (Mr. JAVITS), the Senator from Oklahoma (Mr. HARRIS), the Senator from Kentucky (Mr. COOPER), the Senator from Tennessee (Mr. BROCK), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 2728, a bill to establish a Citizens' Committee To Study Congress.

S. 2754

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Utah (Mr. Moss), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 2754, the Export Expansion Act of 1971.

SENATE JOINT RESOLUTION 180

At the request of Mr. ROTH, the Senator from Colorado (Mr. ALLOTT), the Senator from Maryland (Mr. BEALL), the Senator from Kentucky (Mr. COOPER), the Senator from Arizona (Mr. GOLDWATER), the Senator from Indiana (Mr. HARTKE), the Senator from Maryland (Mr. MATHIAS), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Alaska (Mr. STEVENS), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of Senate Joint Resolution 180, to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month."

ADDITIONAL COSPONSOR OF CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 33

At the request of Mr. BROCK, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of Senate Concurrent Resolution 33 regarding the persecution of Jews and other minorities in Russia.

CONTINUING APPROPRIATIONS FOR FOREIGN AID—AMENDMENT

AMENDMENT NO. 791

(Ordered to be printed and to lie on the table.)

Mr. GURNEY. Mr. President, the House of Representatives today will act on House Joint Resolution 1005, a joint resolution providing for continuing appropriations for foreign assistance and other programs. There is one provision contained in the joint resolution which disturbs me profoundly because that change will destroy the Cuban refugee program not only in Florida but also in many other States.

The administration proposed this year an appropriation of $144,103,000 for the Cuban refugee program. The continuing resolution which will come to the Senate from the House of Representatives, unless it is changed in the House—and I doubt that will happen—would cut $43 million out of the requested funds.

I point out and emphasize to the Senate that this has nothing to do with the Cuban airlift or the Cuban program insofar as getting people from Cuba. This money, practically 100 percent of it, is for financial assistance to refugees, and so large a part of the money goes directly to the school systems.

The school superintendent from Dade County came up to see me this week and pointed out that if this amount was not fully funded in Florida, that as far as the school program is concerned the Dade County school system and, to a large degree, the school system of Florida, would undoubtedly have to do one of two things, either cut back on the school year and be forced to cut down for a portion of the school year or make major reassessments of teachers' salaries and the salaries of personnel in some way to try to cut the cloth to fit the need.

I point out that the Cuban refugee program is a program that has something to do not only with the State of Florida but also with many other States that are concerned with this program. It will have a major impact. The program was a national program started by President Johnson to extend help to Cuban refugees so that they might come here, people who wanted to escape from Castro communism.

This is a national program and requires that large sums of money be expended in the program. The States will not be able to do this within the State budgets unless the Federal Government helps.

I hope that when the continuing resolution comes here, the Senate will see fit to agree to the proposed amendment that I intend to offer to restore those funds to the funds request in the budget.

CHANGE IN THE PAR VALUE OF THE DOLLAR—AMENDMENT

AMENDMENT NO. 792

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (S. 2879) to authorize the President of the United States to agree to change the par value of the dollar.

NOTICE OF HEARINGS ON INDIAN EDUCATION

Mr. JACKSON. Mr. President, I want to announce to the Indian people, the public, and the Members of the Senate that the Committee on Interior and Insular Affairs will conduct 3 days of open public hearings early in the next congressional session on S. 2724, the Comprehensive Indian Education Act of 1971.

Indian and other nongovernment witnesses will be heard on February 8 and 9, 1972, and those from the Department of the Interior and the Department of Health, Education, and Welfare on March 1.

S. 2724 reflects a number of concepts advanced by several Senators as well as the Indian people themselves. It is a very comprehensive measure and holds potential for improving the quality of education for both Indian children and adults.

The open hearings on all 3 days will commence at 10 a.m., in room 3110, New Senate Office Building.

ADDITIONAL STATEMENTS

"FACE THE NATION," AN INTERVIEW WITH MAJORITY LEADER MIKE MANSFIELD

Mr. MANSFIELD. Mr. President, last Sunday, December 12, I appeared on the CBS program "Face the Nation." I ask unanimous consent that the transcript of that program be printed in the RECORD.

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

FACE THE NATION

(As broadcast over the CBS Television Network and the CBS Radio Network, Dec. 12, 1971)

Guest: Sen. Mike Mansfield, Democrat of Montana.

Reporters: George Herman, CBS News; James Doyle, Senate Correspondent, Washington Evening Star; Marvin Kalb, CBS News.

GEORGE HERMAN. Senator Mansfield, thank you very much for coming. You have personally introduced or supported legislation to change the size of America's military commitment in Europe, to enforce on the President a date certain for ending the Viet Nam war, even to change the foreign aid program he wants. Why have you refrained in the Senate from even discussing the current world crisis between India and Pakistan?

Sen. MANSFIELD. Because, frankly, I don't know enough about it and I think the best thing to do is to remain silent and for this country to remain neutral.

ANNOUNCER. From CBS Washington, Face the Nation, a spontaneous and unrehearsed news interview with the Senate Democratic Majority Leader, Senator Mike Mansfield of Montana. Senator Mansfield will be questioned by CBS News Diplomatic Correspondent Marvin Kalb, James Doyle, Senate Correspondent for the Washington Evening Star, and CBS News Correspondent George Herman..

HERMAN. Senator, as you know, some of your Democratic colleagues in the Senate do not agree with you, some of them have already attacked the administration's operation in the India-Pakistan war. Do you think that this has been, as some Republicans charge, a serious action on their part?

Sen. MANSFIELD. Well, I couldn't say. As far as the action is concerned, I'm sure they are serious, but the point is the decision has been made as to what our policy will be. I don't want to Monday morning quarterback. There is a war going on. The best thing we can do is to use our good offices, if there are any left, to try and bring about a solution to it, and in the meantime remain strictly neutral.

DOYLE. Senator, you've used the phrase "our good offices, if there are any left," and

one of the controversies has been that we've destroyed our good offices by statements about India being the aggressor and about India's role in this whole thing. Doesn't that make you, as the leader of the loyal opposition—doesn't it give you a responsibility to respond?

Sen. MANSFIELD. Not at all. I'll respond on my own initiative when I think it's in the best interest of the nation, but not as the leader of the loyal opposition, because I'm still a Senator from the State of Montana and that is more important to me.

KALB. Senator, I'm a little puzzled by this. Over the last couple of years there has been a great hue and cry about why the Hill remained quiet when the administration moved in certain areas, in Indochina, for example, and it seems somewhat inconsistent, your desire to remain silent on something where the facts have been quite evident over the last nine months, certainly what's happening in East Pakistan. Why be quiet now? Do you agree with the administration?

Sen. MANSFIELD. I agree with the administration that we should remain neutral, that we should be prepared to offer any humanitarian assistance we can, and, if we can do so, offer our good offices to try and bring about a solution. However, I think that it will be more important if the Chinese and the Russians undertake that initiative because they are indirectly involved and, in a certain sense, directly involved.

KALB. Do you think the administration's rather visible pro-India line—anti-India line, pro-Pakistan, excuse me, is a sign of neutrality?

Sen. MANSFIELD. I think they've backed away from that line. In the last few days they've made explanations indicating that they are neutral.

HERMAN. Well if you feel that this is a too critical a time for the Senate to speak up and review what the administration has done——

Sen. MANSFIELD. Oh, no, I don't think it is too critical a time for them to speak up. Every senator has a right to speak and make his views known, and they have been speaking and they should continue to do so if they desire to.

HERMAN. Well, for one senator named Mike Mansfield then to speak up. Will there come a time, do you think, when you and the Foreign Relations Committee and the Senate as a whole should review the administration's actions leading—in the days before the—in the incidents leading up to this war?

Sen. MANSFIELD. I think that all of the administration's actions in the field of foreign policy are subject to review.

KALB. Do you think that India, as White House Advisor Henry Kissinger said, that India frustrated a peace effort?

Sen. MANSFIELD. Well, I understand the administration has made something like 34 proposals or propositions which seemed to try to point in the direction of preventing a war. Evidently the Pakistanis seemed to be willing to listen. The Indians seemed to have some questions, but then each of those countries has to exercise its own position as a sovereign nation.

HERMAN. Let me have another crack at my question which I asked you before and you answered before. Do you think in this particular case, the events leading up to the India-Pakistan war, that there is something there that would merit a Foreign Relations Committee review of administration actions?

Sen. MANSFIELD. I am sure there are a lot of questions which could be asked, but I don't believe in looking backward too much, and, to repeat, I don't want to be a Monday morning quarterback.

DOYLE. Well, Senator, what about the whole role of this administration toward this question over the years, and specifically has Pakistan had internal problems and acted quite harshly in the past year? I don't think you've had much to say about that.

Sen. MANSFIELD. That's right. I try to confine myself to subjects about which I know a little something. I must admit that I am not as conversant with affairs in that part of the world as I perhaps should be, but it's a big world.

KALB. Do you feel that the administration has alienated India, the most populous democracy in Asia, after all. Is it in our interest to do that?

Sen. MANSFIELD. I think that that's been done. Whether it will be of long standing remains to be seen. I don't think it's in our interest to alienate any nation; we ought to get along with all nations as much as possible, not in a position of leadership, not in the way of telling other nations what to do, but in a helpful, respectful way.

KALB. Well, then, why condemn India as an aggressor?

Sen. MANSFIELD. I'm not condemning India.

KALB. I know. I'm talking about the administration. Ambassador Bush used that term twice.

Senator MANSFIELD. That's right. I would assume that he was acting under instructions from down here, because having served as a delegate to the UN twice, what the UN delegates do, they do under instructions from the State Department or the White House.

HERMAN. Let me ask you one, perhaps last question on this India-Pakistan situation. You have said, I think now two or three times in the course of our questioning, that you don't know a great deal about the India-Pakistan——

Senator MANSFIELD. Not too much, no.

HERMAN. I understand. My question is, is this of sufficient importance to the President—to the, excuse me, the Senate of the United States and to the Foreign Relations Committee so that there should be something undertaken by the Foreign Relations Committee, of which you are a member, to familiarize you with it so that you can make a judgment and act if you feel necessary?

Senator MANSFIELD. Well, first let me say that I am trying to familiarize myself with it more. As far as the Foreign Relations Committee and what it should do now, that remains to be seen. I would say that for the time being we should do nothing but maintain a strictly neutral attitude and do what we can to bring about an end to this conflict if at all possible.

KALB. Would that have been a proper course, do you feel, Senator, back in the early 60's on Indochina?

Senator MANSFIELD. Yes, we should have stayed neutral, stayed out, and I so advocated at that time and before that time.

KALB. I mean in the face of an administration policy moving the nation in a certain direction, for the Hill to remain quiet?

Senator MANSFIELD. No, but then there were some people on the Hill who did not remain quiet and made their views known both on the floor of the Senate and in reports. I think you have some references in your book to that effect.

DOYLE. Senator Mansfield, you began this legislative session by holding a Democratic caucus and putting the caucus on record as wanting an end to the Viet Nam war and involvement in Indochina by the end of this Congress.

Senator MANSFIELD. That's right.

DOYLE. Three times this year the Senate at your direction passed legislation which would have brought that end over six months. Each time the House evaded the question, or the President ignored the legislation. Is there any role left for the Senate in the making of foreign policy in Indochina?

Senator MANSFIELD. Well, there is a role left for the Congress. It's the final step which they can take; that is to cut off appropriations. On that basis, you can assert yourself; on that basis I have voted against the Department of Defense appropriation bill. There is nothing further that I know of that I can do personally, in my capacity as a senator from the State of Montana, to bring about an end to this horrible war in which we have no business and should never have become involved. And one thing I have tried already is to bring a time certain termination to the war with the proviso that the POW's will be released at the same time. That fits in with the President's proposals because a third part of the tripod for withdrawal which he set up was that the government of Saigon should have a reasonable chance to survive. I think they have had that chance now, so we ought to go ahead and take up the proposition presented by the NLF on the basis of Points One and Two of the seven-point program of last June.

KALB. Senator, you've met privately with the President quite often. What does he tell you? Obviously you tell this to him. What does he tell you?

Senator MANSFIELD. No, I don't tell this to him unless an occasion arises. What he talks about are matters which I don't feel that I should discuss in detail, but it's mostly on foreign policy, and it's in part on domestic legislation.

DOYLE. Senator, what good are those meetings if, when—when the Mansfield amendment passes, you have this friendly relationship with the President, he makes a public statement that that amendment has no force in effect, and you seem to accept that?

Senator MANSFIELD. I think that those statements can be made, but the impression has also been made. What the Congress has done, in the policy of Congress portion of the first resolution, and in the policy of the United States government portion of the second resolution, has had an effect and will have an effect even if the amendment itself is not passed in toto.

HERMAN. How about a legal challenge to the President's saying that he will ignore that part of the bill?

Senator MANSFIELD. Who would make the legal challenge?

HERMAN. Well, cannot the Congress, since they passed it and the President says he will ignore it?

Senator MANSFIELD. No, I don't think so; it would take a lot of time and I don't think we have that much time to drag it through the courts.

HERMAN. Well now, that answer, and one that you gave earlier, when you said there's—you know of nothing further that you know that you could do as the Senator from Montana to end the war in Viet nam, gives the impression that you're sort of giving up; you don't plan any new initiatives. Is that because perhaps you think the war is ending, or what is in your mind?

Senator MANSFIELD. Oh, the war is ending. At least it's winding down. You've got about 170,000 troops there at the present time. But it's hard to get across to some of you people just what a senator can do, because you're probing and you're striving and you're trying to find something in an area which doesn't exist. The responsibilities of the Senate and the House—the Congress—are pretty well known. It's a matter of legislating; it's a matter of appropriating. As far as the carrying out of foreign policy is concerned, that of course is in the hands of the President, but we should have a cooperative part.

HERMAN. Well, I asked that question because I got the impression that you sounded a little resigned, a little sad, when you said that you knew of nothing else that you could do to end this terrible war.

Senator MANSFIELD. I am not giving up, but I am distressed and depressed.

DOYLE. Senator, under your leadership this year, the Senate rejected the foreign aid bill and the foreign aid concept and said you wanted a restructuring, and then offered such a restructuring, including another

end-the-war amendment. The chairman of the House Foreign Affairs Committee refused to bring that to the floor of the House. Now you——

Senator MANSFIELD. All the conferees on the other side refused to.

DOYLE. Well Senator, you have agreed to bring that to the floor of the Senate, and you say there's a limit to what a senator can do; but as leader, it's up to you to schedule bills, and you could in turn say I refuse to bring that to the floor of the Senate unless you bring it to the floor of the House.

Senator MANSFIELD. Oh no, you've got to differentiate between my responsibilities as a senator from Montana and the Majority Leader. You must remember also that the Majority Leader is the servant of the Senate. And as far as I'm concerned, any legislation reported to the Senate, whether I like it or not, will be brought up so that the Senate can make its own decision.

DOYLE. Well Senator, do you think that Lyndon Johnson would've taken that view when he was Majority Leader?

Sen. MANSFIELD. I'm not Lyndon Johnson.

KALB. Do you feel that the administration has, in effect, beaten the Senate, beaten the Hill on all of these matters that you describe and probably are quite critical?

Sen. MANSFIELD. No, I wouldn't say they'd beaten us. I wouldn't say that they've come out on top. I would say it's been a standoff. Just the resolution that Jim Doyle refers to, I think, has had its effect because it passed the Senate three times, and the issue is alive. I think that it will have an effect on bringing about a further reduction in U.S. troops from Indochina. The thing that disturbs me is not the fact that this reduction is taking place—I approve of that—but I want to see a complete, total, lock, stock and barrel withdrawal.

KALB. Well, do you have the impression that the administration policy is aimed at that lock, stock and barrel withdrawal?

Sen. MANSFIELD. I do not at this time. There's talk about a residual force, which I think would be a mistake—whereas the amendment itself calls for negotiations, agreement, a cease fire, a continued withdrawal, which we're doing now, but at the same time bringing in the POWs and getting them released. Now, they're just increasing in numbers and stagnating where they are.

KALB. Why do you think it's so important for the administration to push this residual idea?

Sen. MANSFIELD. I don't know, unless the Saigon government needs continued logistical and air support from us, but they have an army of one million, one hundred thousand men; we've paid them for 17 years; we've supplied them; we've supported them; we've advised them; there's nothing more we can do. It's their country. It's their destiny. It's their future. They should decide it, not us.

KALB. Isn't it really Korea all over again?

Sen. MANSFIELD. It looks like it, I'm afraid.

HERMAN. Senator, a year ago or so, when we talked on this program, all the conversation seemed to be about the President's bad relations with the Congress. All the news was the Congress defeating the President. The last six months we've had—oh, the President vetoed political contributions; checkoff and it stuck; Mr. Butz has been confirmed; Mr. Rehnquist has been confirmed; Mr. Powell has been confirmed. Almost everything the President do—does in the Congress now seems to work out. Has the balance shifted a little bit between the President and the Congress?

Sen. MANSFIELD. No, I think we're still maintaining our equilibrium, if I may use that four-dollar word. I would point out that the Congress is only half through; we still have another year. I would point out also that many of the issues which the Democrats have been developing, the President has taken over himself.

HERMAN. Well, that's what I was going to ask you. Who has come around? Has the Congress come around to working better with the President? Or has the President begun to shift towards the Congress' point of view?

Sen. MANSFIELD. That's hard to say, but he's taking a lot of the ideas of our candidates and our party.

HERMAN. Such as?

Senator MANSFIELD. Well, the question of wage, price and rent controls, which he was opposed to completely.

DOYLE. Senator, a small number of senior senators have indicated they're going to start a fight, starting tomorrow, to see that the foreign aid bill is not postponed for three months, and follow regular legislative procedure. I'm sure this will delay the adjournment of Congress if it's carried out. How strongly will you support their effort?

Senator MANSFIELD. To the best of my ability.

HERMAN. Who's the key man in that? Have you heard from Senator Proxmire, who has once before served as key man in such a rebellion?

Senator MANSFIELD. No, I haven't heard from any of them, but I understand that some senators have been meeting. Whether Proxmire has been with them or not, I don't know, but I believe that Cranston and Fulbright, Symington and Church—perhaps others—have been meeting to consider what to do when the continuing resolution comes before us.

HERMAN. Well, now, you have said that you would speak with them. Does—do you mean extended speaking? Would you take part in extended——

Senator MANSFIELD. No, I'm not—I don't believe in dilatory tactics. I have stated publicly to the press, on the floor of the Senate, to all my colleagues only on yesterday that I would oppose the continuing resolution and speak against it—and not vote for it.

HERMAN. But you would not join a movement to speak at length against it?

Senator MANSFIELD. No, I don't think I could stand up on that basis, and I don't believe in that kind of deliberation anyway.

HERMAN. Would you help——

Senator MANSFIELD. I'm speaking personally. For other senators, that's their business.

HERMAN. Would you help, or would you stay neutral in an attempt to quash this by a cloture vote?

Senator MANSFIELD. I would help.

HERMAN. You would help a cloture vote?

Senator MANSFIELD. Um-hmm.

HERMAN. Senator——

Senator MANSFIELD. No, wait a while. You mean to—to kill this?

HERMAN. Yes. If Senators Fulbright and Smith, Symington and Church and so forth, start a long conversation——

Senator MANSFIELD. I would not vote for cloture.

HERMAN. You would not——

Senator MANSFIELD. No, and I—I wouldn't vote for any kind—any kind of a continuing resolution, even one which would guarantee the payment of the salaries of the administrative staff.

DOYLE. Senator, this brings up the question of what happens in the last weeks of Congress. We've had a series of conference committees, and what's happened is, the senior members of the Appropriations Committees—and in this case the House leadership—has undone some of the work of the Congress in the past year in the last week as we rush toward adjournment. And Senator Gore, before he was defeated, made a suggestion that conference committee records ought to be put in the Congressional Record, and that they ought to be changed, that the leaders ought to take back the conference committees. How do you react to that?

Senator MANSFIELD. Well, I'd say—I would not be adverse at all making public the records in the conference report. But as far as giving the leaders the—the responsibility to designate the conferees, if the Senate told me to do so, I would be glad to undertake that responsibility, but I would not force that on the Senate because I don't know whether the Senate would agree.

DOYLE. Senator, is it fair to say you take a passive view of your role as leader?

Senator MANSFIELD. That's right.

KALB. Senator, to get into an active area then, the President is seeing many, many world leaders, starting tomorrow in the Azores with French. Do you think that this is going to help him next year during the campaign?

Senator MANSFIELD. I don't think foreign policy will have much effect on next year's campaign, except insofar as Southeast Asia is concerned. These trips, I think, are in the interest of this nation, but politically their effect will be only temporary, and I include the trip to Peking as well. The important factor, as I see it now, is going to be the economy, and if unemployment is up—it is—it was up to 6.1, down to 5.8, now back up to 6 per cent—and if inflation is not controlled, then I think he's going to have a most difficult time getting elected.

KALB. Is that, then, the prime issue as you see it for '72?

Senator MANSFIELD. As I see it, those two are the prime issues.

KALB. Viet Nam and the economy?

Senator MANSFIELD. Yes.

HERMAN. Can I put you out on a limb on your own two ifs there—if employment is down? Will it be down by November of '72?

Senator MANSFIELD. I would hope it would be down; I would hope that employment would be up and unemployment down. I would hope that inflation would be down, because I'd—I'm more interested in the welfare of the country.

HERMAN. I can understand your hopes. I'm asking you to go out on a limb a little bit and say if you think it will be.

Senator MANSFIELD. I don't know. I don't know.

HERMAN. You have no feeling about it?

Senator MANSFIELD. No.

KALB. Senator, on Viet Nam, the administration claims that Viet Nam really is not going to be an issue in '72—anyone who tries to make it will have the rug pulled out, et cetera.

Sen. MANSFIELD. Well, we'd like to have that rug pulled out from under us.

KALB. But why do you think it will be an issue?

Sen. MANSFIELD. On the basis of all I can gather, there will still be a residual force of some consequence in Viet Nam.

KALB. But if American casualties are down to practically nothing, why should that excite the American electorate?

Sen. MANSFIELD. Well, it's something that the American electorate, I think, would like to avoid, not face up to, because they are fed up to the hilt with it, but people are still dying and to me one American is just as important as ten or twenty Americans. People are still being wounded, people are still being forced down in enemy territory; the number of POW's is increasing. I think the longer the war continues, the more we are keeping those POW's incarcerated.

KALB. Do you think it's possible that during the President's trip to China, an atmosphere, as opposed to a specific deal, could be created that would make a negotiated solution possible?

Sen. MANSFIELD. Well, I would hope so, but I doubt it. I think if the question is brought up very likely what Mao Tse-tung or Chou En-lai will say is, "well, this is a matter for Hanoi—to be discussed with Hanoi."

HERMAN. If the prisoners, the American prisoners, are released and if there is no active fighting, will the American people be any more fed up with the troops in Viet Nam than they are now with troops in South Korea.

Sen. MANSFIELD. They would be less fed up if the prisoners were released, but I don't

think they would look forward with any anticipation to a Korean-type solution to our intervention in Viet Nam.

HERMAN. Okay. Let me take you back to one other thing. As Congress comes to an end there is still a shopping list of must items which most people think must be passed. The Defense Department appropriation, will it be passed in time?

Sen. MANSFIELD. I have every expectation it will.

HERMAN. All right, how about extension of the Economic Stabilization Act, the bill that gives President Nixon the power to—

Sen. MANSFIELD. The conferees are meeting tomorrow; that will be extended.

HERMAN. Do you think that both sides will be able to agree in a short time—

Sen. MANSFIELD. Yes.

HERMAN. — and the D.C., the District of Columbia appropriation which is important to all of us who live here?

Sen. MANSFIELD. Yes.

DOYLE. Senator, the cartoon by Herblock in today's newspaper pictures you as Santa Claus giving the President a series of legislative packages for Christmas. What issues other than if the economy continues to falter will you have? What issues do you have out of the 1971 Congress?

Sen. MANSFIELD. As long as you mentioned that cartoon, why didn't you mention what was in the President's package, and ask me what my position on those matters were?

DOYLE. Well, you were against most of them. There were four nominations in there; I think you voted for Secretary Connally but not for Supreme Court Justice Rehnquist or Supreme Court Justice to be. You voted for Powell. I think, and you voted against Butz, I believe.

Senator MANSFIELD. That's right.

DOYLE. But I think the cartoonist was making the point that as leader you helped give the President these gifts by not fighting harder.

Sen. MANSFIELD. Well, Mr. Herblock is quite a cartoonist.

(Laughter).

DOYLE. Well, Senator, what about the question—what issues come after a year of skirmishing with the White House, especially over foreign policy, what issues do you have?

Sen. MANSFIELD. You still have the Senate resolution on terminating the war, which will not be forgotten. You have the issue of social security, which I suppose the President would agree to. You have the question of H.R. 1, the welfare proposal, which will be brought up next year. You have the question of revenue sharing. You can forget the question of government reorganization, which the President advanced because that was just too much to be expected, in too short a while, although I approved of what he advocated but he hasn't gone through with it. As a matter of fact, before Mr. Butz was confirmed, he announced that the Agriculture Department would be taken out from under the reorganization he had proposed.

DOYLE. Senator, you haven't convinced Senator Russell Long to bring up the welfare reform package, which the President wants, and you haven't got the revenue sharing bill on the docket—

Sen. MANSFIELD. Just a moment, just a moment, Jim. I have had discussions with Long, Talmadge, and others, and they have indicated that around the latter part of February or the first part of March they will report out H.R. 1. As far as the revenue sharing is concerned, we can't do a thing in the Senate, as you well know, until the House acts, and the House hasn't acted. Furthermore, when the President asked for a Phase II and asked for the proposals which have just been passed by the Senate, the tax package and the economic package, he asked at that time that revenue sharing and welfare be postponed. Then he came back and said that though he didn't need it til next year, he'd like the action this year, but as far as H.R. 1 is concerned, it doesn't go into effect until some time in 1973.

KALB. Senator, I'm told the senators like to talk politics—

Sen. MANSFIELD. At times.

KALB. Do you think that—maybe this is a good time—do you feel that President Nixon is vulnerable next year?

Sen. MANSFIELD. It will depend on the economy and Indochina, in my opinion.

KALB. Those two issues.

Sen. MANSFIELD. Yes.

KALB. And which Democratic candidate do you feel would be the strongest one to take on the President?

Senator MANSFIELD. I don't know as of now. but as of now, Muskie is the leading candidate and seems to be gathering strength.

HERMAN. You said, oh, a little over a year ago, I guess, that the Democratic Party hadn't produced any star who you thought could really challenge the President. What do you think now?

Senator MANSFIELD. I think Muskie is coming out, Jackson is coming up, McGovern is coming up. We have three or four in the wings; I would hope that the number would be minimized.

KALB. What about Kennedy, whose name always leads these lists?

Senator MANSFIELD. I have felt for many years that Kennedy did not want to run in 1972, and I still feel that way.

KALB. Why is he running around then so much?

Senator MANSFIELD. Oh, you'll have to ask him.

HERMAN. But my question really is, do you think that now these candidates through publicity have acquired enough star quality so that they can really challenge the President?

Senator MANSFIELD. I think that Muskie is beginning to acquire that star quality. The others are coming up but not fast enough to achieve that status as yet.

DOYLE. Senator, you've indicated to me today, at least, that you are a very vigorous man for a man who's going to be 69 years old next March, and a very well-informed man, but you've been leader for 11 years. Have you thought about relinquishing that job?

Senator MANSFIELD. Sometime.

HERMAN. And what do you think when you think about it?

Senator MANSFIELD. That it would be a good thing to do.

DOYLE. When?

Senator MANSFIELD. I'll decide that. I say, as long as you bring up the 11 years, I will stack the record of the Senate in those 11 years against any other 11 years in the history of the Republic. I think we've made a good record and I think that the Senate has done itself proud, both Republicans and Democrats.

KALB. Senator, do you think the idea of the Democratic Party having many candidates is a strength or a liability at this point?

Senator MANSFIELD. A liability.

DOYLE. Senator, what are you going to do about truancy in the next year? That's been a problem in the past year and you've admitted that. Who's the truant officer in the Senate?

Senator MANSFIELD. Well, each senator is a truant officer unto himself; there is no way, no means by which they can be forced to attend; it's up to them individually to decide what to do. May I say that as far as the Presidential candidates are concerned, their attendance has been very very good.

HERMAN. Senator, we have about 30 seconds left. It is traditional to ask you at this time of the year and this time of the program, when are you all going to go home? When will Congress adjourn?

Senator MANSFIELD. I don't know, it looks like we'll be in for some days yet.

HERMAN. One of the rumors is that some of the members' wives want the Congress to stay in session so they can go to the White House receptions this year.

Senator MANSFIELD. That's just a rumor; there is no foundation to it, forget it, somebody just put that in, it makes interesting reading but it just isn't true.

HERMAN. Thank you very much, Senator Mansfield, for being with us today on Face the Nation.

ANNOUNCER. Today on Face the Nation, the Senate Democratic leader, Mike Mansfield of Montana, was questioned by CBS News Diplomatic Correspondent Marvin Kalb, James Doyle, Senate Correspondent for the Washington Evening Star, and CBS News Correspondent George Herman.

REPORT ON ACTIVITIES OF THE MINORITY IN THE COMMITTEE ON LABOR AND PUBLIC WELFARE IN THE FIRST SESSION, 92d CONGRESS, 1971

Mr. JAVITS. Mr. President, during the first session of the 92d Congress, the Republican minority of the Committee on Labor and Public Welfare, of which I am the ranking member, made a distinctive record of constructive contributions and effective legislative achievement. It is gratifying to note that in a number of instances, the central concepts around which major legislation was built originated on the minority side. These contributions cover all areas of activity of the committee.

I ask unanimous consent that a report I have prepared on these contributions be printed in the RECORD.

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

REPORT OF ACTIVITIES OF THE MINORITY IN THE COMMITTEE ON LABOR AND PUBLIC WELFARE

HEALTH

(Comprehensive Health Manpower Training Act of 1971 (Public Law 92–157))

The Administration bill, S. 1183, introduced by Senator Javits and cosponsored by Senators Baker, Beall, Bellmon, Bennett, Boggs, Cooper, Dole, Dominick, Fannin, Fong, Griffin, Hruska, Jordan, Pearson, Prouty, Scott, Stevens, Taft, Tower, Weicker and Young, together with legislation introduced by the Chairman of the Health Subcommittee, provided the basis for this Act.

Other Minority provisions written into law are as follows:

First, start-up assistance for new schools of medicine, osteopathy, and dentistry—Senator Javits;

Second, national uniform standards for annual per-student educational cost—Senator Schweiker;

Third, physician shortage area scholarship program—Senator Beall;

Fourth, separate authority for financial disaster relief grants to health professions schools—Senator Javits;

Fifth, grants for computer technology health care demonstration programs—Senator Javits;

Sixth, on-sight inspections to determine plan compliance by schools—Senator Javits;

Seventh, advance funding of appropriations—Senator Javits;

Eighth, project grants for study of the science of nutrition—Senator Percy; and

Ninth, prohibition of sex descrimination—Senator Mathias.

In addition, many minor and technical amendments were authorized by the Minority.

(Nurse Training Act of 1971 (Public Law 92–158))

A bill introduced by Senator Javits, S. 1183, on behalf of the Administration, and Senator Javits' "Nursing Education Act of 1971," S. 1614, cosponsored by Senators Prouty, Beall, Bennett, Brooke, Percy, Schweiker, Stevens and Young, together with legislation introduced by Senator Williams, the Chairman of the Labor and Public Welfare Committee, provided the basis for this Act.

Also included in the Act was a new section authored by Senator Javits authorizing advance funding of appropriations and one by Senator Mathias prohibiting discrimination on the basis of sex.

In addition, many minor and technical amendments were authored by the Minority.

(National Cancer Act of 1971 (Public Law 92——))

The bill to conquer America's most dread disease, cancer, S. 34, introduced by the chairman of the subcommittee Sen. Kennedy and Senator Javits and cosponsored by Republican Senators Schweiker, Bellmon, Brooke, Case, Hansen, Hatfield, Miller, Percy, Scott and Stevens, together with the Administration bill, S. 1828, introduced by Senator Dominick and cosponsored by Republican Senators Javits, Prouty, Schweiker, Packwood, Taft, Beall, Allott, Bennett, Bellmon, Boggs, Brock, Brooke, Case, Cook, Cooper, Curtis, Dole, Fannin, Fong, Griffin, Goldwater, Gurney, Hansen, Hatfield, Hruska, Percy, Roth, Scott, Stevens, Tower, and Young, provided the basis for this Act.

LABOR

(Prevention of National Railway Signalmen's Strike (Public Law 92–17))

Minority amendments written into this law include:

First, extension of the freeze period for additional time to permit coordination of negotiations with other unions—Senator Javits.

Second, provision for payment to the employees of interim wage increase recommended by the Emergency Board—Senator Javits.

MANPOWER AND POVERTY

(The Emergency Employment Act of 1971 (Public Law 92–54))

This Act was developed by Senators Javits and Schweiker together with the Chairman of the Subcommittee to provide employment and related training to unemployed and underemployed persons in times of high unemployment. The Act was based upon the "trigger concept", keying assistance to national unemployment levels, which Senator Javits first proposed in the Manpower Training Act of 1969, S–2838.

HANDICAPPED

Amendments to Wagner-O'Day Act (Public Law 92–28))

This legislation extends the special priority in the selling of certain products to the Federal Government now reserved for the blind to the other severely handicapped, assuring however, that the blind will have first preference; and expands the category of contracts under which the blind and other severely handicapped would have priority to include services as well as products, reserving to the blind a first preference for five years after the enactment of the bill—Senators Javits and Prouty.

SCIENCE

(National Science Foundation Authorization Act of 1972 (Public Law 92–86))

Sections 3, 4, 5 and 7 of this Act are similar to provisions contained in the Administration bill, S-1168, introduced by Senator Prouty.

FUND FOR HIGHER EDUCATION—IN ISRAEL

Mr. CRANSTON. Mr. President, my colleague from California (Mr. TUNNEY) has asked me to have printed in the RECORD a statement by him concerning a charitable organization known as the Fund for Higher Education—in Israel.

I ask unanimous consent that Senator TUNNEY's remarks be printed in the RECORD.

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

FUND FOR HIGHER EDUCATION—IN ISRAEL

Mr. TUNNEY. Mr. President, there is in my constituency a group of individuals whose unusual devotion to education and its importance toward the attainment of the worldwide goal of peace led them in 1969 to establish a charitable organization known as Fund for Higher Education (in Israel). The Fund for Higher Education (in Israel) was conceived to help the broad spectrum of education, rather than to support any one institution. The purpose of the Fund is to provide specialized educational opportunities for educators, scientists and others.

Who are these people? They are Mr. Amnon Barness, Chairman of the Board of one of America's great retail companies, Daylin, Inc., who serves the Fund for Higher Education (in Israel) as Chairman of the Board and President; and Mr. Barness' two co-founders of Daylin, Mr. Max Condiotty, Daylin President and Executive Vice President of the Fund; and Mr. Dan Finkle, Chairman of Daylin's Executive Committee and Fund Vice President.

They are gathering a Board of Advisers and a Board of Trustees who now include men of wisdom and experience to guide the officers and directors toward their goal. The Advisers include Dr. Albert B. Sabin, discoverer of that great boon to mankind, the Sabin Oral Polio Vaccine; Dr. George S. Wise, the first President of Tel Aviv University; Prof. Wm. Haber, distinguished scholar of Wayne University and Dr. Joseph J. Schwartz, whose lifetime of dedication to Jewish cultural development has left a mark in history.

Within months after its organization, a major dinner was held at the Century Plaza Hotel in Los Angeles in which more than 800 people paid tribute to Mr. Max Candiotty and pledged nearly one million dollars to launch the Fund. Moving with alacrity, the Fund now has four buildings under construction in Israel. Three are part of a complex known as The Dave Finkle Residence Center for Health Science Students at Hebrew University in Jerusalem. The other is The Max Candiotty Institute for Science Teaching at the Weizmann Institute at Rehovot, Israel.

Now a third project is in progress.

The Fund will hold its second major fund raising affair on January 8, 1972 at the New York Hilton Hotel to honor a distinguished business leader, philanthropist and an officer of the Fund, Mr. Samuel D. May. It will build the Samuel D. and Isabel May Heart Research Center in a medical facility affiliated with Tel Aviv University. Mr. May is President of the Harry Greenburg Foundation, which for the past ten years has contributed to cancer, heart and arthritis research. He established a cancer research laboratory at the University of Chicago; another cancer facility at the Columbia Presbyterian Medical Center affiliated with Columbia University; and in conjunction with the Miami University Medical School, contributed toward the construction of an arthritis research foundation at Jackson Memorial Hospital. He also participated in the construction of an extended care pavilion at the Miami Heart Institute. The Foundation was a founder of the Albert Einstein College of Medicine in New York as well as the Long Island Jewish Care Center.

In addition to the planned heart facility, there are four specific projects under study which are related to Israel educational facilities and one in the United States, for those who lead this magnificent new charitable enterprise are also mindful of the contributions of American institutions of higher learning.

While it was the executive of one great American company that launched this project, it has spread and will continue to broaden its base to include a wide spectrum of business, civil and communal leaders throughout our country. The Fund for Higher Education (in Israel) has important goals that are not the property of one company, one group of people, one narrow segment of the population. It has ideals that encompass all civilized men and women. It should be given great encouragement and support, both moral and financial.

For this reason I want to commend the organization, wish it well in its undertaking of the Samuel D. May Tribute Dinner on January 8th, and commend its various boards, officers and directors for their dedication and devotion to this major enterprise of their own creation and for the good of the world.

Let the record show that the Board of Trustees of the Fund for Higher Education (in Israel) now includes Jack Benny, actor and philanthropist, as well as Marcus Glaser, Charles Krown and Allan Lazaroff, all business executives and philanthropists of note.

The Officers of the Fund are Amnon Barness, Samuel D. May, Max Candiotty, Dave Finkle, Leon Beck, Alvin M. Levin, Richard J. Segal and Robert L. Hersh.

The Directors of the Fund are Amnon Barness, Max Candiotty, Dave Finkle, Albert B. Glickman, Sidney Kline, Samuel D. May, S. Jerome Tamkin, Charles Watt, Eugene L. Wyman and Boris Young.

The Project Coordinator is J. Norman Alpert and the Public Information Coordinator is Peter Grant.

These devoted individuals deserve the heartfelt thanks of all Americans for their dedication to the important tasks they have undertaken for the benefit of mankind.

"SALUTE TO CASSATT" DAY

Mr. THURMOND. Mr. President, it was a special pleasure for me to attend the "Salute to Cassatt" day held on November 20, 1971, in Cassatt, S.C. On this occasion, the fine citizens of Cassatt were praised for community efforts toward raising their quality of life. Some of their proposals included neighborhood youth centers for sponsoring nurseries, kindergartens, and programs to correct problems of health, malnutrition, and recreation for all the citizens of the community.

I was pleased to share speaking honors with Rev. Luns C. Richardson, dean of admissions and records, and director of basic studies at Benedict College in Columbia, S.C.

The Reverend Mr. Richardson's speech was entitled "Building Upon Our American Heritage Through Education." He called attention to the fact that our Government is geared to respond to the will of the people. Since this is true, as it should be, Reverend Richardson says it is therefore paramount for us to make sure our citizens are as educated as possible.

He says this education should be blended with Christian principles, for knowledge does not guarantee character and integrity. He points out that many criminals have high education.

Because this speech is so timely, and because it touches upon some of the fundamental needs of our society, I would like to share it with my colleagues.

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

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

BUILDING UPON OUR AMERICAN HERITAGE THROUGH EDUCATION

To the Honorable Senator Thurmond, Mrs. Ricket, Mr. McIntosh, Mr. Brooks, distinguished platform guests, the fine people of Cassatt, ladies and gentlemen: It is a great pleasure and an honor for me to be able to take part in this great program, this salute to the fine community of Cassatt and the very commendable efforts you are putting forth to improve and make more abundant the lives of all the people in this community. Indeed, this is the American way of doing things. This working together for the common good is what has made America great. Concern for each other's welfare is the fabric of community life. It is the stuff out of which good communities develop and grow.

It is indeed a pleasure and an honor for men to share the speaking honors with His Honor, Senator Thurmond, who has always been deeply interested in the education of all our citizens. My first work, Senator Thurmond, was as a member of the staff of the South Carolina Area Trade School at Denmark, South Carolina (now the Denmark Residential Technical Institute) under the enlightened leadership of the late Mr. L. H. Dawkins. I remember quite well that it was under your leadership and guidance as Governor that the South Carolina State Legislature authorized the establishment of this and other trade schools so that untrained and unskilled young men and women could get an education to fit them for abundant living. I remember distinctly your words to the members of the Legislature as you said in your inaugural address: "The establishment of these schools will convert unskilled labor into much-needed skilled labor." This has been accomplished in a big way. Thousands of graduates of these schools are living abundant lives and are serving as leaders in their communities. This is a living testimony to your foresight, concern, ingenuity, and leadership.

And to Mrs. Rickett, along with all of the other fine people who have worked to make this program and these activities a great success: I am very happy that you have recognized in your planning the need for continuing education and the part it plays in building upon our great American heritage.

The Founding Fathers of our country recognized that if democracy was to prevail, if we were to live abundantly, the citizenry would have to be educated. It would have to understand the government and the issues of the day well enough to choose capable leaders and to direct the government on handling the issues. This was one of the primary reasons for the development of our public education system.

The need for education is even more critical today. First of all, the rights of suffrage have since been extended to all citizens aged 18 and over. Recently, Congress and the courts have taken measures to abolish any remaining inequities in our system of universal suffrage. Since all the people are now responsible for our government, all the people must be educated. But more important, the issues are far more complex and the government's activities involve areas undreamed of 200 years ago. Modern technology, especially in the communications field, tends to work in favor of increased centralization and dictatorship. To maintain democracy today, political leaders at all levels need broad knowledge as well as highly technical skills. And the people in general must be thoroughly educated in order to understand and perform competently the duties of citizenship. Our young people here must exercise their responsibilities in this venture. They must read; they must keep informed of conditions and issues at home and abroad. It is only through an educated, informed, and intelligent mind that you can make a worthwhile contribution to the ongoing of our great American heritage. It is in this way that you can prepare to take the reins of leadership in the days and years ahead. This places no easy burden on the schools of a democracy. The vice-chancellor of the University of York, England, states the problem this way: "The rapidity of the growth of knowledge—the dominant feature of the intellectual history of our time—forces on the educator an ever greater specialization. The needs for an informed citizenship demands an even greater breadth. The reconciliation of those conflicting demands is one of the crucial problems that we have to face."

Governing the United States also requires substantial knowledge about all the other countries of the world. Because of our leadership in world affairs, our government constantly formulates policies affecting, and affected by, international situations. Education in world affairs must produce experts in the field so that those who actually do the work of implementing policy have profound understanding of the many cultures and value systems operating throughout the world. *But again, the people must decide the values and goals for which the government works.* The director of the World Affairs Center at the University of Minnesota asks: "What is the purpose of teaching about world affairs apart from its obvious intrinsic intellectual interest? Only the foolish question the view that in our democracy public opinion influences foreign policy decisions. Therefore, a wise and sound American foreign policy must rest on an informed opinion. This opinion will be formed in large measure through education at all levels and ages of our population. It is further assumed by most that the United States has a tremendous influence on the affairs of all the world, and that therefore, the educated and active American citizen can make a meaningful contribution not only to our own independence and way of life, but to the peace and well-being of the world as a whole."

As life has evolved since the beginnings of our nation, the horizons of the citizen's influence have expanded from the town council to the national forum, to the international sphere, and even beyond. We now live in a time when American citizenship carries with it not only worldwide concerns but truly universal involvement. A former Secretary of State told convening school administrators:

"We can be safe only if our environment is safe. And today the environment which we must try to make and keep safe is not only local or regional or hemispheric—it is worldwide. It includes all the land and the waters and the air of the earth, and reaches as far out into space as man can maintain instruments capable of affecting life on earth."

This brings to mind some of the ideals of the late Wendel Wilkie. During World War Two Mr. Wilkie, with the permission and blessing of President Franklin D. Roosevelt, undertook a trip around the world (1942) to view first-hand the conditions of people all over the world. This great statesman and humanitarian was so moved by what he saw and his sympathies went out so strongly to these people that he was moved to write a book about his travels and what he saw and heard. In his book, *One World*, he said:

"There can be no peace for any part of the world unless the foundations of peace are made secure throughout the world."

"There are no distant points in the world any longer."

"Our thinking in the future must be worldwide."

Mr. Wilkie's words were never truer and never needed more than they are in these times.

To keep our expanding environment safe, we need education of the sort that produces informed citizens and expert leaders. The people of America must remain committed to democracy and must be knowledgeable enough to fulfill that commitment under all the circumstances imposed by modern times. The most effective instrument for providing such knowledge and skills in our society is citizenship education. A study completed at the University of Chicago some years ago reported:

"The school is apparently the most powerful institution in the socialization of attitudes, conceptions, and beliefs about the operation of the political system. While the family contributes much to the teaching that goes into basic loyalty to the country, the school gives content, information, and concepts which expand and elaborate these early feelings of attachment."

"Fundamental to citizenship education is the school's role in orienting the child to the values inherent in our democratic system. There are rules and laws governing our society, and the child learns early that, for both his and society's protection, his freedom extends only to the boundaries imposed by the rules. Cicero said, 'We are in bondage to the law in order that we may be free.' It has been a basic truth of free governments since ancient times."

As the child begins to mature, he gains an understanding of the moral basis for a democratic society. Through participation in the routines of school living, through study of various subjects, and through adult models around him, he develops his personal concept of morality.

Certain values and aims have remained constant in our society from the beginning. Others are subject to change with changes in circumstances. Because we live in an open society, we recognize the freedom to question and change. The student who has received basic citizenship education gradually acquires the ability to analyze his values and to reshape them as the situation demands. He also learns that he has a right to influence his government in the reshaping of values. From time immemorial, people have expressed concern over crumbling traditions and weakening morals. The truth is that in the progress of mankind, the critical rethinking of values and goals is a necessary partner of change.

Education is one of the great forces involved in this critical rethinking and reshaping of values and goals. Indeed education is one of the great forces shaping human destiny. Hence, a school is not a luxury to be provided in response to the caprices of personal taste. It is a necessity to be justified by the fruits it bears. One of those fruits must be an educated citizenry, willing, and able to make decisions affecting broad policy matters, and to transmit critically the best of civilization to the next generation.

In this regard I was very impressed with the apparent interest and enthusiasm shown by Mrs. Rickett as she extended the invitation to me to share speaking honors with Senator Thurmond. Her description of proposals for the community of Cassatt is a good example of an intelligent and informed citizenry, attempting to raise the level of life for all people in the community. These proposals include neighborhood youth centers for sponsoring nurseries, kindergartens, and a head-start program to correct problems of health, malnutrition, recreation, etc., for all citizens of the community. They include recreational facilities for the Cassatt and Sanday Grove Communities to improve the health and outdoor life of the people. They also include provision for a pure water supply to every citizen of Kershaw County.

These are all fine examples of community action for improvement of the life of the people. This is a fine example of Americanism in action. This is the way we do things in America. We work together, hand in hand, to raise the level of life for all people; to help each other enjoy life to the fullest. Edu-

cation is important in this kind of democracy in action. Such education must train and inspire young and old alike to work together, then, to meet the challenge of tomorrow; to pass on to oncoming generations the best of our American heritage.

Our schools, then, must do their very best to meet this ongoing challenge. Our schools must not only help to generally inform the citizenry, they must train more good leaders than ever before. For trained, Christian leadership is essential in every field—religious, educational, political, military, and social. A real leader is the key to every situation. In Old Testament times the Prophets always came on the scene at a critical time and pointed the way out of the dilemmas of their day. Men like Martin Luther, John Wesley, and countless others pointed the way in their day. Men like George Washington, Benjamin Franklin, Thomas Jefferson, Abraham Lincoln, and a host of others came to the front in crises, and through wise and dynamic leadership, turned the tide and set the new nation on the road to power and greatness.

Leadership, then, must be trained; the leader must have a vision of God and a goal to be reached; he must be unselfish; he must have a sense of direction and a sense of mission. He must have a Christian education. The leader must be, in the words of the poet:

"A man whom the lust of office does not kill,
A man whom the spoils of office cannot buy;
A man who possesses an opinion and a will;
A man who has honor, a man who will not lie;
A man who can stand before a demagogue
and dam his treacherous flatteries
without winking!
A tall man, a sun-crowned man, who lives
above the fog in public duty and in
private thinking."

For all the problems—local, state, national, and international—facing us today we need such men, for to be merely educated is not enough. To give a man an education without emphasis on moral character and Christian behavior may make him only a greater danger to society. For racketeers, criminals, and thieves today are often highly educated men and women. The only way to safe, sure leadership is to implant the ideals of Jesus into the hearts of men. There is no substitute for honor, integrity, and righteous living.

Our schools, then, in the great American tradition, must continue to concern themselves with the vast problems and ills of these times. They must continue to furnish the leadership that has meant so much to our nation in the years gone by. They must continue to send into the mainstream of American life men and women who are dedicated to the task of making this a better world in which to live—men and women who are dedicated to the Christian way of life.

I am going to close my remarks by quoting an incident in the life of Dr. Karl T. Compton, eminent American scientist, which I think is also fitting for the outlook of the future of dedicated, hardworking communities like Cassatt. Dr. Compton relates this incident: "In thinking of the future, I am reminded of a travel experience I had several years ago. It was late in the afternoon and I was aboard a ship going from Seattle, Washington, toward Victoria, on Puget Sound. It was a day of rare visibility, and I could see Mount Ranier a hundred and twenty miles away, looking up high in the sky like a golden monument, with range upon range of islands and foothills extending, dimly outlined, through the intervening reaches.

"In this way," says Doctor Compton, "I like to think, stands the future of you, my fellow citizens, as you look toward the years ahead, as you continue to build upon our American heritage, a golden future that is accessible to you if you have the skill and the courage to surmount the foothills!

HARMFUL EFFECTS OF THE CANNIKIN NUCLEAR TEST

Mr. GRAVEL. Mr. President, a month has passed since the AEC detonated the Cannikin underground nuclear test. Prior to that test the AEC contended that the harmful after-effects would be minimal.

Evidence is mounting which disputes that contention.

A recent study by two Alaska biologists, Karl Schneider and James Vania, indicates that between 900 and 1,100 sea otters died from effects of the five-megaton test. This estimate far surpasses AEC estimates indicating that the kill would be minimal.

The Bering Sea side of Amchitka Island near the Cannikin bomb test site is virtually devoid of otters. Surveys last summer indicated an otter population of about 1,200 in that vicinity.

I ask unanimous consent to have printed in the RECORD an article from the Anchorage Daily News which gives the details of the situation.

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

[From the Anchorage Daily News, Nov. 27, 1971]

ESTIMATE GOES UP ON SEA OTTER KILL

(By Allan Frank)

The Bering Sea side of Amchitka Island near the Cannikin bomb test site is 80 to 90 per cent devoid of sea otters, according to Jim Estes, a University of Arizona doctoral candidate in biology.

Estes, under contract with the Atomic Energy Commission for a sea otter study, estimates that between 900 and 1,100 otters died from effects of the five-megaton test Nov. 6.

In Juneau, Alaska Fish and Game commissioner Wallace H. Noerenberg released the findings of two state biologists who reported that about 1,000 to 1,100 otters were killed.

Karl Schneider and James Vania, the two state otter experts, said that the kill represents about 15 per cent of the otter population which inhabits the 100 miles or so of Amchitka coastline.

Estes, Vania and Schneider spent more than a week surveying, by helicopter and by foot, the otter population. Similar surveys last June showed an otter population of about 1,200 in the vicinity affected by the blast.

"Now the highest count we can come up with is 155 animals. There's always a possibility that the animals may have left naturally, but there's no biological reason why things shouldn't be the same as before the test," Estes said.

So far, 20 other carcasses have been discovered, including 16 on the Pacific Ocean side of Amchitka in the Aleutian Islands National Wildlife Refuge.

The AEC last week said 18 otter bodies have been discovered.

The biologists say a severe storm immediately following the test blew the otter bodies away from the Bering Coast and out to sea.

Perhaps the key to what happened to the otter bodies lies with a carcass dredged from 35 fathoms of Bering Sea water by the University of Washington fisheries project ship Commander.

Estes said it is unnatural for the naturally buoyant otter to remain on the sea bottom. Apparently, the otter may have been a victim of underpressure, which creates a negative buoyancy and makes bodies act like rock, he said.

Underwater divers sometimes are affected by underpressure when they dive too deep.

Estes hypothesizes that many otters may be permanently trapped somewhere below the surface of the water.

He said that not all the dead otters found showed symptoms of overpressure. "We found some with severe lung and internal damage, but not with ruptured ear drums, which is the first thing you expect to find from overpressure."

Estes said that underpressure caused perhaps by ground acceleration (an immediate upward heaving of the ground and sea of about 10 feet) may account for the large kill.

That phenomenon, called cavitation, creates a partial vacuum in the water as the liquid rises quickly and nothing moves in its place. The cavitation was so great that the AEC pilot circling Amchitka at shot time said, "The ocean was white as far as we could see."

The surface acceleration at ground zero reportedly had the force of 200 gravities, while acceleration at about 3,500 feet was recorded as 42 gravities.

The closest point of six-eight mile strip of beach along the Bering side is about 4,500 feet from ground zero.

Schneider said, "It's obvious from the results that the Battelle Institute (which was responsible for the AEC estimate of 200 as the maximum kill) didn't give us the means to predict this.

"If the kill were spread evenly around the island, then it could be back to normal in about two years. Since it's so localized, it may take five years or so," Schneider said.

Noerenberg estimates that about 800 animals on the Bering side and 200-300 animals on the Pacific side had died.

Vania said, "Our research program will have to take a different tact for a few years. Normally we harvest about 300 otters annually, but we won't be able to harvest for a few years."

The prices for the pelts sold at the Seattle fur auction in January range from $275 to $100 a skin.

The fish and Game commissioner continued, "We've informed the governor and the attorney general and it's up to them to decide whether the state will institute any legal action against the AEC."

Schneider said the state and other scientists will be certain about the effects next June when they will compare last June's census with current counts.

PHASE II IS, TOO, WORKING

Mr. HANSEN. Mr. President, much has been said and written about our country's economic policies and the prospects for success or failure of the administration's efforts to stop inflation.

I am convinced that we are making substantial progress. It is a battle that we must continue to wage. It is an effort that we must win. And we are winning, but the battle is far from over.

In line with that, Donald Rumsfeld, Director of the Cost of Living Council, has indicated that President Nixon's program "has shown sound results," and, he says, "should do even better in the months ahead."

The facts Mr. Rumsfeld calls to our attention are significant, and I am pleased to take this means to call them to the attention of Senators and other interested citizens.

I ask unanimous consent that Mr. Rumsfeld's article entitled "Phase II Is, Too, Working," published in the Washington Sunday Star of December 12, 1971, be printed in the RECORD.

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

[From the Washington Star, Dec. 12, 1971]

PHASE II Is, Too, WORKING

(By Donald Rumsfeld)

The prophets of despair seem busy once again. President Nixon's economic policy, they say, is not working—people lack confidence in the President's program it is claimed. They say the Phase 1 90-day freeze was only marginally successful and that the Phase 2 stabilization program is not going to work.

Once again, the handwringers are wrong—dead wrong in my judgment. Not only did the Phase 1 freeze work, but it worked far better than any in or out of government had a right to expect. And it set the stage for what we believe is going to be an equally successful Phase 2 program.

Examine what has happened.

The Consumer Price Index (CPI) for October registered the smallest increase—0.1 percent (seasonally adjusted)—in 4½ years.

The Wholesale Price Index (WPI) dropped 0.4 percent in September and rose only by 0.1 percent in October.

The industrial commodities component of the WPI dropped by 0.1 percent in September, and by 0.3 percent in October (seasonally adjusted)—the October drop was the largest decline in 11 years.

Of 3,885 nonfood prices in the CPI tabulated in a special Department of Labor wage-price freeze survey, 87 percent showed no change in price from August to September during the freeze. Six percent actually declined, while fewer than 8 percent increased.

The rate of inflation as measured by the GNP deflator has been dropping. In the first quarter of 1971 it was at a 5.3 percent annual rate; 2nd quarter, 4.0 percent; and third quarter, 3.0 percent.

Interest rates have been declining over a broad front during the freeze, indicating a lower level of inflationary expectation.

Okay, some of the President's critics charge, things might be better on the price side of the economic ledger, but what about employment and what about business? Hasn't the decline in inflation come at the cost of the jobs and sales on which America's working people depend?

Not at all. The administration's total program, including the Phase I freeze, not only helped to bring down the rate of inflation, but it also created a climate of confidence which has contributed and should continue to contribute to economic expansion.

Look at the figures:

The McGraw-Hill Survey of Plant and equipment Spending Plans for the fall of 1971 shows an anticipated increase in capital spending of 7 percent—representing the first real increase in capital investment since 1969.

Total employment since June increased by a substantial 300,000 jobs from September to October.

The unemployment rate in the survey week in August immediately prior to the freeze was 6.1 percent—in October it was 5.8 percent. The married men unemployment category reached a low 3.0 percent—the lowest in a year.

Retail sales for October ran close to 12 percent over October of 1970.

Extension of consumer installment credit for September reached a $12 billion annual rate—an all-time high record.

Private housing starts in the third quarter were at an annual rate of over 2.1 million. The rate of housing starts in the first 10 months of 1971 is at a higher annual rate than any year in history. This means more sales of consumer goods such as furniture and appliances.

Automobile sales reached a record all-time high during the month of October—more than 1 million new cars sold.

The Sindlinger Consumer Confidence Index shows that consumer confidence is increasing. It was 117.7 immediately before the imposition of the freeze; 120.6 on Oct. 6; 123.0 on Oct. 29; 126.7 on Nov. 3; and 127.9 on Nov. 10. It continues to climb.

Some people, it seems, won't believe the facts when they are staring them straight in the face. They cite the several statistics that are not what we all would want. And there are some. But the facts are there: The American economy is healthy, we are making the transition from an economy keenly impacted by war to peacetime economy, and we are moving on a sensible course toward fulfilling President Nixon's goal of economic prosperity without war and without inflation.

It is time to look at all the facts that are available rather than being cowed by those who substitute derison for constructive commentary. Not all is perfect with the American economy, or with the results achieved thus far. We are not satisfied. But we are convinced that the steps being taken will continue to move us toward our goal of prosperity with peace. President Nixon's program has shown sound results thus far, and—with the continued support of the American people—should do even better in the months ahead.

HOUSING RECOMMENDATIONS: WHITE HOUSE CONFERENCE ON AGING

Mr. WILLAMS. Mr. President, delegates at this year's White House Conference on Aging have written a report worthy of careful attention by Americans of all ages.

In many respects, the delegates were far ahead of President Nixon and the proposals he made in his speech last Thursday to the Conference.

In a gratifying number of cases, the conferees emphatically agreed with the Senate Special Committee on Aging on recommendations offered by that committee in earlier reports.

As immediate past chairman of the committee and now as ranking member, I am pleased by the high incidence of agreement between the delegates and the Senate Committee on Aging.

And as chairman of the Committee's Subcommittee on Housing for the Elderly, I am deeply impressed by the similarity of viewpoint expressed by the conferees and by the committee in two recent reports.

The committee called for a minimum production of 120,000 federally assisted units for the elderly per year. So did the White House Conference.

The committee called for establishment of an Office of Assistant Secretary of Housing for the Elderly. So did the Conference.

The committee asked for reestablishment of the section 202 direct loan housing program for older Americans. So did the Conference.

There are many other similarities. As the author of legislation intended to achieve the objectives listed above—and others—I am very much impressed by this new evidence of public support for my measures.

By the same token, I am very disappointed in the content and the tone of the comments on housing made by President Nixon in his speech to the delegates.

The President asked merely for an administrative action which, he said—

Will make housing money more readily available to older citizens to purchase homes in a variety of settings, including condominium apartments and retirement communities.

Mr. President, almost 5 million older Americans live in statistical poverty. Tens of thousands are on waiting lists for public housing in big cities and small communities. Seventy percent own their own homes and are worried, not about condominiums or retirement communities, but how to pay the next property tax bill.

And yet, the only specific proposal offered by the President calls for help to those who can afford condominiums or a lifetime of leisure in retirement communities.

As for the property tax itself, the President correctly described the problems caused by rising rates to those on fixed incomes. He says he is preparing specific proposals to ease this burden for older Americans and for all Americans. He can be certain that those proposals will be given searching scrutiny by the elderly and by the Subcommittee on Housing. I would suggest, however, that he refer his aides to Senate bill 1935, which I introduced on May 24. I proposed at that time that an intergovernmental task force should consider the costs and possibilities of providing relief through the Federal income tax laws, and/or through Federal assistance to those States or political subdivisions which are carrying out realistic programs in mitigation of the financial plight of such persons.

To turn again to section 202 direct loan housing, I am pleased that the delegates called for the release of funds meant for that program, but impounded by the administration. Last year, over administration protest, I led the fight for continuing that program. With bipartisan help, I managed to win an appropriation of $10 million: not much, but enough to keep 202 alive. But the administration insists upon directing funds to the much-criticized 236 interest—subsidy program. White House Conference delegates clearly disagree with the administration on this issue: They describe 202 as a highly effective program, and they call for greater funding, not discontinuance.

Mr. President, the preliminary report of the housing section of the White House Conference on Aging is included in "A Report to Delegates from the Conference Sections and Special Concerns Sessions" issued by the conference directors. It is a lively and farsighted statement of need and proposals for action. I ask unanimous consent that it be printed in the RECORD.

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

HOUSING

A national policy on housing for the elderly worthy of this nation must enjoy a high priority and must embrace not only shelter but needed services of quality that extend the span of independent living in comfort and dignity, in and outside of institutions, as a right wherever they live or choose to live.

Of particular concern and priority are the poor, the minority groups, the disabled, and the aged located in isolated rural areas.

Availability of housing in great variety is imperative. Such housing should respond to health and income needs and provide a choice of living arrangements. It should include sales and rental housing, new and rehabilitated housing, large and small concentrations. It should be produced by public agencies and by private profit and nonprofit sponsors, with incentives to encourage such housing in all communities.

Funds to support a massive and varied housing program and mechanisms for assuring appropriate services are imperative to the well-being of the elderly of this nation. A decent and safe living environment is an inherent right of all elderly citizens. It should become an actuality at the earliest possible time.

HOUSING SECTION POLICY RECOMMENDATIONS

1. A fixed proportion of all government funds—Federal, State, and local—allocated to housing and related services, shall be earmarked for housing for the elderly; with a minimum production of 120,000 units per year.

2. Eligibility for the benefits of publicly assisted low and moderate income housing and related services shall be based on economic, social and health needs. Recipients having incomes above an established minimum level shall pay for benefits on a sliding scale related to their income.

3. The Federal Government shall ensure that State, Regional, and local governments and private non-profit groups produce suitable housing for the elderly on the basis of documented need. The Federal Government shall encourage production through the uniform application and use of appropriate incentives.

4. A variety of living arrangements shall be made available to meet changing needs of the elderly. Such arrangements shall include residentially oriented settings for those who need different levels of assistance in daily living. The range shall include long-term care facilities for the sick; facilities with limited medical, food and homemaker services; congregate housing with food and personal services; and housing for independent living with recreational and activity programs.

5. Supportive services are essential in the total community and in congregate housing. Emphasis shall be given to providing more congregate housing for the elderly which shall include the services needed by residents and provide outreach services to the elderly living in adjacent neighborhoods when needed to help older people remain in their own homes.

6. The State or Federal Government shall provide mechanisms to make possible local property tax relief for the elderly homeowner and renter.

7. Every effort shall be made to eliminate red tape and procedural delay in the production of housing for the elderly.

8. Particular attention shall be given to the needs of all minority groups and the hard-core poor elderly. At least 25% of the elderly housing shall be for the hard-core poor elderly, those with incomes at the poverty level or less per year.

9. All Federal agencies dealing with housing for the elderly shall be required to establish multi-disciplinary teams to formulate guidelines for architectural standards based on the needs of the elderly. The multi-disciplinary teams shall also have authority to review and approve innovative proposals.

10. Minority Non Profit Groups shall be encouraged and assisted in developing housing for the elderly.

11. When housing units for the elderly are eliminated for any reason, adequate replacement units must be available and relocation programs provided before such persons are displaced.

12. Congress should revise the definition of a family in the National Housing Act to include single persons 55 and over.

13. The Federal Government shall encourage the preservation of neighborhoods of special character through rehabilitation a selective replacement of substandard dwellings, with new dwellings, with full provision for the elderly of the area to remain in their familiar environment.

14. Housing funds now impounded by the Administration should be released and the highly effective Section 202 of the Housing Act with its special guidelines related to space, design, construction, and particularly favorable financing restored.

New Section 202 projects should be established by recirculating monies now being sent to the United States Treasury from mortgage payments and Section 202 conversions to Section 236 or like programs. Such conversions of current Section 202's should be encouraged by establishing incentives.

The senior housing loan Section 202 administrative component of HUD should have management audit responsibility for all Section 202 projects and all Section 236 elderly projects.

15. The rent supplement program shall be increased in dollars and eligibility.

16. Financial incentives shall be available to families providing housing and related care in their own homes, or in appropriate accommodations, for their elderly relatives.

17. The Federal government shall provide financial incentives to State and local governments to encourage property tax exemption of voluntary, non-profit sponsored elderly housing projects.

18. The inability of the elderly to financially maintain their homes because of high maintenance costs and increasing taxes resulted in the recommendation that interest-free, nonamortized loans be made available, the amount of the loan to be related to income, with repayment either upon the death of the borrower or the transfer of the property. As an additional element of national policy, it is proposed that ways or mechanisms be researched to enable older homeowners to voluntarily utilize the equities in their homes, to increase their discretionary income while remaining in their own homes.

19. Congressional action shall be taken to establish within the Department of Housing and Urban Development an Office of Assistant Secretary of Housing for Elderly. This office shall have statutory authority and adequate funding to provide overall direction toward the implementation of a National Policy and the production of housing for the elderly.

20. Executive action shall be taken to create an Executive Office on Aging within the Office of the President.

21. Congressional action shall be taken to create a Special Committee on Aging in the House of Representatives.

22. The Congress shall enact legislation to safeguard the elderly property owner or purchaser from unscrupulous real estate developers and/or promoters.

23. The Congress shall enact legislation providing special funds for adequate housing and supportive programs to meet the unique needs of rural elderly Americans including those on Indian Reservations.

24. Standards for physical and environmental security should be developed and applied as an integral and basic element of all housing projects serving the elderly.

25. Competent service to the elderly in housing requires sound research widely disseminated and utilized, covering many aspects of their living arrangements. Such research shall be undertaken to cover the health, physical, psychological, and social aspects of environment in urban and rural areas; to delineate the needs of elderly over 80 years of age; to determine the needs of transient elderly; to establish the importance of selecting appropriate locations; and to provide safe and adequate construction. Particular attention is directed to the consequences to vulnerable older people of improper sales methods and inadequate housing arrangements. There also shall be undertaken a well conceived and well-financed program of training for professional and semi-professional staff to develop efficient and competent management in developments for the elderly.

TWENTY-FIFTH ANNIVERSARY OF UNITED NATIONS CHILDREN'S FUND

Mr. CASE. Mr. President, on December 11, 1971, the United Nations Children's Fund celebrated its 25th anniversary. To observe this milestone of constructive work by this important agency in the United Nations family, the New York Times published an editorial entitled "A Future for Every Child." It is such an excellent comment on UNICEF that I commend it to the Senate. I ask unanimous consent that the editorial be printed in the RECORD.

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

"A FUTURE FOR EVERY CHILD"

On Dec. 11, 1946, there was born perhaps the most successful—and surely the most appealing—of all agencies created by the General Assembly of the United Nations. This was the International Children's Emergency Fund; today, a quarter century later, it is alive and well into its maturity, and known universally as UNICEF.

Totally supported by voluntary contributions from governments, groups and individuals, UNICEF has helped the helpless in no less than 112 countries. It has provided food for the hungry, medicine for the sick, schools for the ignorant. It has brought nutrition to mind and body; it has meant literally new life to countless millions of children regardless of race or color throughout the world. Its work alone would have made the U.N., which created it, worthwhile.

Its usefulness can only expand during the next quarter-century, along with the demands that will be made upon it. UNICEF is one international agency that has only friends, and it deserves them in every corner of the globe.

A NEW FEDERAL FOCUS FOR OLDER AMERICANS: WHITE HOUSE CONFERENCE RECOMMENDATIONS

Mr. EAGLETON. Mr. President, recent organization moves have raised serious questions about the capability of the Administration on Aging to function as an effective advocate for improving and enriching the lives of older Americans.

In 1967 a revamping of the rehabilitation, social and welfare programs in the Department of Health, Education, and Welfare led to the creation of the Social and Rehabilitation Service. Under this new realinement, AOA became one of several component units within SRS.

Further downgrading occurred in 1970 when action was initiated to decentralize the research and training programs to the SRS regional offices. And this year, the foster grandparent and the retired senior volunteer programs were spun off to the new volunteer agency, Action.

Today AOA is left only the administration of the title III community programs

on aging and the areawide model projects. Its authority has been systematically stripped away and its program responsibility has been reduced by two-thirds. The net effect has been to so diminish the standing of the Administration on Aging that it cannot function effectively as the focus of Federal activity on behalf of our older citizens.

Last March, as chairman of the Subcommittee on Aging of the Labor and Public Welfare Committee, I joined forces with the distinguished Chairman of the Senate Special Committee on Aging (Mr. CHURCH) in holding legislative review hearings concerning the impact of recent reorganization moves on the role and the status of the AOA. The testimony taken at these hearings lays out in detail the dismantling of AOA and the consigning of its original components to the lower rungs of the vast HEW establishment.

Since the conclusion of these hearings, a series of reports emanating from several sources has cast new light on the questions involved in establishing an adequate and effective voice for the elderly in the Federal Government.

First, a distinguished 20-member advisory council convened by the Special Committee on Aging has recommended that:

An independent Agency for the Aging should be established at the White House level;

The AOA should be under the direction of an Assistant Secretary on Aging in HEW;

Federal agencies administering programs for the elderly should be headed by Assistant Secretaries on Aging; and

An Advisory Council should be created to make a comprehensive annual report on progress made in resolving the problems of older Americans.

Second, the Secretary of the Department of Health, Education, and Welfare named a five-member task force to study the Administration on Aging. This task force recently submitted its preliminary report to provide a springboard for discussion at the White House Conference on Aging. Among its major recommendations:

There should be a standing committee of the Domestic Council with the President's Special Assistant on Aging as a member of the Council and Director of a permanent staff.

The AOA should be raised to the status of an independent agency within HEW, reporting directly to the Secretary.

The role of the advisory council under the Older Americans Act should be broadened to include the monitoring of all programs dealing with the aged.

Third, at the recent White House Conference on Aging, delegates from every State in the Union considered these proposals, as well as other alternatives for providing a central spokesman to represent the elderly in the highest councils of government. Mr. President, I commend the report of the Government and non-Government Organization Section of the White House Conference on Aging to the Senate and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

In a few months—by June 30, 1972—Congress must act on legislation to extend, modify, or replace the Older Americans Act. This decision takes on added meaning because the existing framework for dealing with the problems and challenges of aged and aging Americans is, to a very large degree, fragmented and haphazard. Equally important, streamlined and responsive Government organization will be absolutely essential for the effective implementation of the national policy on aging formulated at this year's White House Conference on Aging.

Mr. President, the Subcommittee on Aging will have the initial responsibility for developing legislation in this area. I am certain that the studies and recommendations I have discussed will be of great assistance to all of the members of the subcommittee as we work to meet this responsibility.

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

GOVERNMENT AND NONGOVERNMENT ORGANIZATION

INTRODUCTION

The 1971 White House Conference on Aging has been divided into fourteen Sections, ninety-five Subsections and several Special Concerns Sessions, all considering a staggering array of problems and needs of our nation's older population. Whatever their decisions, recommendations and/or proposals, they ultimately must become the concern and responsibility of the Section on Government and Non-Government Organization, if they are to be implemented.

This Section recognizes that the problems of the aging are statewide and nationwide; they require multiple solutions; they must first have local identification; they cannot and will not be met, successfully, without the involvement of all government and non-government agencies concerned with the aging; they demand a cooperative, correlated approach which extends needed services to all older persons; and they must be underwritten, beyond speeches, proposals and laws, by commitments of manpower and sufficient funds.

Further, this Section recognizes that both governmental and non-governmental agencies must act as advocates for the elderly and be held accountable both for what they do and for what they do not do, to advance the interests of older people.

Whatever organizational patterns are established and/or modified must now include focal points of authority and responsibility at each level of government.

Finally, this Section introduces its own proposals with the recognition that society has grown so increasingly complex and interdependent no individual person and no individual agency can provide for the needs of people through independent efforts. The time has come to develop, support and enhance an improved and strengthened moving organizational force which will lead to strong reforms and action whereby every older person in our land shall be privileged to live out his life in decency, dignity and with a sense of personal worth.

POLICY PROPOSALS

1. Public agencies should be empowered, and voluntary agencies encouraged to undertake and/or pursue more vigorously the advocacy of older people's interests, drawing more fully upon direct communications with, and participation by, the elderly and/or their organizations and the general public.

2. At all levels of government a central office on aging should be established in the Office of the Chief Executive, with responsibility for coordinating all programs and activities dealing with the aging, fostering coordination between governmental and non-governmental programs directly and indirectly engaged in the provision of services, and for planning, monitoring and evaluating services and programs. Each operating department should establish the post of Assistant Secretary for Aging with responsibility for maximizing the department's impact in relation to the needs of the older person. A coordinating council should be established in each central office of aging to be chaired by the director of the office and should include the several department assistants on aging.

At the Federal level, this central office should be implemented with the authority and funding levels and full-time staff needed to formulate and administer policy, and should be assisted by an advisory council and should be required to make an accurate and comprehensive annual report on its progoals. This White House level office should gress in resolving problems and meeting have enough prestige and resources to assure that it will encourage the development of parallel units at the State and community levels.

3. Relationship between agencies in aging and other public agencies should be characterized by mutual adjustments and cooperation at all government levels and by durable joint agreements of responsibility for research, comprehensive planning and provision of services and facilities, and should be based on and directly responsive to older Americans' opinions and desires at the grass root levels.

4. Governmental responsibility, particularly for providing funds and establishing standards, must be emphasized if the necessary facilities and services are to be made available to older people. The delivery of services should make maximum use of voluntary and private organizations which can meet the standards established by government in consultation with consumers and the providers of service.

5. Overall agency activities in aging should be planned and organized to provide coordination and support in both vertical and horizontal dimensions. Local agencies should participate in the formulation of State plans; State agencies should participate in the formulation of comprehensive plans and national policies. Such inter-relatedness should include governmental and non-governmental organizations, private and voluntary agencies, and representatives of the elderly.

6. Governments, at all levels, should encourage and foster the participation of private enterprise and voluntary organizations, including those whose membership is drawn from among the elderly. Such efforts to meet the needs of older people should include: pilot research and demonstration projects, direct service programs, self-help programs, informational, educational and referral services, planning and training programs.

7. Basic facilities and services should be provided as rights to which all older people are entitled and the opportunity to share these facilities and services ought to be available to all older people, while the adversely circumstanced must be entitled to special consideration.

8. All efforts to meet the needs of older people, whether by governmental or private and voluntary agencies, should be consistent with: (a) the First Amendment Freedoms of Association and Expression; (b) the right to participate in government-sponsored programs free from religious, racial, ethnic and age discrimination; and (c) protection of one's person and property, particularly in institutional settings.

9. The integration of governmental activities in the field of aging should be improved by the Federal agencies showing greater appreciation of the fact that the principle of

accountability applies from the Federal to the State level, as well as from the States to the Federal Administration. Federal accountability to the States should provide sufficient lead time when Federal policy and administrative changes are to be announced, as well as prior consultation regarding changes in appropriations. Federal agencies also should improve their communication with State units on aging to provide advance clearance of direct Federal grants to individuals, organizations and agencies.

10. A special committee on the aging should be established in the United States House of Representatives, functioning in a comparable role to that of the United States Senate Special Committee on Aging.

11. National priorities must be re-ordered so as to allocate a greater share of our nation's resources to meet the needs of its older citizens.

12. Means should be found for a continuing "conference" on the aging to aid in the follow-up of the recommendations of this WHCoA, which also would extend beyond the announced follow-up year of 1972 and even until the next White House Conference on Aging.

SUMMARY

The preceding policy proposals of the Section on Government and Non-Government Organization clearly indicate the need and mandatory responsibility for every level of government, as well as of the private and voluntary sectors, to see to it that the organizational structures are revised to make possible effective implementation of the proposals and concerns of all of the other Sections of the Conference.

The policy proposals repeatedly stress the need for ongoing advocacy at all levels of government and within the private and voluntary sectors. Also, relatedness and communications are recognized as essential ingredients of implementing plans for the elderly. Finally, these proposals place strong emphasis upon a focal point at the top level, within Federal, State and Local governments, which will ensure the most effective support by both the executive and the legislative branches of governments, and thereby of all private and voluntary agencies and organizations.

SECRETARY MORTON CALLS FOR MORATORIUM ON WHALING

Mr. STEVENS. Mr. President, the Secretary of the Interior, Hon. Rogers C. B. Morton, has taken dramatic action to protect whales. He has called for a moratorium on whaling. Whales are an important subsistence item for Alaska's Natives. I applaud Secretary Morton for the action by which he seeks to protect this great international resource.

I ask unanimous consent that Secretary Morton's statement be printed in the RECORD.

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

SECRETARY MORTON CALLS FOR MORATORIUM ON WHALING

"We must accelerate the worldwide fight to preserve the great whales," Secretary of the Interior Rogers C. B. Morton said today while commenting on the fact that after 200 years the United States has now stopped all commercial exploitation of whales.

The Department of the Interior's ban on the importation of whale products, including oil, meat, teeth and ambergris, went into final effect last week. Even the import of foreign cars containing whale oil additive in their transmissions will be affected. In line with Interior's stand, the Department of Commerce will issue no licenses after December 31 to U.S. commercial fishermen to take whales on the Endangered Species list.

"The whales are an international resource belonging to the many and must not be exterminated for the few," he said. "This Administration, acting on principle and despite the unfortunate economic hardship it has brought to some firms, has set an example that hopefully other nations will follow."

"We have done everything we can unilaterally. We must now concentrate our efforts on getting the International Whaling Commission to enforce their own regulations and to set realistic catch quotas by individual species and area in order to allow a maximum rebuilding of all whale populations."

At its annual meeting last June, the Commission had agreed unanimously that all member nations should implement the international observer scheme for the 1971–72 whaling season. "I was keenly disappointed that the Soviet and Japanese whaling fleets sailed for the Antarctic in October with no international observers on board," Morton said. "It is clear that time is running out for the whales."

"If the Commission cannot move quickly and surely to meet its international obligations, a moratorium on all whaling is the only solution. Both houses of Congress have passed a resolution calling for a 10-year moratorium and we support it," Morton said.

"As long as man views these magnificent creatures as solely an economic product, we are in grave danger of destroying the complex web of life of which man is an inextricable part."

"In this environmental decade, it would be barbarous to stand idly by while the rest of earth's largest and—next to man—most intelligent creatures are reduced to pet food, face creams and lubricating oils," said Morton. "All whale products have synthetic substitutes and are no longer essential to man's well-being. Yet the rate of killing in recent years has already driven some species to the brink of extinction and now threatens those few remaining species whose populations are still large enough to be commercial exploitable."

It was in an effort to halt this slaughter that Interior last December placed all eight species of great whales on its list of endangered foreign wildlife. This move cut off a U.S. market which had consumed more than 20 percent of the world's whale products.

However, a "hardship clause" in the Endangered Species Conservation Act of 1969 allowed 12 months in which firms that import and use such products could fulfill existing contracts. All special permits issued for this purpose during the past year by Interior's Fish and Wildlife Service expired on midnight of December 1, 1971. The last import permit for whale oil was issued in August and the last for meat products in December 1970.

In September this year the Fish and Wildlife Service denied a request by a major importer for an additional 3,000 long tons of sperm whale oil. Officials said they felt that granting such a request, well above the firm's previous importation levels, could only result in more endangered whales being killed.

"Another valid reason to stop whaling," Morton said, "is the recent discovery by the Food and Drug Administration of excess mercury in whale meat." More than a million pounds of contaminated meat destined for pet food have been seized.

Morton concluded, "Now that the U.S. no longer has any commercial interest in whales, either as harvester or consumer, we are in a position to provide leadership in the worldwide drive to preserve the whale as a vital part of the marine ecosystem."

PROTECTION OF BIG CYPRESS SWAMP

Mr. CASE. Mr. President, the administration is expected to submit to Congress early in the next session legislation to carry out the President's proposal to protect the water supply of the Florida Everglades by acquiring Big Cypress Swamp.

I have been informed that this legislation will be submitted in late January or early February.

This is good news to those of us who for many years have been working to protect the unique ecology of the Everglades and adjacent areas.

As a member of the Senate Appropriations Committee, I worked during the past few years to insure that no premature commitment would be made for construction of a jetport in the Big Cypress Swamp. I am happy that those efforts were successful and the jetport issue now appears to be laid to rest.

At the same time, members of the Interior and Public Works Committees have taken an active role in defending the Everglades from diversion of its vital water supply. Positive contributions toward the protection of the Everglades also have been made by both the Nixon administration and the State of Florida.

During these years, however, the Everglades have been living on borrowed time. There never has been any assurance that water for the western Everglades would not be diverted.

The high quality water needed by the natural environment of the Everglades is provided by Big Cypress Swamp. The quality of the water is maintained only because Big Cypress Swamp has never been significantly invaded by manmade development. But to date this has been merely a matter of fortune; there is nothing to assure protection of Big Cypress Swamp from such development.

Indeed, this year the oil industry has been seeking to undertake exploratory drilling there. Obviously, oil seepage, let alone a major spill, would doom much of the Everglades.

At the same time, projects to drain portions of Big Cypress Swamp for development purposes have been proposed and one drainage canal has been partially excavated.

These developments, if allowed to proceed, would doom the western Everglades and extinguish the public values of the Big Cypress Swamp.

The administration's proposal will establish a Big Cypress National Reserve, consisting of 547,000 acres of the swamp to be acquired by the Federal Government.

Senators on both sides of the aisle have already expressed an interest in legislation designed to accomplish this purpose.

It is my hope that, with this bipartisan support for acquisition of the Big Cypress Swamp, we will be able to act on legislation in this area early in the next Congress.

THE RETIREMENT OF MR. JOHN D. PALMER AS PRESIDENT OF TOBACCO ASSOCIATES INC.

Mr. JORDAN of North Carolina. Mr. President, every Senator is aware of the necessity for maintaining and expanding overseas markets for this country's agricultural products—particularly at a time

when we are seeking ways of correcting a substantial trade balance deficit.

Each of us is equally aware of how large a part tobacco has played in establishing the level of farm exports already achieved.

Some of us may be less familiar with the accomplishments of the man who has had a lion's share of the responsibility for development of those foreign markets for American-grown flue-cured tobacco—John D. Palmer, president of Tobacco Associates Inc.

It is appropriate that they be cited now, since he will retire from the post on December 31, although continuing to serve the organization in an advisory capacity thereafter.

I have had the pleasure of knowing and working closely with him both as a friend and in my capacity as a member of the Committee on Agriculture and Forestry during his 7 years in this important and responsible position and so can attest personally to the value of that service.

While his primary mission has been to represent the interests of some 200,000 Flue-cured producers in the Carolinas, Virginia, Georgia, and Florida in development of overseas markets for their product, he also has seen to it that the organization also assumed an active role in various phases of industry activity in this country.

Let me summarize briefly some of those activities and the recognition he has been accorded at various times for those contributions.

Among the honors he has received have been the citation by the Progressive Farmer magazine as "Man of the Year in North Carolina Agriculture" and by the Raleigh News and Observer as "Tar Heel of the Week." The South Carolina Tobacco Warehouse Association presented him its Distinguished Service Award for "a lasting contribution to the tobacco industry in South Carolina and to the entire Flue-cured area."

A notable achievement was in the highly controversial acreage-poundage issue in 1965. Palmer served as chairman of the National Legislative Committee to obtain congressional authorization for a referendum by growers. It was successfully accomplished, whereupon he was named chairman of the National Referendum Committee to obtain grower approval. The referendum carried on May 4, 1965 and it is widely acknowledged that had the effort failed, the tobacco support program might well have been lost. Convinced of that, I was proud to sponsor the legislation under which the new system was implemented.

Early in 1966, Palmer sounded a warning on the threat to our tobacco exports to the European Common Market countries and called for a congressional hearing which was held on February 2 of that year. Its impact on European governments was responsible in large measure in forestalling discriminatory action against our tobacco.

Following the issuance of the Surgeon General's Report on Smoking and Health in 1964, Palmer pledged the wholehearted support of Flue-cured growers in a search for test tube scientific facts in the issue rather than acceptance of allegations and purely statistical conclusions. To that end, Tobacco Associates joined with cigarette manufacturers in funding a $2 million grant to the Washington University School of Medicine in St. Louis, Mo. The university stated that—

It is the largest research grant ever made by the tobacco industry to a single institution. This unprecedented grant makes possible a major and fundamenal program in an exciting frontier in cancer research.

The success of Tobacco Associates promotional work overseas is reflected in record-breaking sales in recent years of Flue-cured tobacco to Japan, Thailand, and Taiwan, as well as in the all time high auction warehouse averages established for the 1971 crop.

I consider it a privilege to bring to the Senate's attention this record of what John Palmer has accomplished for the betterment of the agricultural economy in North Carolina and the Nation and for which I feel he has earned the thanks of the State and country.

THE STATE PARKS OF ALASKA

Mr. STEVENS. Mr. President, the Governor of Alaska, the Honorable William A. Egan, has released an extract of information taken from a publication issued by the National Conference on State Parks.

Significantly, this publication reveals that Alaska now has the largest State park system in the country. It also provides interesting comparative data on State park systems in other Western States.

I move and ask unanimous consent that Governor Egan's release be printed in the RECORD at this point.

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

GOV. WILLIAM A. EGAN'S NEWS RELEASE

JUNEAU.—Alaska now has the largest state park system in the Nation, totaling 941,431 acres, according to a recent publication of the National Conference on State Parks.

The publication, "State Park Statistics 1970," lists the California state park system as the next largest, totaling 762,073 acres. New York was third, with 275,000 acres.

The publication also reports that during 1970, 1.1 million acres were added to state parks nationally, with 907,422 acres of this being added by Alaska. With the 1970 additions, total acreage nationally reached 8.5 million. This includes 2.6 million acres listed by New York as being under the administration of its Division of Lands and Forests and available for public recreation uses but not within the state park system itself.

In the number of park employes and the amount of spending for maintenance and operation, Alaska compares generally with the Western states with the exception of California. Alaska has 22 employes and spends $340,000 a year; Arizona, 39 employes and $334,000 a year; Nevada, 40 employes and $403,000 a year, and Montana, 44 employes and $436,000 a year.

For 1970, Alaska recorded 247,000 overnight visitors in parks; Arizona, 257,000; and Montana, 190,000. Nevada did not report overnight visitors.

Arizona administers 20,358 acres in state parks; Montana, 19,691 acres, and Nevada, 45,254 acres.

A CONTINUING RESOLUTION AND ELIMINATION OF THE ROLE FOR THE SENATE

Mr. SYMINGTON. Mr. President, the approval of a continuing resolution for the foreign aid program that would allow continuation of regular funding of the program until March subverts the role of Congress in our constitutional system.

The functions of four committees in shaping foreign aid legislation is being by-passed by this procedure. It denigrates the responsibilities of the Senate Foreign Relations Committee, the Foreign Aid Appropriations Subcommittee, the House Foreign Affairs Committee, and the House Foreign Aid Appropriations Subcommittee.

The Senate, in particular, loses in the process. The Foreign Relations Committee will lose its policy initiatives in the authorization bill and the Senate Appropriations Committee will be denied the opportunity to have any impact on the many items.

This approach makes a mockery of the legislative process. If followed in the future, such a policy could be used to undermine any conference having difficulty in reaching agreement on policy issues.

The authorizing committees might as well close up shop if the executive branch knows it can count on getting a continuing resolution every time it is trying to kill an item in conference. Clearly it is a powerful club for the executive branch to hold over the heads of any and all authorizing committees.

With a long-term continuing resolution for foreign aid the executive branch gets what it wants—money—and Congress gets nothing in the way of new policy restrictions.

In addition, the agencies will be getting more money than they could normally expect to obtain through a compromise between the House Appropriation figures and what the Senate Appropriations Committee was likely to allow.

In the process in this case, the executive branch will avoid policy restrictions such as:

The Mansfield Amendment;

A ceiling on spending and personnel in Cambodia;

Limiting the President's discretionary authority to transfer aid funds from country to country and to waive congressionally imposed restrictions;

A requirement for a cutback in military missions abroad;

Annual authorizations for the State Department and USIA to make them more responsive to Congress;

Requirements for release of funds impounded for domestic programs.

With a continuing resolution, in effect, the executive branch can have its cake and eat it too. Only Congress loses in the process.

If a full-scale continuing resolution goes through, there will be little prospect for obtaining agreement in conference on an authorizing bill after Congress reconvenes. This would take away nearly all leverage from the Senate conferees.

When the proposed spending authority expires, only 4 months will remain in the fiscal year; and the administration will be pushing for an extension of the

continuing resolution for the remainder of the fiscal year, arguing that Congress should turn its attention to an authorization bill for the 1973 fiscal year and look upon the old bill as water over the dam.

If the continuing resolution is limited to money for salaries only, it is obvious that both the House conferees and the administration will be far more amenable to reaching an agreement in January.

The position of the Senate conferees has been reasonable. They have not tried to force the Mansfield amendment on the House, have asked only that the House conferees agree to a procedure which would allow a clearcut vote in the House on that item in the foreign aid bill.

Most other major issues in the bill have been agreed to and few if any problems would remain if an agreement were reached on the Mansfield amendment.

Again, consider the fact that there has never been an up-or-down vote in the House on the Mansfield amendment.

If the continuing resolution is limited to salaries and necessary expenses, but no new program money, the foreign aid program would not come to any halt of any kind. There is still $4.7 billion in the foreign aid pipeline; and we are only talking in terms of a delay of new program authority for approximately 1½ months. After Congress reconvenes in January, it should be possible to reach agreement in conference on the authorization bill and thereupon get the regular appropriation bill through in short order.

In addition, let us remember that military aid—and some economic aid—to South Vietnam, Thailand, and Laos comes out of the Defense Department budget. That aid would not be affected in any way.

Section 10 of the Foreign Military Sales Act, which was enacted into law in January of this year, prohibits the obligation of appropriations for foreign aid or military sales without an authorization.

This provision was designed to prohibit exactly the type of situation that now confronts us, namely, attempts to circumvent the regular legislative processes.

This provision has been waived in earlier continuing resolutions, but except as necessary to pay salaries of employees and other necessary expenses, it should be waived no longer.

In summary, to allow the foreign aid program to go on indefinitely without authorization not only violates the spirit of that provision—a principle the Senate has endorsed overwhelmingly on a number of occasions in recent years—but further limits the constitutional right of the Senate to review foreign policy.

RALPH BUNCHE

Mr. WILLIAMS. Mr. President, I wish to join with other Members of Congress, and with people in every walk of life throughout the world, in expressing the great sorrow I feel at the passing of Dr. Ralph Bunche.

I do not think it is an exaggeration to say that all the peoples of the world owe Ralph Bunche a great debt of gratitude; his tireless efforts to promote brotherhood and understanding, and to bring about peace on earth, have already made our world a better place and will certainly have beneficial effects far beyond the lifetime of one man.

As Americans, we can proudly claim Ralph Bunche as a countryman. However, he was in reality a citizen not of a single country, but of the worldwide community of peoples. Ralph Bunche was an outstanding representative of the developing breed of international civil servants whose duty, allegiance, and responsibility, is to all the people of the world. It was perhaps this special status that allowed Dr. Bunche to be so extraordinarily effective in his work to promote international harmony.

Ralph Bunche will, of course, be best remembered for his work in the United Nations. However, we should not lose sight of the fact that he compiled an impressive record in the U.S. State Department and, during World War II worked in the Office of Strategic Services.

The historic relationship between Ralph Bunche and the United Nations began in 1945 when he was U.S. delegate to the earliest conferences called to establish the international organization; he also served as a delegate to the first part of the first session of the United Nations General Assembly in 1946.

Dr. Bunche worked continuously as a United Nations official after that and, in 1955, was appointed Under Secretary without specific departmental responsibility. In 1957 he became Under Secretary for Special Political Affairs and in 1968 this title was changed to Under Secretary General. He remained in that post until just 10 weeks before his death, at the age of 67.

It was in 1949 that Dr. Bunche achieved widespread international recognition for his efforts to mediate an end to the Arab-Israeli war; those successful efforts won him the Nobel Peace Prize the following year. He later played a key part in establishing a U.N. emergency peacekeeping force along the Suez Canal in 1956, and supervised U.N. operations during the Congo crisis in 1960.

Mr. President, the Secretary General of the United Nations, U Thant, has observed that:

Dr. Bunche was an international institution in his own right, transcending both nationality and race in a way that is achieved by very few.

Certainly, I would agree with that statement.

Very few men have ever achieved the unique, international position held by Dr. Bunche, or have done so much to help the peoples of the world live in increased peace and understanding; it can be honestly said that his passing has been a great loss for all the world.

NATIONAL SECURITY GOALS OF THE VETERANS OF FOREIGN WARS

Mr. THURMOND. Mr. President, the Veterans of Foreign Wars of the United States has developed a set of goals embodied in a program called Priority National Security and Foreign Affairs Program.

These goals are a representative list of a large number of mandates in the field of national security and foreign affairs which were approved by the 12,000 delegates, representing more than 1.7 million members, at the 72d National Convention of the Veterans of Foreign Wars, which was held in Dallas, Tex., August 13–20, 1971.

A National Security and Foreign Affairs Committee, comprised of outstanding Americans from throughout the Nation, was appointed by VFW Commander in Chief Joseph L. Vicites immediately following his election at the national convention in Dallas. The committee reviewed the national security and foreign affairs resolutions adopted by the delegates and recommended a priority program which has been approved by Commander in Chief Vicites.

These goals, as embodied in the VFW's priority security program, are representative of the intense concerns and aspirations of the Veterans of Foreign Wars in the national security and foreign affairs area.

This program is highly commendable and deserves the attention of the Congress. It calls upon this country to maintain its status as the free world leader and to carry out our commitments throughout the world.

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

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

THE VFW PRIORITY—NATIONAL SECURITY AND FOREIGN AFFAIRS PROGRAM FOR 1972

PREAMBLE: NATIONAL SECURITY AND FOREIGN AFFAIRS PROGRAM

The United States has always abided by an ethic which extends beyond the immediate, which has in its essence of being a purpose larger than our national comfort and safety. We must now and always strive, in cooperation with other nations, to defend this traditional ethic; attempting to establish an enduring structure of world peace. We must not allow the horrors that we have suffered in Vietnam to deter us from our dedication to international interaction and harmony. A lasting peace can only be achieved through a meaningful dialogue of all peoples.

We must view the Vietnam era of involvement as a valuable experience in our nation's maturation process, and discourage any efforts to isolate the philosophies and strengths of the American way of life. We must encourage any efforts to deliberate the nature of peace and to seek out methods of insuring peace today and in the future we must condemn as intolerable any views which are detrimental to the high standards set by American traditions, or to the efforts of individuals and countries to seek and insure worldwide peace.

The President of the United States speaks as the voice of our nation. U. S. Senators and Representatives, by word and deed, should support this fundamental concept of American democracy and not allow political opportunism to overshadow their inalienable right of dissent. There is very little value which can be attached to the vilifying comments of dissident officials. If what they truly desire is national unity and a responsible approach to ending international conflicts, they must realize that vituperative and derisive remarks about our President and our national policies do not offer the prompt and intelligent solutions we so desperately seek to these problems which are tearing our country apart. Protest is an essential aspect of democracy, but now is the time for more reasonable voices to be heard.

A positive and more reasonable approach to solving our problems of disgreement cannot be found through emotionalism.

Under these circumstances, those espousing a historical perspective are handicapped by a lack of media appeal. True solutions to our problems can only be found through national, as well as international, dialogue, through logic, and through a constant reminder of our American heritage. We must speak as one nation once again, not because we are willing or able to ignore our weaknesses, but because we have a national realization of our great potential!

Is compassion natural in this world where the struggles of superior powers have become the predominate factors? Those who portray themselves as concerned and compassionate must understand that deeds necessarily confirm the intensity of words. Deeds must necessarily provide the American POWs now suffering in the prisons of Southeast Asia with a solace they so desperately need. Without the true compassion of deeds, those men will remain faceless in the annals of humanity. We cannot allow them to be lost in a sea of anonymity.

The Veterans of Foreign Wars of the United States believe in the principles and ethics which have made our nation great. We believe that a national adherence to these principles and ethics can bind the wounds which pain us now, and we pledge our support to them.

The question every American should ask himself is "Do I believe there is a real and dangerous threat to our National Security by a Communist Conspiracy?"

The Veterans of Foreign Wars, having answered that question by an unequivocal and resounding "Yes," herein sets forth our recommendations and goals to meet, repel and remove that threat.

NATIONAL SECURITY

The Veterans of Foreign War advocate peace through national strength by—

1. Requesting immediate strengthening of the Army, Navy, Civil Defense, Marines, National Guard, and Reserve Forces to insure the most effective, well-balanced fighting force in the world.

2. Requesting immediate appropriations and authorization for the development and construction of modern and effective bombers, fighters, and missiles and of naval vessels, particularly aircraft carriers and submarines, with adequate support vessels to insure a first-class, effective fighting Air and Navy Force.

3. Immediate enlargement of an adequate and effective Merchant Marine.

4. Supporting and urging the appropriation of adequate funds for the research and development program for the continued improvement of weapons, missiles, and defense systems for all branches of the service.

5. Using every affirmative means of informing the public of the importance of a first-rate, adequate military posture and urging their support of same as the most effective maintenance of peace.

6. Military forces are to be committed only upon determination of a clear definition of military and political objectives to be secured; and once determined, all necessary military forces and equipment shall be available and utilized to insure a quick and certain victory.

FOREIGN AFFAIRS

1. Call upon the President of the United States to demand immediately of Hanoi an adherence to the principles of the Geneva Convention and to support all efforts throughout the world to attain humanitarian treatment for all prisoners of war; and that we will not withdraw our forces from Southeast Asia until a satisfactory resolution of the POW issue is resolved.

2. Encourage any discussion which would lead to eventual partnership of nations in the Pacific Basin and a self-determined structure of peace and equitable stability throughout Southeast Asia; support action deemed necessary to attain an honorable peace and hasten the return of American fighting men.

3. Support continuation of NATO with adequate military forces and urge European Nations to contribute to the common defense of Europe commensurate with their individual and collective security interests.

4. Urge the Government of the United States to honor its 1954 treaty commitment to defend the Republic of China on Taiwan from attack; we urge continued United States support of the Republic of China on Taiwan sovereignty and territorial integrity; and oppose the representation of the People's Republic of China in the United Nations unless there is some reversal in their present policies.

5. Urge and support an initiative of the Government and people of the United States in developing a program of hemispheric reconciliation, taking into consideration the common heritage of cultural, ethnic, and religious values of the Western Hemisphere.

6. Urge that the United States use its good offices to effectuate a negotiated peace in the Middle East and to that end, we support all efforts of the United States to provide an effective counterbalance to the Soviet influence in the Middle East and any and all efforts of parties who have the will and true desire to arrive at a lasting and equitable peace in the Middle East.

MILITARY MANPOWER AND PERSONNEL

1. Support any efforts to revitalize the strength, spirit, and integrity of our military.

2. Advocate continued treatment and rehabilitation of servicemen identified as drug users by the Department of Defense and the Veterans Administration.

3. Advocate extending the system of selective service to assure the military forces of our nation sufficient strength in the active services and in the reserves.

4. Encourage and support the participation of all qualified colleges and universities in ROTC programs.

5. Eliminate the technical difficulties of proving the offense of desertion from the armed forces, and oppose amnesty to military deserters.

6. Urge a vigorous effort to have benefits and privileges restored to retired military personnel equivalent to those of active duty military personnel.

7. Oppose removal of religious training and character guidance programs traditionally incorporated in the training and development of military leaders and insist on retention of Armed Forces Chaplaincy.

FORCED SCHOOL BUSING

Mr. BROCK. Mr. President, in recent months a high percentage of mail received by many Members of Congress has dealt with the problem of school busing.

My own office has received literally thousands of letters requesting my assistance in remedying the unfair and unnecessary hardship created by forced busing. In response to their appeals and in an effort to protect the integrity of the neighborhood schools, I introduced Senate Joint Resolution 112 in early June. This proposal would amend the Constitution to prohibit use of race, creed, or color in pupil assignment to schools.

Last week the chairman of the House Judiciary Committee (Mr. CELLER) assured that body that his committee would be scheduling hearings on the amendment early in the second session. Prior to this, the distinguished chairman of the Senate Judiciary Committee also announced his intent to hold hearings. I was greatly encouraged by both of these announcements, because I feel that the hearing process will shed considerable light on the various legal and social ramifications and ultimately point to the need for the passage of this amendment.

Unfortunately, it is disappointing to learn that the Senate subcommittee to which my bill has been assigned has given no indication of complying with the intent of its chairman. I would hope, now that the committee chairmen in both Houses agree that hearings are long overdue, there will be no further delay in establishing a "date certain."

It should be the obligation of this Congress to provide careful and determined inspection of the legal and social considerations involved. We owe this to the concerned parents and schoolchildren across the Nation who daily face the very real physical and psychological burdens of forced busing.

GOWDY WORKS AT EXCELLENCE

Mr. HANSEN. Mr. President, the editor of the Football News, Roger Stanton, in his December 6 issue, had some words of well-deserved praise for Curt Gowdy.

Mr. Gowdy, a nationally-known sportscaster, attended the University of Wyoming, where he was an outstanding athlete. He is the owner of radio station KOWB in Laramie.

Curt Gowdy is a very distinguished alumus of the University of Wyoming.

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:

GOWDY WORKS AT EXCELLENCE

If you watch sports on television you watch Curt Gowdy. He does it all. Baseball, football, basketball, Wide World of Sports, and anything else that NBC–TV wants him to do and Gowdy is equally excellent in all his work no matter what the sport.

Right now he is in the middle of another red-hot pro football season. On Thanksgiving afternoon he will telecast the Chiefs-Lions game from Detroit all over the nation. On November 28 he'll do the Baltimore-Oakland game, December 4 Jets at Dallas, and Dec. 5 Oakland at Atlanta and Dec. 11 Miami at Baltimore.

NBC assigns Curt and his broadcasting partner Al DeRogatis the number one game of the week on their network. Curt doesn't concentrate on last minute preparation when he gets to the game site one day ahead of time. He has been preparing for his work all year long.

Gowdy, an ex-Wyoming basketball star keeps meticulous files on every pro football team so that he constantly has a wealth of background material available to him. He reads about 18 sports publications religiously including this one, plus 24 out-of-town newspapers.

His day starts early. During the week Curt arises at 6:30 a.m. to make last minute preparations for his daily network radio show which is aired at 6:55 a.m. to hundreds of stations in the U.S. and all over the world on Armed Forces radio. Gowdy has a sports teletype machine in the basement of his home which brings him all the late sports news 24 hours a day. He does his morning show from his home in Wellesley Hills, Mass.

Gowdy prides himself on knowing the football rules. He often spends time with Mark Duncan of the NFL office just talking about football rules. Duncan was a former supervisor of officials. He often gives Gowdy quizzes about pro grid rules. One of Curt's biggest challenges came last January in Miami in the mistake-filled Super Bowl which had a lot of weird plays. His rulebook knowledge helped him immensely that day.

He is of course strictly an impartial telecaster even though he was working only AFL games from 1962 until the time of the merger. Curt saw the fledging league growing up from an organization that was ridiculed and laughed at to one that has the respect of the entire football world. The day that the New York Jets defeated the highly favored Baltimore Colts 16-7 in Super Bowl Number III in Miami in 1969 is one of his greatest sports thrills.

Looking back Curt feels that the AFL turned the corner in 1963 when the College All Stars stunned the Green Bay Packers 20-17 and eight of the All Stars starting offensive line-up joined AFL teams.

For a few seasons in the 1960's Gowdy worked with the late Paul Christman the ex-Chicago Cardinal star. Curt feels that Christman was as good a color man as there ever has been in football. "He was crisp, succinct and yet he said a lot in a few words. He had a wonderful sense of humor." Their partnership was broken up when Paul went to CBS as a color man. He died two years ago.

Curt recalls in the early days of the AFL some of the owners wanted him and Christman fired because they weren't cheerleaders for the new league. "The network wouldn't allow this to happen," Curt chuckles.

Curt loves his home state of Wyoming and returns there as often as his busy schedule permits him. He owns a radio station in Laramie, KOWB which gives him a good reason for going back. His college roommate and lifelong friend Larry Birleffi is a sportswriter and broadcaster in Cheyenne and looks a lot like Curt. Gowdy also owns radio stations WCCM in Lawrence, Mass., and WBBX in Portsmouth, New Hampshire.

Will Curt rest up after the hectic football season before the long baseball season starts? No, he is going to Japan to do their winter Olympics.

THE TRAGEDY OF DRUGS

Mr. JAVITS. Mr. President, the drug epidemic tragically afflicts America's young people without regard to racial or socioeconomic distinction.

Unfortunately, the tragedy of a mother and her teenage daughter—so poignantly described in an article entitled "Saturday's Mother" published in today's New York Times—is being repeated all too often throughout our Nation. As legislators and parents, I believe we must dedicate ourselves to using all our talents and resources to find answers to the heart-rending questions posed by the article. I commend it to the attention of Senators 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:

SATURDAY'S MOTHER

(By Anne Levine)

"Ma?"

My heart sinks as I hear my daughter's voice on the phone. One short word and I know that Linda is on pills again. Her voice, usually soft and sweet, sounds hoarse and dully belligerent, which means that she is on "downs." Linda boasts to her friends that her mother knows if she even takes aspirin.

Even though I am positive that she has taken a large dose, I try to speak calmly. I don't want to play games again, she denying that she is high and me insisting that she is. I know Linda too well.

"Linda, where are you?"

"I'm at a friend's house."

"Come home. You don't sound well at all."

"I have no transportation and I have no money."

"Tell me where you are and I will pick you up."

"No!"

"Then why did you call me? Just to worry me?" Now I completely lose control of my emotions. I scream at her: "You promised you wouldn't take pills any more!"

No reply, just a click at the other end of the phone.

A cold, drizzly Saturday morning in April and the weather matches my uneasiness. Where is she? Would she get home safely? I am not angry any more. My heart goes out to my child. In my mind I see her; her face pale, her hair disheveled, her bright eyes now dull and heavy. The pills alter her personality and change her appearance.

An hour later the phone rings. I am afraid to answer it. I sense trouble. It is only my mother. We talk about the rotten weather and she says I sound as if I am upset. I tell her I am probably getting a cold. She asks how Linda is and I say she is fine. So many lies to cover up my daughter's problems. My mother is old. I don't want to worry her. Most important, I don't want pity.

Again the phone rings; my premonition becomes a reality. It is the local hospital.

"Is this Linda's mother?"

"Yes, what happened to my daughter?"

"Linda stumbled in the street and came to the Emergency Room to have her knee treated. She passed out while the doctor was taking care of her. We think she is on drugs. Would you please come to the hospital?"

Strange, I feel no emotion. I don't panic. I don't cry. It is as if my heart closes shop for a while, to let my brain take over so that I can function rationally.

My husband is away on business. I am too ashamed to ask anyone to come with me to the hospital. Every time Linda takes pills I feel as guilty as if I handed them to her. Philosophers may blame society for today's drug scene but mothers blame themselves.

Now the drizzle becomes a morbid downpour, a suitable background for my fear.

I go to the hospital. The nurse leads me to a small treatment room. Linda lies sleeping quietly on a table. The room seems vaguely familiar.

The young doctor is sympathetic. He says that when Linda wakes up she will be sent to the County Hospital for psychiatric examination. It is the law.

This is not the first time Linda has taken an overdose but she always manages to come home. I know she will sleep deeply for about twelve hours as the pills slowly drain out of her body.

I sit down by Linda's side and watch her sleep. I am grateful to feel numb. I want to remain numb; to feel is too painful.

The room is still, only the sound of Linda's gentle breathing. I look around, convinced now that I have been in this room before. And then I remember; many years ago this part of the hospital had been the maternity section. I had labored to give birth to Linda in this very room seventeen years ago. I remember how happy I was then.

Linda woke up in the evening. She looked around and then she saw me quietly sitting there, and in a hoarse voice said, "I feel O.K. I want to go home."

"Linda you can't go home just now. They say you have to go to the county hospital for a psychiatric examination. Perhaps it is for the best. The ambulance will be here soon."

My daughter turned her head away. We were not playing games any more.

Ambulance attendants are businesslike. No one spoke a word as we rode the short distance to the County Hospital.

As the ambulance drove up the driveway and the attendant prepared to open the double doors Linda took my hand. "Mommy, I am so scared. Please stay with me. I'm so sorry."

And then we both cried, at last.

SUMMARY REPORT OF COMMITTEE ON LABOR AND PUBLIC WELFARE, FIRST SESSION, 92D CONGRESS

Mr. WILLIAMS. Mr. President, to date, the first session of the 92d Congress has held 183 sessions. In that period, the Committee on Labor and Public Welfare has conducted 183 days of public hearings, held 40 executive sessions, and met 25 days in conference with the House—for a total of 248 committee meetings.

This is one significant index of the dedication, the diligence, and the devotion to duty of the members of our committee.

Early next year, I will submit to the Senate a full record of the legislative accomplishments of the committee. At this time I wish only to outline briefly the work done by our committee.

The committee has reported and the Senate has passed 18 bills, most of them of major importance. Of these, seven have been signed into law, and the others are either pending in the House or are moving through conference and final congressional approval.

There are presently three bills reported from the committee on the Senate calendar.

The Senate has approved all House-passed bills referred to our committee, as well as two House bills within our jurisdiction that were held at the desk when received by the Senate.

In addition to legislation, the committee has considered and reported to the Senate for confirmation 48 Presidential appointees to high office, all of whom were approved.

Not only has the committee acted on much new legislation, it has also conducted numerous investigations and legislative oversight or review hearings.

We have examined the administration of the Federal Coal Mine Health and Safety Act, the Metal and Nonmetallic Mine Safety Act, and the Occupational Health and Safety Act. We have also examined the implementation of the Alcoholism Act of 1970—Public Law 91-616—the operation of the White House Conference on Children, and the conduct of the White House Conference on Aging.

The investigation of welfare and pension plans, begun in the last Congress, has continued; five public hearings on this complex national problem have been held so far.

Likewise, the investigation authorized last year of the United Mine Workers election of 1969, has been diligently pursued, and confidential findings have been referred to the Justice Department for appropriate action.

The committee has up to now held 8 days of public hearings on national emergency labor disputes, and will continue to study how to resolve this critical issue.

We have conducted 17 days of public hearings on proposals to amend the Fair Labor Standards Act on which we intend to act next year.

The committee has also examined the Nation's health care crisis in 23 hearings throughout the country, and has studied national medical care programs in England, Scandinavia, and Israel.

So far, we have had 11 days of hearings on legislation concerned with health maintenance organizations, on which we plan to act next session.

In addition to reporting a monumental education bill, we have also held 3 days' hearings on the administration's education revenue-sharing proposal.

In the field of narcotics and alcoholism, the committee has conducted a general investigation, including hearings in Pittsburgh, Chicago, and New York. It has examined drug dependence and methods of treatment at three public hearings; it has studied drug abuse in the Armed Forces, both in this country and in South Vietnam; jointly with the Committee on Veterans' Affairs, we have held two hearings on drug abuse and addiction among returning veterans; and we have looked into the use of pep pills and amphetamines by professional truck drivers.

We have studied proposals to establish a National Institute of Gerontology and to promote research in the aging process on which we may act next year.

Finally, hearings have been held as part of our continuing investigation of the condition of farmworkers living in rural poverty.

Among the significant laws enacted this year were the railway labor dispute settlement—Senate Joint Resolution 100—the Emergency Employment Act—S. 31—the Health Manpower and Nurse Training Acts—H.R. 8629 and H.R. 8630—the 10-percent increase in railroad retirement benefits—H.R. 6444—the National Science Foundation extension and expansion—H.R. 7960—and the improvement of the Wagner-O'Day Act for handicapped workers—S. 557.

Both Houses approved the conference report on S. 2007, the OEO extension bill containing the new child development program and the Legal Services Corporation, which was vetoed by the President on December 9. The Senate failed to override the veto by a vote of 51 to 36.

The conference report on the conquest of cancer bill—S. 1828—has been approved by both Houses and is now awaiting the President's signature.

The committee has ordered reported a revised version of the Higher Education Act amendments, with further amendments, which, when approved by the Senate next year, will go to conference with the House.

Pending in the House are Senate-passed bills to provide equal education opportunities—S. 1557—to improve Indian education—S. 2482—to provide nutrition programs for the elderly—S. 1163—to establish a Special Action Office for Drug Abuse—S. 2097—to establish a Commission on Health Science and Society—Senate Joint Resolution 75—to provide for the prevention of sickle cell anemia—S. 2676—and to provide for children's dental health care—S. 1874.

Mr. President, every member of the Labor Committee has made important contributions this year to the well-being of our citizens.

I wish to pay tribute to them and to thank them for their stalwart support. We have a great committee. We have done much this year, and I look forward to an even more productive second session.

NO SHORTAGE OF HOME-HEATING OIL IN NEW YORK-NEW ENGLAND AREA

Mr. HANSEN. Mr. President, now that this first session of the 92d Congress is about to adjourn, I am pleased to report that the serious problem about which many Senators from the New York-New England area have expressed deep concern has turned out to be no problem at all. I refer to the constantly publicized "shortage" of home-heating fuel.

The President recently acted to raise import quotas for home heating fuel from 40,000 to 45,000 barrels daily. This was done in spite of a finding by the Office of Emergency Preparedness that heating fuel supplies were adequate and prices competitive in the New England area. However, some of Senators from the New England area deplored the President's action as woefully inadequate.

I am pleased to learn from the fuel oil dealers that their supplies are not only adequate, but apparently excessive. A special color flyer advises homeowners in the New York metropolitan area that they can "relax" about fuel supplies if they use oil. And it appeals to natural gas users to "look into converting to oil" in the face of a "critical" shortage of gas.

Mr. President, I have heard so much wailing and crying in behalf of the fuel oil dealers that I had begun to suspect that they were all but extinct. However, I have concluded from this very interesting piece of propaganda that they are not only very much alive but are prospering. They have a Madison Avenue agent, Jekyll Communications Inc., which advises in a release that this colorful flyer, by which the fuel oil dealers are trying to poach on the gas utility customers, is a very popular item.

Jekyll Communications says oil dealers have distributed more than 50,000 copies of the leaflet in the New York area, and boasts that the "weekly letter" of the Empire State Petroleum Association—the organization of fuel oil dealers—calls it "an outstanding customer mailing piece that should be in the hands of every oil heat customer in the country."

It is very interesting, Mr. President, that the home-heating oil dealers can be so "flexible" in their contentions as to supplies of their product. They can deplore shortages and high prices, and frequently do. Or they can switch the argument 180 degrees and claim, as in their leaflet distributed this week, that there is "plenty of home-heating oil for everyone," because of "effective long-term planning by the oil industry."

I must confess that I am amazed to read that fuel oil dealers who have persuaded several Members of the Senate that a virtual panic existed as to oil fuel supplies, can now issue a Madison Avenue broadside which declares:

> Utilities that use gas to generate electricity are planning to use more oil. In every situation it's oil that is coming to the rescue of the failing gas industry.

When the fuel oil dealers wish to exploit and undermine the mandatory oil import program, they plead "shortages" and price gouging by the domestic refining industry; when they wish to exploit the current serious energy situation and competitive position of other fuels, they have not only enough oil but an excess adequate to take on the heating problems of all the gas users in New York. I find this to be an astonishing turnabout in tactics.

The fuel oil dealers have been crying "wolf" for years, and the Government has responded with special "hardship" import quotas, and then with temporary followed by permanent import quotas allocations. Now, in a Madison Avenue flyer mailed to 50,000 fuel oil customers, we find the fuel oil dealers are not out of oil after all; that they in fact have excessive supplies of oil to burn and they are inviting one and all to come and please take some oil off their hands.

I believe that the next time, we hear the "wolf cry" that has become so familiar in behalf of the fuel oil dealers, the administration ought to inquire a little more thoroughly into the real nature of their almost habitual distress call.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the flyer being distributed to fuel oil users and potential fuel oil users in New York, with the headlines "Oil Plentiful This Winter But Gas Shortage Critical" and "Gas Users Urged To Convert to Oil Heat."

Also, I ask unanimous consent to have printed in the RECORD the news release, from Jekyll Communications on Madison Avenue, entitled "Statement Stuffer on the Gas Shortage Available for Distribution by Oil Dealers."

I believe, Mr. President, that some Senators who have been persuaded that the dealers in home-heating fuel were facing their last days as a result of the oil import program will be comforted by these documents. They should be reassured by them that the fuel oil business in New York-New England will be able to survive at least during the short period that Congress is adjourned.

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

GAS USERS URGED TO CONVERT TO OIL HEAT

Homeowners with oil heat can relax this winter. But friends and relatives with gas heat have plenty to worry about. While there's plenty of home heating oil around there's a critical shortage of gas and it's expected to get worse.

Government officials, both local and national, are deeply concerned with the gas shortage. A leading gas company is reported in Barron's Weekly to have stated to the Federal Power Commission that if this is an

extremely cold winter, some residential housing plants might have to be turned off.

GAS SITUATION CRITICAL

A prominent Congressman told a House subcommittee that thousands of consumers face critical shortages of gas for home heating and cooking, according to a United Press story.

OIL IN ABUNDANT SUPPLY

In contrast to the gas emergency, home heating oil is in abundant supply and spokesmen for the oil industry report there'll be plenty of home heating oil for everyone all winter long. That's because of effective long term planning by the oil industry.

OIL COMES TO THE RESCUE

Large pipeline companies are cutting down on the gas they are supplying. Big users have already received the news that they will get little, if any, gas this winter, and they are now turning to oil. Utilities that use gas to generate electricity are planning to use more oil. In every situation it's oil that is coming to the rescue of the failing gas industry.

Electric heat, of course, isn't even in the running. Not with all the problems of generator breakdowns, power failures and shortages. The public has already been told in some parts of the country to conserve electricity—to save watts. The electric industry is in no position to come to the rescue of gas. Only oil can, and is, filling the breech.

SWITCH TO OIL URGED

Homeowners throughout the area are strongly urged to continue to use oil heat into the future, and if they do not now have oil, to look into converting to oil in the face of the gas shortage that will, according to the American Gas Association itself, get worse in the coming years.

STATEMENT STUFFER ON THE GAS SHORTAGE AVAILABLE FOR DISTRIBUTION BY OIL DEALERS

SUBJECT MATTER FITS ALL SECTIONS OF THE COUNTRY

The nation-wide gas shortage is the subject of an attractive multi-color statement stuffer just created for the New York Oil Heating Association. The headline reads—"Oil Plentiful This Winter—But Gas Shortage Critical". The piece then goes on to reassure oil heat customers that there is sufficient oil to heat their homes this winter, but according to authoritative reports from national and local officials the gas shortage is a reality throughout the nation and gas-heated homes face the threat of being left out in the cold this winter. And it will get worse in the coming years—that's the word from the American Gas Association itself.

The folder is illustrated with a montage of headlines such as "Gas Shortage Hits Capital", "Five Ohio Utilities Limit Gas To Users", "City Disturbed by Gas Shortage" and "Gas Fear Reaches Fever Peak".

The "Weekly Letter" of the Empire State Petroleum Association calls it "an outstanding customer mailing piece (that) should be in the hands of every oil heat customer in the (country)".

Over half a million have already been distributed by oil dealers to customers in the New York metropolitan area.

The stuffers have now been made available to all oil dealers throughout the country. You can receive samples by contacting Jekyll Communications inc., 420 Madison Avenue, New York, N.Y. 10017. Or you can order a supply at once. They cost $17.50 per thousand and are folded to fit a statement envelope.

U.S. NAVAL SHIPS FOR PAKISTAN

Mr. STEVENSON. Mr. President, in the name of neutrality toward India and Pakistan, the administration has called for a cease-fire accompanied by withdrawal of military forces from foreign territory.

It is a strange brand of neutrality that favors one party more than the other. The Bengali victims of a new wave of West Pakistani genocide will not view our policy as neutrality. If the birth of a new nation is aborted, those who have fought and bled for the creation of that nation will not view our policy as one of neutrality. A policy which thwarts self-determination and alienates the largest democratic nation in the world is not neutral, it is utterly wrong.

Others have catalogued a variety of ways in which we have been neutral in favor of Pakistan.

Our professed neutrality is made even more doubtful by the fact that two U.S. Navy vessels are serving with the Pakistani Navy at the present time. One of these vessels, an attack submarine, is on loan without the loan agreement required by congressional legislation.

They are the *Diablo*, a 311-foot, 2,400-ton attack submarine, with 10 torpedo tubes; and the *Mission Santa Clara*, a 530-foot, 16,650-ton capacity, 160-man-crew naval cargo ship. The Pakistanis have rechristened them as the *Ghazi* and the *Dacca* respectively.

These ships were provided to Pakistan under the ship-loan programs of the U.S. Government, through which 295 U.S. Navy vessels are now on loan to 37 nations.

In the case of Pakistan, it is difficult to understand how the loan of these vessels could have been justified, even assuming that it is sound to attempt to counter Chinese and Soviet influence in South Asia by providing Pakistan with military support. The fact is that these vessels were given to a nation which does not share navigable waters with China or the Soviet Union, but does share them with India. The result is not a lessening of Soviet influence in South Asia—quite the contrary. By providing Pakistan with ships, tanks, and other military equipment which can be used only in conflict with India, we enhance Soviet influence in India and create a situation in which the superpowers engage in a vicarious arms race on the subcontinent. As we have seen in recent weeks, it is the innocent people of India and Pakistan who ultimately pay the price.

The loan of ships to Pakistan underscores a serious defect in our entire ship-loan program. If ships owned by the United States are loaned to another nation and subsequently used by that nation in a military conflict, the appearance of U.S. complicity is greater than it would be if the ships had been sold or granted outright.

The countervailing advantage of a loan program is that at a later date we can get the ship back. In practice, however, this advantage turns out to be a theoretical one. Once the recipient nation goes to the expense of refurbishing or reequipping a vessel, it is unlikely that we would insist on the return of the vessel. Even when the legislation authorizing the loan expires, as it has in the case of ships loaned to Chile, Peru, and Pakistan, we have not pressed for the return of the vessels.

We gain nothing by making loans which are not really loans, and there is much to lose. By permitting nations to keep vessels even after the authorizing legislation has expired, we encourage them to disregard other legal obligations to the United States. By retaining ownership but not control, we leave ourselves open to embarrassing incidents. It is not in the interests of the United States for Ecuadoreans to seize U.S. fishing boats with U.S.-owned naval vessels, or for the Pakistani to have U.S.-owned vessels at its disposal for possible use against India.

For all of these reasons, the ship loan program should be subjected to a searching reexamination, with a view toward phasing it out at an early date.

Mr. President, I ask unanimous consent that there be printed in the RECORD, a brief and I suspect, incomplete recapitulation to statutory violations by the Navy's ships loan program.

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

I.—STATUTORY VIOLATIONS IN U.S. NAVY SHIP-LOAN PROGRAM

[The following ships, loaned under Public Laws, have expired loans that have not been renewed]

Country	Ship	Authority	Expired
Chile	Ex-U.S.S. Springer (SS-414)	Public Law 85-532 Ext. Public Law 90-224	Jan. 23, 1971
Pakistan	Ex-U.S.S. Diablo (SS-479)	Public Law 87-387 Ext. Public Law 91-682	June 30, 1969
Peru	Ex-U.S.S. Benham (DD-796)	Public Law 85-532 Ext. Public Law 88-437	Dec. 15, 1970
Do	Ex-U.S.S Isherwood (DD-520)	Public Law 85-532 Ext. Public Law 90-224	Oct. 8, 1966

The loan of *Diablo* to Pakistan has not been renewed as authorized by PL 91-682, pending normalization of the situation in Pakistan. The *Springer*, in Chile, is no longer a viable naval unit. The Government of Chile has asked to purchase it for spare parts and to use as a training platform. We presently have Military Assistance to Chile under review and are carefully considering this request.

The USS *Isherwood* (DD-520) was originally loaned to Peru under PL 85-532 in 1961

and is currently in Peru under an expired loan. In December 1967, PL 90-224 authorized the extension of this loan but stipulated inter alia, that:

"Any agreement for a new loan or for the extension of a loan executed pursuant to this Act shall be subject to the condition that the agreement will be immediately terminated upon finding made by the President that the country with which such agreement was made has seized any United States' fishing vessels on account of its fishing activities in international waters, except that such condition shall not be applicable in any case governed by international agreement to which the United States is a party."

The diplomatic note proposing the terms for the loan extension of *Isherwood* was presented to GOP after passage of the law. The Peruvians have not responded.

In view of our experience with the *Isherwood* and the delicate state of our relations with Peru at present, we do not believe it is in the best interest of the United States to press the matter of these loans at this time.

II.—STATEMENT OF FOREIGN MILITARY ASSISTANCE AND SALES DIVISION OFFICE, CHIEF OF NAVAL OPERATIONS

[In House Armed Services Committee Publication 92-32, pp. 7095-6]

Public Law	Act of	Statute	Codified at
88-437	Aug. 14, 1964	78 Stat. 444	50 U.S.C. App. 1878 (y)ff.
90-224	Dec. 26, 1967	81 Stat. 729	50 U.S.C. App. 1878 (tt)ff.
91-682	Jan. 12, 1971	84 Stat. 2066	Not yet codified.

These three Public Laws, under which the four vessels cited in (I) above were authorized to be loaned for periods after the expiration dates, all require loans to be "on . . . terms and under . . . conditions"; to "be for periods"; to be made on at least one specific condition, specified by Congress in the law; and all loans or extensions require that the Secretary of Defense consult with the Joint Chiefs of Staff and determine that the loan or extension is in the best interest of the United States.

These vessels cannot simply be left in the possession of foreign nations without any agreement or extension. The statutes require definite agreements, with definite provisions, and set up a required procedure for a loan or extension to be initiated.

Nevertheless, we see that the *Isherwood* has been in Peru's hands for over five years without an agreement; it was in Peru's hands for over one year without any Congressional authorization which must underlie such an agreement.

The *Diablo* has been in Pakistan's hands for almost 2½ years without an agreement; and it was in Pakistan's hands for 1½ years without Congressional authorization for an extension to be made.

The *Benham* and the *Springer* have been in foreign hands for almost a year without agreements.

III. The Navy statement in (I) above leaves the impression that it is admitting that the *Springer* and the *Isherwood* are in Chile's and Peru's hands in violation of the provision of P.L. 90-224 which requires that loans "be immediately terminated upon a finding by the President that the country . . . has seized any U.S. fishing vessel . . ." (50 U.S.C. App. 1878vv). Because these two vessels are not covered by *any* agreements, however, this Congressional requirement may not apply.

ADDRESS BY SECRETARY OF DEFENSE LAIRD

Mr. BAKER. Mr. President, recently Secretary of Defense Melvin R. Laird, in a speech delivered in San Juan, praised the leadership of Gov. Luis A. Ferre. I share his regard for Governor Ferre and ask unanimous consent that Secretary Laird's remarks be printed in the RECORD.

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

REMARKS OF SECRETARY LAIRD

I am indeed delighted to have the opportunity to be with the Navy League Directors here in Puerto Rico and to be with my friend, and now governor, of this great commonwealth. Governor Luis Ferre had the opportunity of coaching me and instructing me about Puerto Rico for a long period of time. I had the opportunity back in about 1952 of serving on the platform committee of the political party to which I belong.

Now that I am in this non-partisan job, I do not necessarily get into direct reference to what that party is, but I think you all know that during a period of some 20 years I learned to love, respect and admire a great advocate of Puerto Rico.

A man that thought he had an idea in that he could do something about this great area of the world. And a man that in the last three years has shown that he can do something as governor of this commonwealth. A man that has brought about a great growth rate to this area of the world, which is the envy of all the world. A growth rate of 10.2 percent in his first year in office, better than 10 percent in his second year in office, and a growth rate in his last year of 10.6 percent.

He has done this because he too believes in people. He believes in the welfare of all the people of this area and he has done something about it to see that their efforts are rewarded, and that there are jobs and opportunities available for them in a growing economy.

I take my hat off to him, and as long as I serve in this position as Secretary of Defense, moving from the Congress, those lessons that he taught me so well about the importance of Puerto Rico, have been taken to my heart. And on some occasions I have been able to help him in his new responsibilities with the many problems that he has.

A man that recognizes the importance of national security, but also recognizes the importance of taking care of his people. As Secretary of Defense I have tried to cooperate with him one hundred percent and I will continue to do so because he is truly a great man in this area of the world.

BYRD OF VIRGINIA AMENDMENT AN AID TO SETTLEMENT

Mr. HANSEN. Mr. President, we all have been encouraged by the news reports on the great progress made in improving relations between the Governments of Rhodesia and Great Britain.

Mr. Clifford J. Hynning, in an article published in the Washington Sunday Star of December 12, took note of the gloomy forecasts made by some prior to the adoption of the chrome ore amendment offered by the distinguished Senator from Virginia (Mr. BYRD). Mr. Hynning pointed out that during the proceedings which finally led to the acceptance of the amendment, there was at least one candle in the tunnel: The late Dean Acheson's statement that the amendment "will move everyone toward a settlement—the British need a good nudge to move away from an untenable position and it will give it to them."

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:

MISREPORTING THE BYRD AMENDMENT

(By Clifford J. Hynning)

Straight reporting on southern Africa and on Rhodesia in particular can be found only in a few American newspapers. This can now be readily illustrated in the case of Rhodesian chrome and the settlement of the constitutional crisis between Great Britain and Rhodesia.

Sen. Harry F. Byrd Jr. of Virginia had secured a congressional amendment that provided that the pending embargo on all trade with Rhodesia under a United Nations Security Council resolution shall not apply to chrome as a strategic and critical material in the event that the United States continues to import chrome from any Communist country.

During the time of the consideration of that amendment and subsequent thereto, the press was replete with news stories, guest columns and editorials on the dangerous impact of Sen. Byrd's amendment on the conduct of foreign affairs by the United States. It was widely contended that the amendment would embarrass British diplomacy in the negotiations with Rhodesia evolving toward a settlement. More seriously, Senator Byrd was freely branded an open treaty violator, a breaker of international commitments of the United States.

Events now provide a clear test of performance of news reporting in this area. The test was clearly foreshadowed by the late Dean Acheson in his appearance before the Senate Committee on Foreign Relations on July 7th last. In the event he turned out to be far more prescient than the State Department, the professors of international law, or the journalists when he said that the Byrd amendment on chrome "will move everyone toward a settlement . . . the British need a good nudge to move away from an untenable position and it (the Byrd amendment) will give it to them."

The British government never complained of the Byrd amendment, or so I am informed by the British Embassy here.

The concern that the Byrd amendment would have an adverse impact on British diplomacy turns out in the event to be an illustration of creative reporting.

The contentions of the professors, the diplomats and the journalists that the Byrd amendment on chrome makes the United States guilty of violating international treaties and commitments is equally ill-founded. The Byrd chrome amendment violates no treaty of the United States. The opponents can cite no treaty which by its terms prohibits the United States from importing chrome from Rhodesia.

The only way they can make out a case is to argue that the United States ratification of the U.N. Charter in 1945 meant that when the Security Council in the late 1960s made a formalistic finding that Rhodesia is a threat to the peace and that her foreign trade should be barred by all U.N. members, this prohibition was automatically converted into a treaty commitment of the United States.

Under the U.N. Charter the United States is obligated to respect sanctions against a country only if that country were "a threat to the peace," or more.

It is singularly strange that out of all the countries of the world that have indulged in aggression, or threatened, or broken the peace between 1945 and the present day only Rhodesia has been cited by the Security Council for mandatory sanctions.

Why among all the countries of the world was Rhodesia singled out as "a threat to the peace?" It is difficult to credit the reason given by our State Department—"American policy on Rhodesia rests on the basic principles of self-determination and majority rule (1969 statement). "Sanctions . . . will influence the regime to change its policies

and adopt as a basis for international acceptance the fundamental principle of eventual majority rule for over 95 percent of the population which is Black African", (1971 statement). It should surprise no one that Senator Byrd found these reasons "positively ludicrous" and "obviously absurd."

Lastly, it has been contended that the Byrd amendment impairs the credibility of the United States in international affairs.

This may be true so far as U.N. circles are concerned. Their applause may now turn to hisses over Rhodesia.

Perhaps we may witness the further absurdity of a continuation of U.N. sanctions against Rhodesia at a time when Britain has welcomed Rhodesia back into a state of "legitimacy." The U.N., having gone down the road of no return on sanctions against Rhodesia—and these sanctions are formally self-perpetuating—may have no way, legally or logically, to get rid of sanctions except to repeal them.

But repeal would be subject to a veto by the Soviet Union or by Communist China. It might be in the Communist interest to irritate the western world by exercising a veto on the repeal of Rhodesian sanctions and thereby savour the applause for their side. But, as everyone knows, from show-people to diplomats and professors, applause is a wasting asset.

OUR DWINDLING FISHING FLEET

Mr. STEVENS. Mr. President, today I wish to place in the RECORD an article entitled "Why Our Fishing Fleet Is Sinking," that appeared on page 182 of the October 1971, issue of the Readers Digest.

The article graphically illustrates the dire situation faced by our fishing fleet which must contend against far better equipped, larger, more efficient fleets from a number of foreign fishing powers. This situation is especially egregious to Alaskans—many of whom are dependent, directly or indirectly, upon the fishing industry.

The article also indicates the many legal restrictions faced by our fishing industry. I commend it to the attention of Senators.

I ask unanimous consent that the entire article be printed in the RECORD.

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

WHY OUR FISHING FLEET IS SINKING

(By James E. Roper)

The Russians, among others, are taking fish at our very doorstep, outcatching us two to one. It's past time for government and U.S. fishermen to get together to modernize our whole approach to commercial fishing.

In July 1966, a freshly outfitted commerical fishing boat, the *San Vito*, sailed from Aberdeen, Wash., on a proud mission: to catch the first load of hake for the economically hard-pressed town's new fish-reduction plant. But a dismaying discovery awaited the *San Vito* at the fishing grounds 12 miles offshore. Eighty huge Soviet fishing vessels, 4,500 miles from home, were already there, scooping up hundreds of tons of hake and scattering the rest. The *San Vito*, darting among Soviet ships two and three times as big, could catch only a few fish. "It was a disaster," moaned her captain.

Worse was to come. Before the summer was out, the Soviet fleet swelled to 100 vessels, with 3,800 persons aboard, hungrily ranging the hake fisheries off both Washington and Oregon. At night, lights on the boats twinkled as if a city had risen from the sea.

Off New England, a Soviet fleet has invaded the haddock grounds, causing the American catch to drop from 62,000 tons to probably less than 10,000 tons this year, and forcing a 50-percent rise in U.S. retail prices. This spring, while American boats off Massachusetts refrained from catching yellowtail flounder because of quota regulations, Soviet vessels hauled in tons of the fish for Moscow tables.

With such moves, Soviet fishermen are taking enormous catches from Alaska to California and from Maine to North Carolina, even sending Soviet-sponsored Cuban trawlers into Florida waters where Americans are forbidden to fish.

Nor are the Soviets alone. The Japanese, the Norwegians, the Peruvians have outfished the United States. The world catch has doubled over the last decade, while ours has *fallen* slightly. The United States catch is so inadequate that we have become the world's biggest importer of fish products, which caused a balance-of-payments drain of $921 million last year.

RISE OF THE FLEET

To understand what we're up against, one needs to see a truly progressive fishing nation in action. Take the Soviets.

In 1953, the new Gremlin leaders decided that the cheapest way to provide their people with badly needed animal protein was through massive distant-water fishing. To this end, they purchased models of the best Western trawlers and refrigerator boats, then duplicated them until they had learned to design their own. This done, they began to spend vast sums on the construction of a fishing fleet, port facilities and processing plants.

Today, Russia is investing more than any other country in fishery expansion. It is enlarging its 18,500-vessel fleet with 200 to 300 new craft a year. Its 200 oceanographic-research vessels give it the world's greatest capacity to study the sea. (The information collected is also valuable, of course, for submarine warfare—and the Russians may know more than we do about the waters off our mid-Atlantic states.)

Thirty schools have been established to train ships' officers and technicians, who are attracted by the fact that fishing has become the fourth-highest-paid industry in the Soviet Union. Vast shore facilities have been constructed in the Soviet Far East, and the Arctic Circle city of Murmanski is now the world's busiest fishing port, handling a million tons of fish per year.

NOTHING ESCAPES

The Soviet Ministry of Fisheries directs the operation with naval precision. First, exploratory vessels laden with scientific equipment map sea bottoms, study water currents and temperatures and identify likely fishing grounds. Next, a few boats fish experimentally. If the catch is good, out goes a full fleet, a formidable array ranging up to 300 ships. A veteran U.S. skipper back from fishing off New England reported, "I sailed for 100 miles, never out of sight of a Russian vessel. Some are so big you could put one of our boats on their decks and never see it."

When scout boats using echo sounders and other sophisticated gear locate a school of fish, the Soviet fleet commander radios catcher boats—sometimes a dozen or so lined up shoulder to shoulder—to sweep through the area. "Nothing escapes—nothing!" says a dismayed American fisherman. The trawlers deliver their catch to giant factory ships, where the fish are frozen, canned or otherwise processed at sea. Supply ships ferry out water, fuel and food, even relief crews. The fleet stays at sea for as long as a year.

Sometimes the big Soviet ships over-fish an area, poach in exclusively American waters, break American nets or bully American fishermen in smaller coastal boats. But mostly the Russians follow the rules of the sea. In fact, the U.S. government feels that Moscow is generally coöperative in conserving marine resources. One U.S. official explained: "The Russians know they can catch more than their share of whatever is conserved."

VIGOROUS COMPETITION

Other countries also reap rich sea harvests. Little Peru hauls in the world's largest tonnage, almost all of it anchoveta caught within 40 miles of her coast. Peru grinds the anchoveta into meal for animal feed, then sells much of it to the United States.

The next largest harvest—and most valuable at $2.5 billion a year—is collected by Japan, which, like Russia, sends a huge fleet of catcher and factory ships thousands of miles to distant waters. Since 1962, Japan has doubled her high-seas fishing fleet to 3000 vessels, some even more efficient than the Soviets'. Last May, 320 Japanese ships were off Alaska for the high-seas salmon season. The Japanese fish in vigorous competition with Americans throughout the Bering Sea and, to some extent, off Washington and Oregon, for crabs, herring, pollock, flat fish and other species. They also roam the North Atlantic, although mostly for species that Americans ignore, such as squid.

Japan has 164 major marine research institutions. The government itself operates 497 research vessels, and energetically swaps information with commercial fishermen. Japan has entered about 50 joint ventures in foreign countries, and, according to a Washington analyst, received "substantial benefits to her domestic fishing industry."

Communist China, fishing close to shore, ranks fourth among the world's fishing nations, and Norwegian fishermen, benefiting from a government program to scrap old boats and build new ones, range around the world. They increased their catch 20 percent last year and sold more than $18 million worth to the booming frozen fishstick market in the United States alone.

DISMAL RESPONSE

Instead of rising to this global challenge, the United States has let its own fishing industry stagnate. The fleet and its techniques of locating, harvesting and preserving fish are obsolete. Of the 13,000 U.S. boats larger than five tons, 14 percent are more than 50 years old, 54 percent are more than 20 years old; only 16 percent have hydraulic winches, only eight percent have refrigeration. The crews, too, are old: full-time Boston fishermen, for instance, have a median age of 59. Young men take better-paying city jobs.

The industry itself is much to blame. In American fishing, one person usually owns one boat and operates it with fierce independence—in the tradition the Pilgrims established in 1620. Today this means that one American boat ordinarily does not help another American boat locate fish. The result is that many cannot compete against a foreign fleet operation. And the independent American captain rarely accumulates enough capital to buy a new boat, reequip his old one or pioneer new technology.

Federal and state governments, moreover, impose some curious handicaps, often forcing American fishermen to use inefficient methods. One federal law, in effect since 1793, requires the use of U.S.-built boats. This has been a boon to the U.S. shipbuilding industry for 178 years, but today it means that an American fisherman must pay up to twice as much for a boat as his foreign competitor.

Then, too, an American may not use a net to catch halibut in the North Pacific; he may not use electronic equipment to locate salmon off Washington. All this in the name of conservation.

UNTOUCHED BOUNTY

The most conservative estimates are that the present world catch of fish could be tripled without impairing future resources.

Our National Marine Fisheries Service estimates that the American industry could perhaps quintuple its catch without even leaving American shores. Obviously, then, we should get on with the job of finding economically feasible ways of taking our share of the oceans' harvest.

Numerous fishery authorities see the ultimate solution in a joint government and industry effort, emphasizing these basic points:

The federal government, which has long neglected our fishermen as politically unimportant, must start treating them as vital to the economic and political goals of the United States. It must not sacrifice them automatically to the interests of other groups. Twice the U.S. Tariff Commission has ruled that imports of fish were damaging fishermen, but Washington responded by lowering our tariffs on fish even further in return for foreign tariff concessions on U.S. exports.

The federal government must vigorously support our fishermen in conflicts with foreigners. Congress has finally declared that Americans have exclusive fishing rights within 12 miles of our shores, but we were one of the last major powers to set such a limit. And we still tolerate Peru's and Ecuador's enforcement of their unilaterally declared 200-mile limit. When they haul American tuna boats into port, the U.S. government ends up meekly paying the fines—as much as $155,340.

Washington must centralize its scattered efforts to help: at times, 22 federal agencies have had a say in commercial fishing. The industry must modernize, with government subsidies if need be.

Both government and industry must do more basic research on the seas around us and, specifically, learn better ways to locate, catch, handle and market fish. Dayton L. Alverson of the National Marine Fisheries Service, remembers visiting a Soviet scientific boat in the Black Sea: "It had more electrical equipment than all the Service's vessels combined."

State governments must lay aside local politics and remove the restrictions that make American fishing unnecessarily inefficient.

Most of all, fishermen must cast off their lethargy and work toward becoming efficient enough to face a competitive world without permanent subsidy.

"There is no reason why we cannot be a major exporter of fish and fish products," said the late Wilbert Chapman, nationally known fishing authority and government consultant. "We rail against the Russians for developing fisheries off our coasts. What we refuse to face up to is that a communist society is out-competing us capitalists by applying science and technology to its operations. We must stop crying and do what needs doing."

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. The time for the transaction of morning business has expired.

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

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

RECESS

Mr. MANSFIELD. I move that the Senate stand in recess until the hour of 2 p.m. today.

The motion was agreed to; and (at 12 o'clock and 43 minutes p.m.) the Senate took a recess until 2 p.m.; whereupon the Senate reconvened when called to order by the Presiding Officer (Mr. PEARSON).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the amendment of the House to the bill (S. 1938) to amend certain provisions of subtitle II of title 28, District of Columbia Code, relating to interest and usury.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10604) to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. PEARSON). The Chair, on behalf of the Vice President, under the provisions of Public Law 91–452, appoints the following Senators to the National Commission on Individual Rights:

The Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Carolina (Mr. ERVIN), the Senator from Florida (Mr. GURNEY), and the Senator from Delaware (Mr. ROTH).

QUORUM CALL

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 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.

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

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

QUORUM CALL

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

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

FEDERAL ELECTION CAMPAIGN ACT OF 1971—CONFERENCE REPORT

Mr. PASTORE. 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. 382) to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. PEARSON). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of this date at pp. 46791–46801.)

Mr. PASTORE. Mr. President, for the purpose of the RECORD, I will say that the signing of the report was unanimous.

Mr. President, today the Senate has the opportunity to complete a task it initiated almost 1 year ago. Enactment of a comprehensive election campaign law.

In terms of its impact on our democratic system and its potential for good, this legislation is the most significant measure considered in this Congress. By the same standards, I believe it is also a major landmark in the entire history of our legislative process.

As benefiting legislation of such transcendant importance, it is in the highest sense a bipartisan effort. Perhaps, Mr. President, nonpartisan would be an even more appropriate word. Because the Members of both Houses were not motivated by Democrat or Republican interests. Rather they were guided solely by what would best serve the American people and our country.

This, I believe, is the highest tribute that can be paid them. The conference report the Senate considers today, in my judgment, substantially reflects the will of the Senate when it passed S. 382 last August.

To be sure, not everything we of the Senate wished remains, but the same is true for the House. And that is the essence of compromise.

The important thing is that, as reported by the managers, the provisions of the bill will deal effectively with the escalating cost of campaigning for public office, and will require frequent and full disclosure of campaign contributions and expenditures.

Mr. President, I will not take the Senate's time with an exhaustive explanation of the conference report be-

cause as I have said, it closely follows what we did last August. Briefly, however, the conferees agreed to the following major provisions:

First. During the 45 days preceding a primary election, and 60 days before a general election, broadcast licensees may only charge candidates their lowest unit rate. Simply stated, a licensee may only charge a candidate the lowest rate he charges anyone else in the same time period; that is, morning, afternoon, prime time, et cetera.

There is no other qualification on the lowest unit rate concept.

Second. At all times, candidates for Federal elective office may be charged no more than comparable rates for other purposes when they purchase space in newspapers and magazines.

Third. A spending limitation of 10 cents times the resident population of voting age for the office in question is placed on the following media for all candidates for Federal elective office in primary and general elections: Broadcast, newspapers, magazines, outdoor advertising facilities, and paid telephone campaigns.

No more than 60 percent of a candidates total limitation may be spent on the broadcast media.

Agent's commissions are also included in computing a candidate's spending limitation.

What that language actually means, and this explanation is for the convenience of Members of the House more than Members of the Senate—and it is quite understandable—the candidate would spend up to 10 cents for the eligible vote in his district, but no more than 6 cents of that 10 cents on broadcasting; but if he chooses to spend all of it on nonbroadcasting, he can spend up to 10 cents.

Fourth. The Senate provision providing that the amount of the spending limitation may be raised to reflect a rise in the consumer price index.

That is more or less an amendment suggested by my colleague and good friend, the Senator from Kentucky (Mr. COOK).

Fifth. The House provision requiring the Secretary of the Senate, the Clerk of the House, and the Comptroller General to supervise and receive the reports and disclosure information required by the legislation.

On this point there was some dispute in conference. The House was adamant that inasmuch as under the Constitution the House and the Senate are the sole judges of the qualifications of their Members, the House conferees insisted it be filed on the part of the Senators with the Secretary of the Senate and on the part of the House with the Clerk of the House; but at the same time we added that it must be filed also with the Secretary of State or an individual of the agency in that State who has comparable responsibility.

Sixth. The Senate's reporting and disclosure requirements with minor modifications made in the House.

I wish to say at this juncture that insofar as disclosure provisions are concerned, the House and Senate were not very much in disagreement. While it was quite involved, their thoughts ran along parallel lines.

Mr. President, these, I believe, are the significant features of the bill as agreed to in conference.

Many of us would also liked to have seen the equal time requirement of section 315 of the Communications Act repealed for President and Vice President in the general election.

Here again, the House was absolutely adamant. We were again given the ultimatum that if we insisted on the equal-time proviso we could forget a bill.

Unlike most elections for other offices, a presidential race attracts numerous candidates and broadcasters have told us they are, therefore, reluctant to give free time to significant candidates because of the equal-time requirement.

Thus, I feel the major reason for exempting the office of the Presidency from this requirement is not present where other offices are concerned, and we should have exempted it from section 315.

I repeat, the House was most adamant on this and there was no place to go except to compromise.

I would hope that the broadcasters in cooperation with the Federal Communications Commission will discharge their public interest responsibility imaginatively, and do their utmost to assure that in keeping with the spirit of this legislation, significant candidates for the highest office in the land will be given ample opportunity to present their candidacies to the American people.

I repeat, that is going to be rather difficult. It is a cliché when we say it. The networks made clear that unless there was an exemption under the law they would be besieged under the equal time rule, resulting, it could be, in giving national hookup time to a half-dozen or even a dozen candidates and the cost would be prohibitive. I cannot blame them. We did this in 1960 and we tried it again.

This is not perfect legislation. In this area I do not think anyone can be perfect but I think it is good legislation. Under the circumstances the conferees did what I would term an excellent job.

Mr. SCOTT. Mr. President, I would have been quite happy with a provision suspending or repealing section 315 of the Federal Communications Act. I see no reason why the use of broadcasting facilities should not be made available to all Federal officials, but that was not the decision of the conference. I have no fault to find with the fact we left it alone. It means we will have to come back to it some day and face it again, but it was the best that could be done under the circumstances. So I rise today with a bit of satisfaction and a bit of reluctance in support of the conference report on the Federal Campaign Act of 1971. This legislation, truly of landmark nature, is long overdue. It represents many, many months of tedious work by the Congress. Yet, in several ways, some of that work was in vain. We simply missed the mark.

For the first time, Congress has clamped a fairly tight limit on the amounts which Federal candidates can spend on communications media. However, in the rush to be all-inclusive, we have included some very ambiguous language with respect to the use of telephones and automated telephone campaigns. We were able to strike out some ill-considered language regarding so-called "computerized mailings," but that other language was retained in modified form reserving what appear to be and are voluntary telephone solicitations. That would not have gone in had it not been for the insistence of the Senate conferees.

I am concerned about the enforceability of this telephone provision, and especially concerned about its obvious first amendment implications. We can almost envision an age of Orwellian snooping when Government agents will bug a candidate's campaign headquarters to find out how many "bootleg" telephones he may be using. In this Philadelphia lawyer's opinion, the "telephone" provision is a legal nightmare.

The conferees also, unwisely, included agents' commissions under the communications media spending ceiling. Here is a perfect example of good intent gone astray. Any candidate who uses an agent to purchase space or time in communications media has to pay a commission, normally in the 10- to 15-percent range. So instead of excluding these fees, they were included. In my estimation, this provision will work to the disadvantage of little-known challengers who may have to use more sophisticated communications techniques and who would thus need the services of a professional campaign consultant.

On the disclosure section of the bill, I do not think we should be requiring the Clerk of the House and the Secretary of the Senate as the repository of reports, to police the compliance of Members. My own campaign reform bill would have created an independent Federal Elections Commission and this was reaffirmed on the Senate floor by a vote of 89 to 2. Our only solace, at this point, is the fact that the bill still retains all of the public availability of records and the functions and duties which the Commission would have had but simply transfers them to the appropriate supervisory officer.

Obviously, there are questions which remain unanswered when we turn to three different repositories—the Clerk and the Secretary for congressional candidates and General Accounting Office for the President and Vice President. For example, some political committees support candidates for all three offices—are they now required to file three separate reports? The language of the bill is not clear on this point and I am hopeful that appropriate guidelines can be issued to clear up some of these gray areas.

The conferees also directed that disclosure reports be filed with the secretaries of State, or comparable officeholders, in each of the States and the District of Columbia. This provision was inserted in lieu of the Senate's wish to have such reports filed with the clerks of the appropriate U.S. district courts. Now, the question is this—where does the Federal Government get the authority to direct these State officeholders to comply with certain Federal directives? This point is unclear and its further implementation will almost have to be left up to court decisions.

During debate in the House of Representatives, there was considerable sentiment for determining, more clearly than ever before, the limits to which labor unions and corporations could go in political campaigns. An amendment was offered in the House, and adopted, which purported to codify existing law on this sensitive point. However, on a closer review of the amendment, I cannot agree with my House colleagues that it is simply a codification of existing law. I regret that the conferees would not agree to modify the House amendment to bring it into closer conformity with the expressed intent of its sponsors.

One new amendment which the conferees approved made the Comptroller General's office a national clearinghouse for the administration of elections. Among the studies and reports it is expected to prepare, I am hopeful that one will focus on the ability of the Clerk of the House and the Secretary of the Senate to comply not only with the letter but the spirit of the law as well. I would also hope that the Comptroller General indicate his preference for an alternative approach, should the Clerk and the Secretary prove to be unable to handle the job.

I am pleased to note that my amendment with respect to the extension of credit to candidates by certain federally regulated businesses was included in the final bill. It was well documented that both political parties were running up huge telephone, telegraph, and airline bills and then, in some cases, reneging entirely on the unpaid balances. My amendment directs the Federal Communication Commission, the Civil Aeronautics Board, and the Interstate Commerce Commission to promulgate new regulations governing the extension of credit to candidates within 90 days of the President's approval of the campaign reform bill. During that period, I intend to call into my office the three chairmen of these independent offices to ascertain their thinking and their intent on this important subject. In any event, I am hopeful that new rules can be in effect in time for the presidential season.

Mr. President, the Congress has come full circle on this important piece of legislation. A little over 1 year ago, I successfully urged the Senate to sustain President Nixon's veto of another political broadcasting bill. At the same time, I followed through on a pledge to introduce a new, comprehensive bill to compensate for the deficiencies in the vetoed bill. In the months which followed, I testified before two Senate committees in support of this new legislation, worked in executive session to report it favorably, and labored on the Senate floor to make this a fair and workable piece of legislation—a model law, if you will. The Senate pretty well succeeded, although the conference bill, while still meritorious, does not measure up to our previous action.

In the final analysis, we have achieved a compromise bill, in the true sense of that word. But I would be remiss if I did not offer my congratulations and commendations to some of the men in this body who made it possible: First, the senior Senator from Rhode Island (Mr. PASTORE), whose diligent efforts, good humor under stress, and sense of cooperation enabled the Senate to produce an excellent bill which does limit campaign spending on communications media. Second, the junior Senator from Nevada (Mr. CANNON), with whom I have the great pleasure of serving on the elections subcommittee, and who made the public reporting and disclosure sections of the bill effective and tough. And, of course, my colleagues, the conferees from both political parties in this body. And, I certainly cannot forget my good friend and compatriot, the senior Senator from Montana, the distinguished majority leader (Mr. MANSFIELD), whose patience and guidance led the Senate through a maze of parliamentary and partisan complications.

Mr. President, we have not produced a great bill, but we have produced a good bill. I urge the Senate to approve the conference report and to send it speedily on its way to the other body so that they, too, may join in the spirit of affirmation. Ultimately, the President may also join us in the approval of this bill which, in my opinion, will greatly improve the operation of the campaign spending laws, which have been so long, and, I think, so justly, criticized.

I may conclude by saying, in regard to campaign spending, that it could certainly be said that we have left undone things we ought to have done, and we have done those things which we ought not to have done, and which was not to our political health. We have tried to proceed in accordance with the Book of Common Prayer. So I join in the prayers for the success of this bill.

I yield the floor.

Mr. DOMINICK. Mr. President, I find myself caught in a rather unenviable position here, as I fear I am going to be in opposition not only to the distinguished Senator from Rhode Island (Mr. PASTORE) but also my own leader (Mr. SCOTT), because I rise in opposition to the haste in which this conference report is being considered by the Senate.

Mr. President, it seems to me that such haste is unwarranted because I understand that the House has already decided not to take up this particular report until they return next January. In the meanwhile we are faced with the prospect of pushing through a major piece of legislation which we have not had an opportunity to consider in any detail, the specifics of which we know of only through newspaper reports of the conference, plus the brief explanation by my two distinguished colleagues.

If we delayed this matter for even 24 hours we could at least get the conference report printed and have a chance to compare what actually was done in the conference with the Senate bill which passed this body last August. We are not given even that privilege.

I understand that this being a privileged matter the Senator from Rhode Island can proceed to bring it up at any time; that there is no requirement in the Senate rules that a conference report must be printed. Rather than appealing on the basis of Senate procedure, Mr. President, I am appealing to the judgment of the Senate in considering such major legislation in this hurried manner. If passed, this bill will relate to expenditure reporting procedures and requirements for the most important elections in the United States—those of the President and of Members of Congress, both Senators and Representatives.

As I understand it, if I read the newspaper reports correctly and if I have listened carefully enough to my colleagues, the bill will determine how often voters in the United States will be able to hear or see or read about the proposed platforms and policies of the various presidential and congressional candidates. The impact of this legislation will be substantial, just in the upcoming election year. We have 33 Senators coming up for election next year—34 counting the distinguished Senator from Vermont (Mr. STAFFORD), who will be running for election in January. We have the President of the United States hopefully running for reelection. We have one Member of the Congress who has announced his intention to run for President. We have at least six Members on the Democratic side of the Senate running for the Presidency, either presently or without having officially declared themselves to be candidates.

It is of enormous importance to the future of all the people in this country to have the opportunity to hear and see what the programs and platforms of the various candidate are, and this bill substantially limits these opportunities, if I understand the newspaper reports correctly. Again I reiterate that nobody has had a chance to study the conference report except the conferees.

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

Mr. DOMINICK. I am glad to yield to the Senator from Rhode Island.

Mr. PASTORE. The fact is that we passed that bill in the Senate, and they passed it in the House. The Senator does not have to have the newspaper reports. It is 10 cents in every senatorial district or congressional district, multiplied by the number of people of the age of 18 or over living in that particular area. This is what we determined in the Senate, and we discussed all this for several days, and they did the same thing in the House. So one does not have to read the newspapers to know that. That is the guts of the bill, and it has always been there. And that is what passed in the Senate.

Mr. DOMINICK. It was my understanding that the conference report altered the scope of campaign expense affected.

Mr. PASTORE. Just the telephone expense.

Mr. DOMINICK. Does the conference report expand the coverage of the original Senate bill concerning campaign expenses?

Mr. PASTORE. No, no; the only thing added was what the Senator from Pennsylvania just mentioned, the pay telephones.

Mr. DOMINICK. So pay telephones are within the restrictions also?

Mr. PASTORE. Yes; pay telephones are.

Mr. DOMINICK. What about volunteer telephones?

Mr. PASTORE. They are not. That was the only change we made in that respect.

Mr. DOMINICK. How does the conference report define "pay telephones"?

Mr. PASTORE. No, it means with the telephone bill not being paid by any committee or on behalf of the candidate himself. The Senator knows that there is no such thing as a free telephone bill, because A.T. & T. would be out of business. Let us not be absurd.

What it means is a volunteer; in other words, if someone likes you very much in Colorado, and wants to pick up a telephone, call someone, and say, "Vote for my good friend PETE DOMINICK," that is not charged up to the candidate. That is a volunteer.

Mr. DOMINICK. But if you have a voluntary group organized to make a telephone campaign, is that covered or not?

Mr. PASTORE. No, it is not. They are still volunteers.

Mr. CURTIS. Mr. President, will the Senator yield to me for the purpose of addressing a question to the manager of the conference report?

Mr. DOMINICK. I am glad to yield to the Senator from Nebraska.

Mr. CURTIS. I ask the distinguished Senator from Rhode Island what items of campaigning are included in the 10-cent limitation.

Mr. PASTORE. Electronic media, the newspapers, outdoor advertising facilities, newspapers and magazines, and the House insisted on the telephones. They had had direct mailing in there, too.

Mr. CURTIS. Is direct mail included?

Mr. PASTORE. No, it is not, for the simple reason that it would be unfair to someone running against an incumbent. I resisted that. I mean, the incumbent has his right of franking, and he has his newsletter, which he can use up until election day. I did not want to be accused of making it an incumbent's bill, and, realizing that the frank might be used by some people, I did not want to be in the bind of passing on that, and that is how we compromised. The House conferees listed telephones and computerized mail. Finally the suggestion was made by the Senator from Pennsylvania that he would be amenable to taking the telephone part of it if they took out the mailing part, and that is how it was resolved. I am sorry the Senator from Pennsylvania is not here.

Mr. CURTIS. I ask further, What is the effective date of the measure?

Mr. PASTORE. December 31, or 60 days after enactment, whichever is later.

Mr. CURTIS. Are any transactions prior to the effective date affected in any way by this measure?

Mr. PASTORE. No. I do not think we need fear about that. Does the Senator have in mind that Muskie and the rest of these potential candidates for the presidency are out campaigning a little bit?

Mr. CURTIS. No, I am thinking of Members of Congress who may have entered into contracts, made expenditures, or raised money.

Mr. PASTORE. No. Fundamentally, it does not affect anyone until the day it becomes effective. It is not retroactive.

Mr. CURTIS. I thank the Senator.

Mr. DOMINICK. Mr. President, as long as we are on the subject of what is or is not included, I now have before me for the first time, a print of the conference report defining what is included within the term "communications media." Such term is, in turn, restricted, as I understand it, to 6 cents per voter of the age of 18 or over for broadcast communication media is that correct?

Mr. PASTORE. Well, it is 10 cents, but not more than 6 cents for the electronic media.

Mr. DOMINICK. Ten cents, but not more than 6 cents for the electronic media?

Mr. PASTORE. That is right.

Mr. DOMINICK. Here is what it includes:

> The term "communications media" means broadcasting stations, newspapers, magazines, outdoor advertising facilities, and telephones; but with respect to telephones, spending or an expenditure shall be deemed to be spending or an expenditure for the use of communications media only if such spending or expenditure is for the costs of telephones, switchboards, paid telephonists, and automatic telephone equipment used by a candidate for federal elective office to communicate with potential voters, excluding any costs of telephones incurred by a volunteer for use of telephones by him.

I do not know why reference to a female candidate was not included in the definition.

Let me pose a hypothetical; suppose we had a bank of telephones in a company's office, whether it be a business or a labor union, and a group of people go down there at night and use those telephones after business hours to carry on a telephone campaign in a candidate's State or district, or nationally. They are voluntarily undertaking the communicating. The question is, if a committee is formed, to pay the expenses of the telephoning, then they would fall within the coverage of the bill; but if the volunteers themselves, without making a formal committee agree to pay for the expense of the telephoning then they are not covered; is that correct?

Mr. PASTORE. That is the way I understand it. Now, the Senator has to realize that that was an amendment that was in the House bill. I would have preferred that it not be inserted, and I made that clear. The Senator has been around here long enough to know that when you go to a conference, you have to give and you have a chance to take. There were some places where they had to give in to us, and some places where we had to give in to them.

I would have preferred to have had telephones out, and to have adopted the Senate version, but when we got to conference they were adamant. They wanted computerized mailing, too, so we talked back and forth, to and fro, and finally we compromised.

Please do not put me in a position of being devil's advocate; I do not like to do that. But what it means is that if a candidate, or any committee on his behalf, sets up telephone or electronic equipment whereby his candidacy is advocated by him or by people who work for him, as distinguished from a volunteer, that activity is covered. It seems that we are obliged to explain that over and over again, but I have to give the Senator the explanation the House conferees gave, because they wrote the language. That is exactly what it means.

To answer the question further, if a group of people get together, let us say, on some college campus in the Senator's State, and set up four or five telephones in one room, and begin calling up people asking them to vote for him, and he did not pay them a quarter, and they did not collect a dime, if they paid for the whole thing themselves, because they like him, they are volunteers. That happens every election. We did not want to discourage volunteers working for a candidate.

Mr. DOMINICK. Mr. President, I appreciate the explanation. I think the explanation has served to indicate the shortcomings and loopholes in this bill. There are other difficulties with the bill which I want to enumerate for purposes of maintaining a proper record.

We are asked today to vote for proposed legislation, without having the opportunity to read or consider the conference report or to compare it with the previously passed Senate bill. As I said before, I find it hard to understand why we must do this today, when in just another 24 hours we could have the conference report printed, compared it with the Senate and House bills, and reasonably debate its merits.

As my colleagues know, election reform is more than a passing interest to me. In a statement to the Subcommittee on Privileges and Elections of the Committee on Rules and Administration, I detailed provisions of S. 382 which I considered detrimental to the entire elective process. At that time I voiced concern—and I still voice concern—for protecting the constitutional free speech rights of candidates whose campaign tactics are strictly limited by this bill. Yet, here we have a bill which will dictate how much television time a candidate can purchase and how much newspaper advertising he can place.

Under this bill, a national candidate can speak at as many afternoon teas or PTA meetings as he or she chooses. But the candidate can only communicate to the voters through the medium of television and radio x number of hours and use x number of billboard or newspaper spaces.

It is also obvious that he can use only x number of hours of telephoning. It is fallacious—and may even be unconstitutional—to distinguished between political activity measured by man-hours and political activity measured by dollars, as these sections do.

A step down the road of limiting political activity, whatever its form, is by and large a step away from the process which we consider democratic in this country. And for what purpose? Mr. Ralph J. Winter, Jr., a professor at Yale Law School, in referring to the dollar limitations, points out that:

> Constitutionally speaking, there is no countervailing interest—preserving the public peace, et cetera—to "balance" against the restriction on speech for the restriction is imposed not to preserve some other legitimate interest of society but solely for the sake of restricting the speech itself, for the sake indeed of affecting the political outcome.

Because of the ineffectiveness of present campaign restrictions, there has been very little Supreme Court activity in this area, and no freedom of speech precedent has been set. Section 610 of the Criminal Code has enjoyed the greatest litigation activity, but on two past occasions the Supreme Court has avoided the constitutional issues which were raised. Section 610 prevents national corporations and labor unions from making any campaign contributions or expenditures in and of themselves. As we all know, this has been gotten around by virtue of establishing political education committees into which money is siphoned, and then the political education committees give the money to various candidates and committees.

The Eighth Circuit Court of Appeals dismissed a first amendment issue last June in United States against Pipe Fitters Local Union No. 562, by a 4-to-3 decision in which the three minority members argued that the prohibitions were in violation of the Constitution. But the case has not yet reached the Supreme Court.

Perhaps the possible constitutional violations could be avoided if the spending limitations in S. 382 could accomplish the purpose of promoting "fair practices in the conduct of election campaigns," but it does not appear that it can.

The premise of limiting campaign expenditures for broadcast and nonbroadcast time is that it somehow equalizes the opportunity to the media and thus equalizes the opportunity for election. At least, that was given as one of the reasons during the previous debate. But in most campaigns, the restrictions will tend to aggravate rather than equalize campaign opportunities.

Consider for a moment the chance an unknown candidate from a sparsely populated State like Montana would have against an incumbent Congressman. I apologize to the distinguished majority leader for using his State in this hypothetical, but I think it is pertinent. Under section 102, a Montana candidate would qualify for the minimum broadcast media limitation of $36,000 with $24,000 left for nonbroadcast media. If he spent the total amount, he would have a total campaign media expense of $60,000. Not only is the incumbent who is running for reelection well known from the last election, but also, he has been benefiting from the publicity received from his day-to-day functions as a legislator. Also, the incumbent has the tangible benefits of a federally paid staff, free office space in Washington, $2,400 for office space in his district, $5,500 worth of office equipment, $3,000 per year for stationery supplies and printing, 35,000 minutes of long distance telephone per term, 480,000 heavy-duty brown envelopes per year, $700 worth of stamps per year, and $2,400 per year for district office supplies.

A great deal of this should and will be expended on constituent problems; but, obviously, it is also going to promote his name and what he is trying to do for the State. In addition, the incumbent has franking privileges, publication allowances, service of radio and television studios, and travel allowances.

To overcome this tremendous identity lag the challenger is limited to about $60,000; or, if he finds that billboard or newspaper advertising is ineffective in Montana, he is limited to $36,000 for television and radio expenditure.

Thus we have the very thing that the Senator from Rhode Island said he was trying to avoid—namely, an incumbent's bill. We might as well admit it. That is what it is. We have all the monetary benefits of the offices we hold, be it in the House or in the Senate—or, for that matter, the President of the United States, if he runs for reelection. We can use these benefits on a national, State, or district basis against an unknown challenger who is now limited, under this bill, as to how much he can spend in order to try to get the voter to listen to what his platform is.

This aspect of the bill causes another serious consequence. We are being asked to vote on campaign restrictions which should be impartial and affect incumbents and challengers alike, but it is not, as I have already pointed out. Should we, in good faith, vote ourselves this rather substantial financial advantage on one hand while restricting the unknown candidate, facing an uphill recognition battle, on the other? I say we should not. We should defer the impact of the bill—we should have done this in August and we should now—for at least 4 years.

As I pointed out in my debate comments on the checkoff provision of the Revenue Act of 1971, we should not allow it to affect this upcoming election. If we are going to do it, we ought to do it for the next one. That is how the checkoff provision was finally determined in the conference, that is, to put over its effects until the 1976 presidential election. But those of us who will be voting on this conference report are putting this into effect right now, giving ourselves an advantage in whatever reelection campaigns we may be participating in. I do not think it is right.

Mr. PASTORE. Mr. President, will the Senator yield on that?

Mr. DOMINICK. I am happy to yield.

Mr. PASTORE. The Senator voted for this bill.

Mr. DOMINICK. I did, hoping that the independent Federal Elections Commission could compel strict disclosures.

Mr. PASTORE. Everything he is complaining about now is in the bill, and he voted for it.

Mr. DOMINICK. Hoping that such strict disclosure would prove adequate for votes policing.

Mr. PASTORE. The arguments the Senator is making now were made at that time and we reached a decision. We crossed that bridge a long time ago. I realize the Senator from Colorado probably feels there should be no restrictions at all on the amount of money to be spent. That is philosophically where we disagree. I think election costs are getting out of whack. It is becoming a national scandal. The idea that a person should spend a half a million dollars or perhaps $5 million to be elected to an office that pays only $42,500 is truly scandalous. The big issue here is, are we going to put public office on the auction block. That is why this legislation is being proposed. I am happy to listen to the Senator from Colorado but please do not tell me that this is an incumbents bill. Incumbency is no guarantee of reelection. Some incumbents are not reelected for the simple reason that they are not good incumbents. If the incumbents do not do a good job, the American people are intelligent enough to know that, and they can throw them out of office.

Mr. DOMINICK. That is true. There are a number who will be looked at quite closely this next fall.

Mr. PASTORE. Let us hope so.

Mr. DOMINICK. I hope so too. But they are not going to be looked at too closely if the challenger's campaign efforts are substantially curtailed. We are not going to have a chance to have reasonable alternatives if the challenger is unable to mount a competitive campaign because of this bill.

What we should be doing, and which the Senator from Rhode Island has resisted tremendously, is to not have any restrictions on campaign gifts or campaign spending but to require explicit reporting and we do not have sufficient reporting controls in the bill.

Mr. PASTORE. Of course we do. That is exactly the purpose——

Mr. DOMINICK. If I may proceed I will explain this further in a second——

Mr. PASTORE. I thought the Senator had not read the bill.

Mr. DOMINICK. I have read everything that was available in the newspaper reports. I have not had a chance to read the conference report.

Mr. President, prior attempted campaign legislation has been totally ineffective. This bill may improve on it a little, I say to my friend from Rhode Island, but not very much. Again, if I understand the explanation of the Senator from Rhode Island and the Senator from Pennsylvania, and the newspaper reports, a person who contributes $100 or less to a candidate or a campaign committee need not report his contribution. May I ask the Senator from Rhode Island whether I am correct on that?

Mr. PASTORE. Will the Senator please repeat that? My attention was distracted for the moment.

Mr. DOMINICK. If a person contributes $100 or less to a campaign committee or a candidate, his name and address need not be reported either by him or the candidate or by the committee.

Mr. PASTORE. That is correct. It has to be $100 or more.

Mr. DOMINICK. Thus, we very well may have a wealthy supporter who contributes $100 to 100 committees. He spends $10,000 for the candidate and he does not report a single thing as the bill does not require it. So if anyone thinks that this is a full-disclosure bill, he is misinformed.

Mr. PASTORE. But the candidates have to report it. So if he gives $100 to a Senator, $100 to a Congressman, and he gives $100 to his Governor, and $100 to his school committee, and $100 to his sheriff, how does that hurt anyone running for the Senate?

Mr. DOMINICK. It does not hurt a thing——

Mr. PASTORE. I do not get the point the Senator is trying to make.

Mr. DOMINICK. If he gives $100 to 100 committees for the same candidate he has given $10,000 to that candidate without having to report.

Mr. PASTORE. All these committees for that candidate have to report the money.

Mr. DOMINICK. Not at $100 or less.

Mr. PASTORE. Oh, yes. The committees have to report every nickel they collect.

Mr. DOMINICK. They do, but not the name and address of the contributor, so we do not know who is contributing. That is the point I am making.

Also, if a committee spends less than $1,000, the committee itself does not have to report it. There is nothing that a political candidate has more extensively than ingenuity and it is not going to be very hard for that candidate, be he running for Congress or the Senate, to set up 1,000 committees and tell each one to hold down their committee spending to $999.99 and do it with every candidate. The net result would be that no committee makes any report. The total of the money spent will be the same as it was before, as though we did not have this bill.

It seems to me that the effort taken by the Senate, the House, and the conference committee is a simplistic one.

Mencken once said that "for every human problem there is an answer, neat, simple, and wrong." This bill provides an answer which is neat, simple, and wrong.

We cannot get campaign reform simply by putting a dollar limitation on what can be spent by a committee or on a candidate, because there are going to be loopholes around which they can move with relative ease. What we need to do is to have full disclosure so that every candidate will receive money and will have to tell the public where it came from. The public can then determine whether they think expensive campaigns are all right, or whether the candidate spent too much money.

Mr. PASTORE. We went all through that in August. I said then, time and time again, that disclosure alone was incomplete and limitation alone was incomplete but we had to have a combination of the two.

This question of the $100 came up at that time and it was voted on by the Senate. I took the Senate version to the conference. The $1,000 the Senator speaks of was voted on in the Senate. I think the Senator from Kentucky made a motion to remove that, and it was voted down by the Senate. I took that to conference, so the Senator is just rearguing the bill all over again. He has that right if he wishes to do so, of course, but I hope he does not expect me to answer all these questions again since I answered them time and again in August. I know that the Senator feels that there should be no limitation on spending—

Mr. DOMINICK. That is correct.

Mr. PASTORE. The Senator made that very clear, but I feel that there should be a limitation on spending and there should be a combination of the two, a reasonable disclosure law and a limitation on spending.

I do not know what may be the eligible population of the Senator's State, but if we take that figure and multiply it by 10 cents, that means a lot of money. There are many capable candidates who do not have that kind of money to spend and they should be given a fair chance to run for public office.

We have had plenty of instances of certain individuals running for public office—individuals who came from wealthy families.

There was an instance in one State where the father said: "My son wants to run for the Senate. If it costs me $1 million, I am willing to pay that $1 million."

My daddy never said that. He never had $1 million. But this generous father happens to have $100 million. So I guess he did not mind spending a measly $1 million to make his son a Senator. That is fine. I am not as lucky as that.

Mr. DOMINICK. If my recollection is correct, that candidate got beaten.

Mr. PASTORE. There you are, with all the money you could command, you can still get beaten. There is an argument for saying he probably overpresented his case. Maybe if he had had a wise limitation on spending money, he might have won. Maybe he spent too much. Overexposure could be deadly.

Mr. DOMINICK. That is exactly what we need, to have full disclosure to an impartial body. I reiterate, I think that limitations in terms of dollars and cents is wrong.

I think it is quite possibly unconstitutional. Let me give an example. Suppose a candidate runs for the Senate who is enthusiastic and dedicated to the welfare of the people. Suppose that he has substantial money behind him, but is brandnew as he just moved into the State, but that man would be restricted from mounting a large campaign while the incumbent would rest on his recognition and campaign assisted by the benefits of his office.

I want to say that it would be a pretty tough situation as far as the challenger was concerned. Unless he spent 24 hours a day in activities during the campaign trying to overcome the incumbent's recognition advantage.

As the Senator from Rhode Island knows, there may be States which are geographically smaller than Rhode Island, but not many.

Mr. PASTORE. No. We are the smallest State. But I can assure the Senator that we vie with all of the States in quality.

Mr. DOMINICK. There was no imputation meant concerning quality. The Senator from Rhode Island is extremely able. And no one is saying that he is not.

I am not saying that strict public disclosure and publication is the answer to all of our election defects but dollars and cents formulas are not.

I voted for the bill originally because I had felt that full and strict disclosures to an impartial independent election commission would overcome many of the minor defects in the bill.

The Senator from Pennsylvania, Mr. SCOTT, added just such a commission to the bill during the process of considerato police things and compile reports that tion by the Senate. That was the independent election committee. It was to try were due indicating that the necessary rules and regulations were properly administered so that the limitations were being imposed. As the Senator from Pennsylvania mentioned a few minutes ago, this provision was unfortunately deleted. So we are now back to the old situation of filing our reports with the Clerk of the House and the Secretary of the Senate. Both of whom are fine gentlemen who are aware of the situation in the Senate and House whereby they indirectly rely on the Senators and Representatives for their jobs. With a vested interest, they cannot be as effective as an independent commission.

I might say in answer to some of the inferences raised by the Senator from Rhode Island that I have had the honor of running, in the Rocky Mountain region, probably the three most inexpensive campaigns that they have ever had. And I might also say to the Senator from Rhode Island that this was done on purpose.

Some States, because of their geography or population, require expensive campaigns. For instance, in the State of California, in order to get to the people and to be able to express a candidate's philosophy, a considerable amount of money must be spent either on radio, television, or in the newspapers, and probably in all three.

I very much doubt whether this legislation will give any challenger an opportunity at all against any incumbent.

I understand that an amendment adopted by the House which would have restricted the use of labor union funds has also been eliminated in conference. I might ask the Senator from Rhode Island if he could tell me whether Representative CRANE'S amendment, which would have restricted the use of labor union funds, was knocked out.

Mr. PASTORE. Mr. President, would the Senator please tell me to which amendment he is referring?

Mr. DOMINICK. I am referring to Representative CRANE'S amendment.

Mr. PASTORE. I do not think it was agreed to on the House floor.

Mr. DOMINICK. I thought it was. But I am not certain.

Mr. PASTORE. I do not think it was agreed to.

Mr. DOMINICK. In any event, there is no restriction on the use of labor union funds.

Mr. PASTORE. Mr. President, under the terms of the law, one cannot use labor union funds for a campaign. This was in relation to a voluntary gesture on the part of a worker.

Mr. DOMINICK. That is a good argument. However, it is not true.

Mr. PASTORE. It may not be true in Colorado, but it is true in Rhode Island.

Mr. DOMINICK. No; it is not.

Mr. PASTORE. Do not tell me what the situation is in Rhode Island. Please do not tell me that. I am telling the Senator a fact. I do not know what the situation is in Colorado. Maybe they do not do

that there. However, in Rhode Island, we do not use public funds to elect anyone to office.

Mr. DOMINICK. I did not say that. I was referring to taking a portion of the funds and putting that portion into political action activities and using it on behalf of a candidate all over the State. In many cases these are compulsory union dues paid by a man in order to maintain his job.

I have argued this matter with the Senator from Rhode Island before, and we know all about it. I thought this was one thing that had been adopted. I did not know that it had been rejected. I am sorry about that.

Mr. President, I want to summarize briefly here some of the points that I am trying to make and then I will ask one additional question of the Senator from Rhode Island.

First of all, I do not think that the question of frequent or full disclosure has been settled. I do not think we can provide a so-called fair-election procedure by restricting the amounts a candidate can spent and thereby restricting his ability to express and debate his viewpoints before the American people.

It strikes me that we made a mistake in agreeing to the insistence of the House that the Clerk of the House and Secretary of the Senate perform this function.

Ultimately even the so-called restriction on spending limitations can be gotten around rather easily. I do not know yet who will write the rules and regulations on this or what will be done about this matter. However, we can just take the matter of the telephone situation, about which we had a colloquy and indicated the difficulty of interpreting this particular law. I ask the Senator from Rhode Island what happened to section 315, the equal opportunity provision in the bill.

Mr. PASTORE. The Senate put in a provision on the Federal election of officers, and the House knocked it out completely.

They told us in no uncertain terms that if we insisted on the provision, we would come out without a bill.

Mr. DOMINICK. Is section 315 in the bill?

Mr. PASTORE. Section 315 is in effect and is intact.

Mr. DOMINICK. That means that equal time must be given to all people, regardless of party.

Mr. PASTORE. The Senator is correct; and this would be true with respect to presidential and congressional races, senatorial races, and the election of officials, I guess, in many of the States.

I would be very happy to agree with the Senator from Colorado that that is true.

Mr. DOMINICK. That creates problems as I think the Senator from Rhode Island would agree.

I remember, just to strike a personal note on this point, being offered time by a prominent television station during my last campaign on an equal basis with my opponent, without the real knowledge of either myself or my opponent that there happened to be three other separate parties who were also running as candidates.

Among all of them I think it would cover approximately one-half of 1 percent of the vote, but they were unable to give us time without giving each of those fellows time.

Mr. PASTORE. The problem is bad enough in the States. The Senator can imagine how serious it is on a national level. At least there are three prominent candidates. If you give them time you have to give time on a national hookup to the Prohibitionist Party, the Socialist Party, or whatever it may be, and they do not attract altogether more than 1 percent of the vote. The Senator can imagine that inasmuch it runs into a half million dollars to give a national hookup the result is that they would give it to no one. I cannot blame them.

Mr. DOMINICK. I do not either. I wondered how the Senator feels.

Mr. PASTORE. I have discussed this with the networks. They told me in private conversation and they said publicly in the hearings—I have in mind Mr. Goodman, president of National Broadcasting System, Dr. Stanton of CBS and Mr. Goldensen of the other network—that they were willing to give up to 4 hours to each of the candidates on prime time. I thought it was a gift, free. But we were told that perhaps the President would not sign it.

The reason we did it for the Presidency was that only a presidential campaign involved the national networks rather than the individual broadcasters. I had a commitment that the candidate himself could choose the format so it would not be subject to debate. I said that I did not care who the candidate would be, he should not be embarrassed in the debate. There are many things the President cannot say on television and he is put at a disadvantage if the candidate at that level should speak to the American people the way he wants to speak to the American people.

I thought we had that straightened out, but the House said no.

Mr. DOMINICK. The Senator and I totally agree on that point.

I would like to ask the Senator in that connection if there might be some chance to amend that provision next year.

Mr. PASTORE. When the House passes this bill, ask me within 24 hours and I will give the Senator an answer.

Mr. DOMINICK. I understand the House will not take it up until next year.

Mr. PASTORE. That is what they said in our conference. Representative HAYS declared in conference, and I believe it was in the newspapers—he had a press conference after we broke up the conference—that he has an agreement with the leadership that it would not be called up until they came back in January. I said at the time that did not bother me. As far as I was concerned I would rather see it done now. The Senate was to act first on this matter, and I said I was going to present it to the Senate and ask for a vote on it.

Mr. DOMINICK. I understand, and I appreciate the frankness of the Senator.

However, I have great difficulty trying to understand why we should take up this matter this afternoon. The Senator has every right to do it, and I am aware of that. We are not through with our business here, unfortunately; I wish we were, but we are not. In view of that, it would be best to give us a chance to go over this matter and to find out how many Members are here. I understand over one-third of the Members of the Senate are away, and if that is so, on a bill of this magnitude, they should at least have the opportunity to have notice that this is being brought up.

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

Mr. DOMINICK. I yield.

Mr. PASTORE. Nothing was more important in this session than phase II of the President's program. We took care of that matter yesterday. The conference report came over and in a matter of minutes we passed it on a voice vote. I have been here and I have been willing to answer all questions. We had four conferees from the Republican side on the conference. All of them signed the report. The matter has been explained by the Senator from Pennsylvania (Mr. SCOTT) and by me. I hope we do not delay it further. I have been with this for a long time and there is a time when I feel my job is done, too. I do not see what purpose it is going to serve. We may or may not be here tomorrow; maybe tomorrow we will not have a quorum. I hope we can vote this up or down. Frankly, this is pretty much what we passed, with some exceptions. There is section 315—that has been knocked out. We report to the Secretary of the Senate or the Clerk of the House under the same guidelines with the same responsibility we had in the measure for the Federal Election Commission. We have the telephone matter and we have gone through that. There is not much change.

I know how the Senator feels. He does not like the limitation on the amount of money that can be spent in the campaign. The Senator thinks it is unconstitutional. I suppose we will have to wait to have that answer. We have a law on the books now prohibiting a candidate from spending above a certain amount, $3,000 or something like that.

I do not know what the elegible vote is in the Senator's State over the age of 18. What would the Senator say is the total eligible vote in the State of Colorado over the age of 18?

Mr. DOMINICK. I would say probably 950,000, maybe 1 million.

Mr. PASTORE. Then, the Senator can take 1 million times 10 cents and that is $100,000 to spend on time to be bought for radio and television. Do not tell me the Senator needs more.

Mr. DOMINICK. It is not just that. It includes newspapers.

Mr. PASTORE. That is right as well as magazines and outdoor advertising facilities.

Mr. DOMINICK. And direct mail advertising.

Mr. PASTORE. No, not direct mailing.

Mr. DOMINICK. And telephones.

Mr. PASTORE. And telephones outside of volunteers. Do not tell me that is not enough money. That has nothing to do with production costs, travel, headquarters, automobiles, stickers, buttons, and pencils and sundries that are given out. What we are trying to do is to provide

that whatever applies to you applies to your opponent.

Mr. DOMINICK. If I were running I would think this is good because it would give me an advantage over an opponent, but I am not up for reelection this year, and neither is the Senator from Rhode Island.

Let me ask the Senator this question. I gather we are again mandating the type charge that can be made either by radio, television, or newspapers to anybody running for public office.

Mr. PASTORE. We are not mandating anything. What we are saying is if a broadcaster establishes a low unit rate for any advertising for 45 days before the primary and 60 days before the general election, he cannot charge a candidate for office more than that lowest unit rate he establishes. If he does not like a low rate, he does not have to establish it. The broadcaster has his choice.

Mr. DOMINICK. The lowest unit cost is for an entirely different type of business or advertising program, I take it.

Mr. PASTORE. That is right. Now the Senator is getting down to the crux of the problem. When a man applies for the license, he states that he will conduct himself to the public good. He has to render public service. When he gets that license, he has the pot of gold.

The man who gets that certificate, that license, from the FCC can go to the bank and cash it in for millions of dollars.

To whom do the air waves belong? They belong to the public domain. The Senator should hear applicants when they go before the FCC to get the license. They promise the moon.

What we are saying is that after all the democratic process can only be effective if it is clear and if the people have the proper understanding not only of the candidates but of the issues. All we are asking is that 60 days before the election the broadcasters charge the political candidates no more than the lowest rate established for other advertisers who have the opportunity and the desire to use the facility around the calendar. A political candidate does not do that. The President runs only once every 4 years. Incidentally, this applies to the President. He is entitled to the lowest unit rate, and I think he ought to have it. Then he may not need to have $500 dinners.

Mr. DOMINICK. I think he ought to get the same free time, as the Senator said earlier, in the electronic media. Now he cannot get that unless every Tom, Dick, and Harry is entitled to the same.

Mr. PASTORE. Why does the Senator say he is not entitled to free time? He is entitled to the lowest unit rate.

Mr. DOMINICK. We have already said over and over again—we have said it by law—in this type of race, as long as all the candidates are there they can get the free time from different media.

Mr. PASTORE. We have it in the law, under the Communications Act of 1934. It is provided, under section 315, that the candidate cannot be charged more than the comparable rate. We have already dictated that. All we have done now is to go a step lower.

Mr. DOMINICK. Almost a leap over a cliff. The Senator from Rhode Island and I are in disagreement on a lot of philosophical things.

Mr. PASTORE. The Senator is not kidding.

Mr. DOMINICK. I voted against salary raises for Senators. I have voted against every salary raise since I have been in office. I said what we ought to be doing is granting a pay raise, if needed, next time, not for the incumbent. Over and over again I said we should not raise our own salaries while we are in office.

That is exactly what is being done here. We are mandating expenses a candidate can get so he will be entitled to a commercial rate, and we are doing it when we are in office. I think it is wrong.

Mr. PASTORE. I do not disagree with the Senator's philosophy about a pay raise. I feel as he does about it. But the fact is that pay raises are not related to this bill at all. I do not know who is going to run and who is not going to run.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. DOMINICK. I yield.

Mr. CURTIS. I understand that if a committee proceeds to get up to $1,000, it makes no report.

Mr. DOMINICK. As I understand it, that is correct.

Mr. PASTORE. That is correct.

Mr. CURTIS. Is there any restriction as to what that committee can spend that sum for?

Mr. DOMINICK. As far as I know, there is no restriction except for the 10-cent limitation. They cannot spend more than 10 cents on the media.

Mr. CURTIS. How is that going to be authorized if we permit the setting up of committees that file no reports? How is that going to be charged against the candidate?

Mr. DOMINICK. I would not have the faintest idea. This is one of the questions that arise.

Mr. PASTORE. Let me remove the cloud of doubt from the Senator. If the committee went down to the television station in his State in support of the Senator, the committee would have to get his authorization to buy the time, because the time is charged up to the candidate.

Mr. CURTIS. Does the law say that?

Mr. PASTORE. Surely. We went all through that in August. What we are doing here is resurrecting the dead. We went through that in August. It is in the fundamental law.

Mr. DOMINICK. It may be, but it may be well to bring it out again.

Mr. CURTIS. How are we going to control something that we exempt from reporting? If a committee does not have to make a report, how are we going to hold the candidate for something that committee may do?

Mr. PASTORE. Because he has to report to the FCC the amount of money being spent. They have to report it all to the FCC. Before he goes to the FCC, he goes to the broadcaster and says, "I want to buy time for JOHN PASTORE." He is not JOHN PASTORE, and they will want authorization. JOHN PASTORE has to certify that he is not exceeding his time. Otherwise they will not sell him the time, and they do not have to sell him the time. It is as simple as that.

Mr. CURTIS. That applies to broadcasting. How about the other restricted items?

Mr. PASTORE. It applies to the others, too.

Mr. CURTIS. With respect to the other items, there is no report made to the Federal Communications Commission or to any other agency.

Mr. PASTORE. Can I read the law to the Senator?

Mr. CURTIS. I will be glad to have the Senator do so. I tried to get a copy of the conference report. It is not printed.

Mr. PASTORE. The law reads:

> No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper, magazine, or outdoor advertising facility, unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such person in writing that the payment of such charge will not violate paragraphs (1), (2), or (3) of subsection (a), whichever is applicable.

Mr. DOMINICK. That means, then, as I understand it, that for every advertisement in any newspaper, and for any radio, or television broadcast, that facility must have a written authorization for that broadcast from the person who is the candidate?

Mr. PASTORE. Or his agent, if he is doing it on behalf of the candidate. If anyone went down to the Providence Journal and said, "I want to run an ad to endorse JOHN PASTORE," the Providence Journal will say, "Do you have his permission?" He would have to bring not only my authorization but my certificate that I am within the limit. If the Senator wants anything tougher than that, let him invent it.

Mr. DOMINICK. All I can say is we are going to have a lot of volunteers out of work this way. What they are going to have to have, as I see it, is a written authorization from the candidate on every single thing that goes on. Is that correct?

Mr. PASTORE. That is about it. That is what the Senator is talking about—full disclosure. The Senator was for full disclosure a moment ago. Now he is complaining about full disclosure.

Mr. DOMINICK. I do not think it is full disclosure to the people. This is just whether or not the candidate stays within the limit. Suppose he does not stay within the limit. What then? Suppose the group goes to the Providence Journal and says, "We want to run an ad for JOHN PASTORE. We are Providence Volunteers for PASTORE—PVP."

Mr. PASTORE. What are those initials?

Mr. DOMINICK. PVP—Providence Volunteers for PASTORE.

Mr. PASTORE. It is beautiful. It is euphonious. That is why I wanted the Senator to repeat it.

Mr. DOMINICK. They go to the Providence Journal and say, "We want to put this in for PASTORE." Now what?

Mr. PASTORE. Now what, what?

Mr. DOMINICK. And if they say, "This is Providence Volunteers for PASTORE" and they put it in, are they subject to penalty?

Mr. PASTORE. The Providence Journal will say, "Have you PASTORE's permission?" "Yes, I have." "Where is his certificate?" "Here it is."

Mr. DOMINICK. All right. What about the first amendment?

Mr. PASTORE. There you go. What about the first amendment? I am not against it. Is the Senator?

Mr. DOMINICK. The Senator sure is in this bill.

Mr. PASTORE. No, I am not.

Mr. DOMINICK. What the Senator is saying is that a person who wants to come in and put an ad in his behalf is not permitted to do so. That is exactly what this bill is going to do and, Mr. President, with that I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CANNON. Mr. President, the Senate and House conferees on the Federal Election Campaign Act of 1971 have met to consider their differences on the bills passed by each House and have submitted the conference report. The Senate is acting first and the House will act at a later date.

I am giving my strong support to the conference report because I believe it will set into motion an entirely new and meaningful series of limitations upon spending and requirements for public disclosure which will help to restore the public confidence in the Federal elective process.

In 1925 the Congress passed the Federal Corrupt Practices Act, a 46-year-old law. And the Congress passed the Communications Act of 1934, about 37 years ago. The time has finally come when the Congress has decided to impose realistic ceilings upon expenditures and to demand at the same time that all contributions and all expenditures should be reported to all of the citizens of the Nation.

I regret, Mr. President, that the repeal of section 315 of the Communications Act of 1934 was not approved or accepted by the House because I believe it would have afforded a far greater exposure to the public of the opinions and programs of the candidates with respect to important issues. Citizens have the right to know what their candidates are thinking and, most importantly, what candidates for the Office of President think they may offer to solve domestic and international problems. I believe that the repeal of section 315 pertaining to free time on broadcast stations would have been a significant step in the public interest.

I am pleased that the conferees agreed to accept the "lowest unit cost" concept for candidates during the limited period of 45 days before the date of a primary election and 60 days before the date of a general election. This provision means that all candidates, whether rich or poor, will be given the same right to purchase broadcast time and not be required to compete for time with the big industries and others who buy huge portions of the broadcast time on a regular basis. This, in my opinion, indicates a recognition of the principle that elective office in the United States is a position requiring the support of all of its citizens, and in return carries an obligation to present to the public as much information about the parties and candidates as possible so as to give each voter a fair opportunity to judge for himself the best qualified candidates.

The limitation on expenditures as adopted by the Senate and the House for broadcast and nonbroadcast media is very acceptable to me because it permits candidates for every Federal elective office from any State, as well as for the offices of President and Vice President, to purchase adequate time and space to insure public availability of issues and programs. The base of $50,000, or the amount to be obtained by multiplying 10 cents by the total eligible votes in each State, should be sufficient to meet the needs of all candidates for every office. Additionally, the provision for increases on the basis of price index increases will keep the present law abreast of changes in the cost of campaigning as the years progress. I agree with the formula and believe it will accomplish the goal we have been striving for.

I regret, Mr. President, that the conferees did not agree with my long-time proposals that an independent agency, such as a Federal Elections Commission, or the Comptroller General of the United States, would be a vast improvement over the provisions of the existing law. I know that the Constitution of the United States provides that each House shall be the sole and exclusive judge of the elections, returns, and qualifications of its Members, and that the officers of the Senate and of the House have tried to do a good job in carrying out the duties of existing law. However, the duties imposed upon those officers were inadequate, and, moreover, mounting criticism has been directed toward the control by each House over the financial statements of its Members. Nevertheless, I believe that this Senate and House bill makes it so clear what the exact duties and obligations of the Senate and the House will be to receive, compile, summarize, categorize, and publish for public consumption all of the information submitted in statements of all candidates for the House of Representatives and by candidates for the Senate and committees working in their behalf, that the stanchest critics should be satisfied.

Further, all statements by candidates for the Offices of President and Vice President and committees supporting them, will be filed with the Comptroller General. The Comptroller General will act as a national clearinghouse for this information. Finally, copies of all reports must be sent by candidates to the Secretary of State in each State, or to the equivalent officer, in order to make available on the local level the details of campaign receipts and expenditures by candidates and committees the local citizens are interested in.

I will not attempt to detail at this time, Mr. President, all of the specific provisions of the new act which will constitute a complete change in present election laws, practices, limitations, and reporting; but I want to state very clearly my gratification, personally, that a bill incorporating most of the essential reforms that I have been seeking for many, many years, finally has reached the stage of congressional approval it now has. I am sure it will be signed into law by the President in the very near future.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

LUMP-SUM DEATH PAYMENT; PROVISIONS RELATING TO WORK INCENTIVE PROGRAM, INTERMEDIATE CARE FACILITIES COVERAGE UNDER MEDICAID, AND PUBLIC ASSISTANCE INCOME DISREGARD—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10604) to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HANSEN). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of this date at pp. 46769–46772.)

Mr. LONG. Mr. President, the Senate added three amendments to H.R. 10604, a noncontroversial bill providing for the payment of social security lump sum death benefits in certain cases in which the body is not available for burial.

IMPROVEMENT OF THE WORK INCENTIVE PROGRAM

The first of these Senate amendments, introduced by Senator TALMADGE, makes a number of changes designed to improve the work incentive program for welfare recipients under the Social Security Act. I am pleased to say that these provisions were accepted by the con-

ferees with very few changes. As agreed to by the conferees, the amendments would:

Insure that welfare recipients are provided the services they need, including child care, to participate effectively in the work incentive program.

Emphasize employment-based rather than institutional training under the program.

Relate institutional training much more closely to actual jobs available.

Set priorities for participation in the work incentive program, giving high priority to mothers who volunteer to participate in the program.

Ease the fiscal burden on the States by increasing Federal matching from 80 to 90 percent for expenses under the work incentive program and from 75 to 90 percent for child care, family planning, and other services needed to permit an individual to participate in the WIN program. Often States will be able to put up their entire 10-percent matching in kind, so this increase in the matching percent should enable them to make significant progress in developing these needed services.

Increase Federal matching for the public service employment component of the work incentive program to 100 percent for the first year of employment, 75 percent for the second year, and 50 percent for the third year.

Institute an orderly registration procedure for participation in the WIN program and make a number of other changes to improve the operation of the program.

I would like to single out one aspect of the conference agreement for comment because it concerns a matter that is critical to the success of the work incentive program. The major failings of the WIN program at the local level have been due to a lack of coordination between the employment service and the welfare agency. The Senate amendment would have mandated coordination between these two agencies by requiring that they prepare a joint employability plan for each WIN participant.

The Labor Department argued strongly that a joint plan was not feasible. The conferees agreed to drop the statutory requirement, but this was done with the understanding that the lack of coordination which has plagued the program would come to an end. We cannot understand why bureaucratic rivalry should be allowed to undermine a worthwhile program aimed at helping people to help themselves, and I want to assure the Labor Department that we will be following very closely their activities to insure that they make good their promise to make coordination work without a statutory mandate.

One final word on this amendment. As the Senate knows, we will be legislating next year on extensive changes in the welfare system. I have views of my own, as I am sure other Senators do, about what we might do to improve the welfare programs; but in the meantime, I am pleased to see the Congress take this forward step in improving the work incentive program under existing law so that it can be more effective in enabling welfare recipients to become employed. As we know from a number of studies that have been conducted by the Department of Health, Education, and Welfare, most adults in families receiving welfare would prefer to work rather than remain on welfare. It is my hope that the amendments contained in the conference report will help these recipients in their efforts to become independent—efforts that are all too often frustrated today by the welfare system that is supposed to be helping them.

Mr. President, I ask unanimous consent that an exhibit be printed at the end of my remarks showing how this amendment would modify present law.

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

(See exhibit 1.)

INTERMEDIATE CARE FACILITIES

Mr. LONG. Mr. President, the second amendment, accepted by the conferees with two very minor clerical changes transfers coverage of intermediate care from title II of the Social Security Act to title 19. The effect of this would be to cover medically indigent persons in need of such services. The indigent are presently eligible for intermediate care.

Intermediate care is defined as services—other than in an institution for tuberculosis or mental diseases in the case of a person under age 65—in a licensed facility which provides health related care and services to individuals who do not require the hospital or skilled nursing home level of care but who, because of physical or mental condition, require institutional care above the level of room and board.

The facility must meet standards of care and safety established by the Secretary. The intermediate care facility must also meet the standards of safety and sanitation required of nursing homes under State law. This feature is intended to protect against the possibility of substandard and marginal nursing homes, perhaps with fire-safety deficiencies, qualifying as intermediate care facilities. Intermediate care may include services in a public institution for the mentally retarded where the primary purpose of the institution is to provide health and/or rehabilitative services, and where such institutions meet standards prescribed by the Secretary. The mentally retarded individual who would be covered must be receiving active care or treatment, and the public agency operating the facility must agree that it will not reduce non-Federal expenditures for such patients because of the additional Federal financing made available.

The amendment also requires a regular program of independent professional review of each intermediate care patient to assure proper placement.

A skilled nursing home or hospital which meets the appropriate ICF requirements, may also qualify as an intermediate care facility with intermediate care patients paid for on a basis less than that of skilled nursing care patients. The Secretary is expected, however, to require assurances that not more than a reasonable proportion of intermediate care patients may be kept in a skilled nursing home to avoid diluting the quality of skilled nursing care. Further, where such patients are intermingled, the Secretary is expected to require safeguards to prevent a nursing home from agreeing to keep an intermediate care patient only until such time as it can find a skilled nursing patient for the bed.

This amendment would become effective on January 1, 1972.

SOCIAL SECURITY PASS-ALONG

The last Senate amendment extends for 1 year the existing provision assuring that welfare recipients who also receive social security will continue to get the benefit of at least $4 of the social security increase that became effective in 1970. The conferees accepted the Senate amendment without change.

EXHIBIT 1

EXCERPTS FROM TITLE IV OF THE SOCIAL SECURITY ACT AS MODIFIED BY CONFERENCE AGREEMENT ON H.R. 10604

[Delete the matter enclosed in brackets and insert the matter printed in italic]

TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

PART A—AID TO FAMILIES WITH DEPENDENT CHILDREN

PART C—WORK INCENTIVE PROGRAM FOR RECIPIENTS OF AID UNDER STATE PLAN APPROVED UNDER PART A

PART A—AID TO FAMILIES WITH DEPENDENT CHILDREN

APPROPRIATION

SECTION 401. For the purpose of encouraging the care of dependent children in their own homes or in the homes of relatives by enabling each State to furnish financial assistance and rehabilitation and other services, as far as practicable under the conditions in such State, to needy dependent children and the parents or relatives with whom they are living to help maintain and strengthen family life and to help such parents or relatives to attain or retain capability for the maximum self-support and personal

independence consistent with the maintenance of continuing parental care and protection, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare, State plans for aid and services to needy families with children.

STATE PLANS FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN

SEC. 402. (a) A State plan for aid and services to needy families with children must

* * * * *

(15) provide—

(A) for the development of a program for each appropriate relative and dependent child receiving aid under the plan, and each appropriate individual (living in the same home as a relative and child receiving such aid) whose needs are taken into account in making the determination under clause (7), [with the objective of—

(i) assuring, to the maximum extent possible, that such relative, child, and individual will enter the labor force and accept employment so that they will become self-sufficient, and

(ii)] *for* preventing or reducing the incidence of births out of wedlock and otherwise strengthening family life,

[(B) for the implementation of such programs by—

(i) assuring that such relative, child, or individual who is referred to the Secretary of Labor pursuant to clause (19) is furnished child-care services and] *and for implementing such program by assuring* that in all appropriate cases family planning services are offered them, [and

(ii) in appropriate cases, providing aid to families with dependent children in the form of payments of the types described in section 406(b)(2), and

(C) that the] *but* acceptance [by such child, relative, or individual] of family planning services provided under the plan shall be voluntary on the part of such [child, relative, or] *members and* individuals and shall not be a prerequisite to eligibility for or the receipt of any other service [or aid] under the plan [,]; *and*

[(D) for such review of each such program as may be necessary (as frequently as may be necessary, but at least once a year) to insure that it is being effectively implemented,

[(E) for furnishing the Secretary with such reports as he may specify showing the results of such programs, and

[(F)] (*B*) to the extent that [such programs] *services provided* under this clause or clause (14) are [developed and implemented by services] furnished by the staff of the State agency or the local agency administering the State plan in each of the political subdivisions of the State, for the establishing of a single organizational unit in such State or local agency, as the case may be, responsible for the furnishing of such services;

* * * * *

(19) provide—

[(A) for the prompt referral to the Secretary of Labor or his representative for participation under a work incentive program established by part C of—

[(i) each appropriate child and relative who has attained age sixteen and is receiving aid to families with dependent children,

[(ii) each appropriate individual (living in the same home as a relative and child receiving such aid) who has attained such age and whose needs are taken into account in making the determination under section 402(a)(7), and

[(iii) any other person claiming aid under the plan (not included in clauses (i) and (ii)), who, after being informed of the work incentive programs established by part C, requests such referral unless the State agency determines that participation in any of such programs would be inimical to the welfare of such person or the family;

[except that the State agency shall not so refer a child, relative, or individual under clauses (i) and (ii) if such child, relative, or individual is—

[(iv) a person with illness, incapacity, or advanced age,

[(v) so remote from any of the projects under the work incentive programs established by part C that he cannot effectively participate under any of such programs,

[(vi) a child attending school full time, or

[(vii) a person whose presence in the home on a substantially continuous basis is required because of the illness or incapacity of another member of the household;]

(*A*) *that every individual, as a condition of eligibility for aid under this part, shall register for manpower services, training, and employment as provided by regulations of the Secretary of Labor, unless such individual is—*

(*i*) *a child who is under age 16 or attending school full time;*

(*ii*) *a person who is ill, incapacitated, or of advanced age;*

(*iii*) *a person so remote from a work incentive project that his effective participation is precluded;*

(*iv*) *a person whose presence in the home is required because of illness or incapacity of another member of the household;*

(*v*) *a mother or other relative of a child under the age of six who is caring for the child; or*

(*vi*) *the mother or other female caretaker of a child, if the father or another adult male relative is in the home and not excluded by clause (i), (ii), (iii), or (iv) of this subparagraph (unless he has failed to register as required by this subparagraph, or has been found by the Secretary of Labor under section 433(g) to have refused without good cause to participate under a work incentive program or accept employment as described in subparagraph (F) of this paragraph);*

and that any individual referred to in clause (v) shall be advised of her option to register if she so desires, pursuant to this paragraph, and shall be informed of the child care services (if any) which will be available to her in the event she should decide so to register;

(B) that aid under the plan will not be denied by reason of such [referral] *registration or the individual's certification to the Secretary of Labor under subparagraph (G) of this paragraph,* or by reason of an individual's participation on a project under the program established by section 432(b)(2) or (3);

(C) for arrangements to assure that there will be made a non-Federal contribution to the work incentive programs established by part C by appropriate agencies of the State or private organizations of [20] *10* per centum of the cost of such programs, as specified in section 435(b);

(D) that (i) training incentives authorized under section 434, and income derived from a special work project under the program established by section 432(b)(3) shall be disregarded in determining the needs of an individual under section 402(a)(7), and (ii) in determining such individual's needs the additional expenses attributable to his participation in a program established by section 432(b)(2) or (3) shall be taken into account;

[(E) that, with respect to any individual referred pursuant to subparagraph (A) who is participating in a special work project under the program established by section 432(b)(3), (i) the State agency, after proper notification by the Secretary of Labor, will pay to such Secretary (at such times and in such manner as the Secretary of Health, Education, and Welfare prescribes) the money payments such State would otherwise make to or on behalf of such individual (including such money payments with respect to such individual's family), or 80 per centum of such individual's earnings under such program, whichever is lesser and (ii) the State agency will supplement any earnings received by such individual by payments to such individual (which payments shall be considered aid under the plan) to the extent that such payments when added to the individual's earnings from his participation in such special work project will be equal to the amount of the aid that would have been payable by the State agency with respect to such individual's family had he not participated in such special work project, plus 20 per centum of such individual's earnings from such special work project;] and

(F) that if and for so long as any child, relative, or individual ([referred] *certified* to the Secretary of Labor pursuant to subparagraph [(A)(i) and (iii) and section 407(b)(2)] (*G*)) has been found by the Secretary of Labor under section 433(g) to have refused without good cause to participate under a work incentive program established by part C with respect to which the Secretary of Labor has determined his participation is consistent with the purposes of such part C, or to have refused without good cause to accept employment in which he is able to engage which is offered through the public employment offices of the State, or is otherwise offered by an employer if the offer of such employer is determined, after notification by him, to be a bona fide offer of employment—

(i) If the relative makes such refusal, such relative's needs shall not be taken into account in making the determination under clause (7), and aid for any dependent child in the family in the form of payments of the type described in section 406(b)(2) (which in such a case shall be without regard to clauses (A) through (E) thereof) or section 408 will be made;

(ii) aid with respect to a dependent child will be denied if a child who is the only child receiving aid in the family makes such refusal;

(iii) if there is more than one child receiving aid in the family, aid for any such child will be denied (and his needs will not be taken into account in making the determination under clause (7)) if that child makes such refusal; and

(iv) if such individual makes such refusal, such individual's needs shall not be taken into account in making the determination under clause (7);

except that the State agency shall for a period of sixty days, make payments of the type described in section 406(b)(2) (without regard to clauses (A) through (E) thereof) on behalf of the relative specified in clause (i), or continue aid in the case of a child specified in clause (ii) or (iii), or take the individual's needs into account in the case of an individual specified in clause (iv), but only if during such period such child, relative, or individual accepts counseling or other services (which the State agency shall make available to such child, relative, or individual) aimed at persuading such relative, child, or individual, as the case may be, to participate in such program in accordance with the determination of the Secretary of Labor; *and*

(*G*) *that the State agency will have in effect a special program which (i) will be administered by a separate administrative unit and the employees of which will, to the maximum extent feasible, perform services only in connection with the administration of such program, (ii) will provide (through arrangements with others or otherwise) for individuals who have been registered pur-*

suant to subparagraph (A), in accordance with the order of priority listed in section 433(a), such health, vocational rehabilitation, counseling, child care, and other social and supportive services as are necessary to enable such individuals to accept employment or receive manpower training provided under part C, and will, when arrangements have been made to provide necessary supportive services, including child care, certify to the Secretary of Labor those individuals who are ready for employment or training under part C, (iii) will participate in the development of operational and employability plans under section 433(b); and (iv) provides for purposes of clause (ii), that, when more than one kind of child care is available, the mother may choose the type, but she may not refuse to accept child care services if they are available;

* * * * *

PAYMENT TO STATES

SEC. 403. (a) From the sums appropriated therefor, the Secretary of the Treasury shall (subject to subsection (d)) pay to each State which has an approved plan for aid and services to needy families with children, for each quarter, beginning with the quarter commencing October 1, 1958—

* * * * *

(3) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

(A) 75 per centum of so much of such expenditures as are for—

(i) any of the services described in clauses (14) and (15) of section 402(a) which are provided to any child or relative who is receiving aid under the plan, or to any other individual (living in the same home as such relative and child) whose needs are taken into account in making the determination under clause (7) of such section,

(ii) any of the services described in clauses (14) and (15) of section 402(a) which are provided to any child or relative who is applying for aid to families with dependent children or who, within such periods or periods as the Secretary may prescribe, has been or is likely to become an applicant for or recipient of such aid, or

(iii) the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

(B) one-half of the remainder of such expenditures.

* * * * *

(c) Notwithstanding any other provision of this Act, the Federal share of assistance payments under this part shall be reduced with respect to any State for any fiscal year after June 30, 1973, by one percentage point for each percentage point by which the number of individuals certified, under the program of such State established pursuant to section 402(a)(19)(G), to the local employment office of the State as being ready for employment or training under part C, is less than 15 per centum of the average number of individuals in such State who, during such year, are required to be registered pursuant to section 402(a)(19)(A).

(d)(1) Notwithstanding subparagraph (A) of subsection (a)(3) the rate specified in such subparagraph shall be 90 per centum (rather than 75 per centum) with respect to social and supportive services provided pursuant to section 402(a)(19)(G).

(2) Of the sums authorized by section 401 to be appropriated for the fiscal year ending June 30, 1973, not more than $750,000,000 shall be appropriated to the Secretary for payments with respect to services to which paragraph (1) applies.

* * * * *

DEPENDENT CHILDREN OF UNEMPLOYED FATHERS

SEC. 407. (a) The term "dependent child" shall, notwithstanding section 406(a), include a needy child who meets the requirements of section 406(a)(2), who has been deprived of parental support or care by reason of the unemployment (as determined in accordance with standards prescribed by the Secretary) of his father, and who is living with any of the relatives specified in section 406(a)(1) in a place of residence maintained by one or more of such relatives as his (or their) own home.

(b) The provisions of subsection (a) shall be applicable to a State if the State's plan approved under section 402—

(1) requires the payment of aid to families with dependant children with respect to a dependent child as defined in subsection (a) when—

(A) such child's father has not been employed (as determined in accordance with standards prescribed by the Secretary) for at least 30 days prior to the receipt of such aid,

(B) such father has not without good cause, within such period (of not less than 30 days) as may be prescribed by the Secretary refused a bona fide offer of employment or training for employment, and

(C)(i) such father has 6 or more quarters of work (as defined in subsection (d)(1)) in any 13-calendar-quarter period ending within one year prior to the application for such aid or (ii) he received unemployment compensation under an unemployment compensation law of a State or of the United States, or he was qualified (within the meaning of subsection (d)(3)) for unemployment compensation under the unemployment compensation law of the State, within one year prior to the application for such aid; and

(2) provides—

(A) for such assurances as will satisfy the Secretary that fathers of dependent children as defined in subsection (a) will be [referred] *certified* to the Secretary of Labor as provided in section 402(a)(19) within thirty days after receipt of aid with respect to such children;

(B) for entering into cooperative arrangements with the State agency responsible for administering or supervising the administration of vocational education in the State, designed to assure maximum utilization of available public vocational education services and facilities in the State in order to encourage the retraining of individuals capable of being retrained; and

(C) for the denial of aid to families with dependent children to any child or relative specified in subsection (a) if, and for as long as, such child's father—

(i) is not currently registered with the public employment offices in the State, or

(ii) receives unemployment compensation under an unemployment compensation law of a State or of the United States.

(c) Not withstanding any other provisions of this section, expenditures pursuant to this section shall be excluded from aid to families with dependent children (A) where such expenditures are made under the plan with respect to any dependent children as defined in subsection (a), (i) for any part of the 30-day period referred to in subparagraph (A) of subsection (b)(1), or (ii) for any period prior to the time when the father satisfies subparagraph (B of such subsection, and (B) if, and for as long as, no action is taken (after the 30-day period referred to in subparagraph (A) of subsection (b)(2)) under the program therein specified, to [refer] *certify* such father to the Secretary of Labor pursuant to section 402(a)(19).

* * * * *

PART C—WORK INCENTIVE PROGRAM FOR RECIPIENTS OF AID UNDER STATE PLAN APPROVED UNDER PART A

PURPOSE

SEC. 430. The purpose of this part is to require the establishment of a program utilizing all available manpower services, including those authorized under other provisions of law, under which individuals receiving aid to families with dependent children will be furnished incentives, opportunities, and necessary services in order for (1) the employment of such individuals in the regular economy, (2) the training of such individuals for work in the regular economy, and (3) the participation of such individuals in [special work projects *public service employment*, thus restoring the families of such individuals to independence and useful roles in their communities. It is expected that the individuals participating in the program established under this part will acquire a sense of dignity, self-worth, and confidence which will flow from being recognized as a wage-earning member of society and that the example of a working adult in these families will have beneficial effects on the children in such families.

APPROPRIATION

SEC. 431. *(a)* There is hereby authorized to be appropriated to the Secretary of Health, Education, and Welfare for each fiscal year a sum sufficient to carry out the purposes of this part. The Secretary of Health, Education, and Welfare shall transfer to the Secretary of Labor from time to time sufficient amounts, out of the moneys appropriated pursuant to this section, to enable him to carry out such purposes.

(b) Of the amounts expended from funds appropriated pursuant to subsection (a) for any fiscal year (commencing with the fiscal year ending June 30, 1973), not less than 33⅓ per centum thereof shall be expended for carrying out the program of on-the-job training referred to in section 432(b)(1)(B) and for carrying out the program of public service employment referred to in section 432(b)(3).

(c) Of the sums appropriated pursuant to subsection (a) to carry out the provisions of this part for any fiscal year (commencing with the fiscal year ending June 30, 1973), not less than 50 percent shall be allotted among the States in accordance with a formula under which each State receives (from the total available for such allotment) an amount which bears the same ratio to such total as—

(1) in the case of the fiscal year ending June 30, 1973, and the fiscal year ending June 30, 1974, the average number of recipients of aid to families with dependent children in such State during the month of January last preceding the commencement of such fiscal year bears to the average number of such recipients during such month in all the States; and

(2) In the case of the fiscal year ending June 30, 1975, or in the case of any fiscal year thereafter, the average number of individuals in such State who, during the month of January last preceding the commencement of such fiscal year, are registered pursuant to section 402(a)(19)(A) bears to the average number of individuals in all States who, during such month, are so registered.

ESTABLISHMENT OF PROGRAMS

SEC. 432. (a) The Secretary of Labor (hereinafter in this part referred to as the Secretary) shall, in accodance with the provisions of this part, establish work incentive programs (as provided for in subsection (b) in each State and in each political subdivision of a State in which he determines there is a significant number of individuals who have attained age 16 and are receiving aid to families with dependent children. In other political subdivisions, he shall use his best efforts to provide such programs either within such subdivisions or through the provision of transportation for such persons to political subdivisions of the State in which such programs are established.

(b) Such programs shall include, but shall not be limited to, (1) *(A)* a program placing as many individuals as is possible in employment, and *(B) a program* utilizing on-the-job training positions for others, (2) a program of institutional and work experience training for those individuals for whom such training is likely to lead to regular employment, and (3) a program of [special work projects] *public service employment* for individuals for whom a job in the regular economy cannot be found.

(c) In carrying out the purposes of this part the Secretary may make grants to, or enter into agreements with, public or private agencies or organizations (including Indian tribes with respect to Indians on a reservation), except that no such grant or agreement shall be made to or with a private employer for profit or with a private nonprofit employer not organized for a public purpose for purposes of the work experience program established by clause (2) of subsection (b).

[(d) Using funds appropriated under this part, the Secretary, in order to carry out the purposes of this part, shall utilize his authority under the Manpower Development and Training Act of 1962, the Act of June 6, 1933, as amended (48 Stat. 113), and other Acts, to the extent such authority is not inconsistent with this Act]

(d) In providing the manpower training and employment services and opportunities required by this part, the Secretary of Labor shall, to the maximum extent feasible, assure that such services and opportunities are provided by using all authority available to him under this or any other Act. In order to assure that the services and opportunities so required are provided, the Secretary of Labor shall use the funds appropriated to him under this part to provide programs required by this part through such other Act, to the same extent and under the same conditions (except as regards the Federal matching percentage) as if appropriated under such other Act and, in making use of the programs of other Federal, State, or local agencies (public or private), the Secretary of Labor may reimburse such agencies for services rendered to persons under this part to the extent such services and opportunities are not otherwise available on a nonreimbursable basis.

(e) The Secretary shall take appropriate steps to assure that the present level of manpower services available under the authority of other statutes to recipients of aid to families with dependent children is not reduced as a result of programs under this part.

(f) (1) The Secretary of Labor shall establish in each State, municipality, or other appropriate geographic area with a significant number of persons registered pursuant to section 402(a)(19)(A) a Labor Market Advisory Council the function of which will be to identify and advise the Secretary of the types of jobs available or likely to become available in the area served by the Council; except that if there is already located in any area an appropriate body to perform such function, the Secretary may designate such body as the Labor Market Advisory Council for such area.

(2) Any such Council shall include representatives of industry, labor, and public service employers from the area to be served by the Council.

(3) The Secretary shall not conduct, in any area, institutional training under any program established pursuant to subsection (b) of any type which is not related to jobs of the type which are or are likely to become available in such area as determined by the Secretary after taking into account information provided by the Labor Market Advisory Council for such area.

OPERATION OF PROGRAM

SEC. 433. (a) The Secretary shall provide a program of testing and counseling for all persons [referred] *certified* to him by a State, pursuant to section 402(a)(19)(G), and shall select those persons whom he finds suitable for the programs established by clauses (1) and (2) of section 432(b). Those not so selected shall be deemed suitable for the program established by clause (3) of such section 432(b) unless the Secretary finds that there is good cause for an individual not to participate in such program. *The Secretary, in carrying out such program for individuals certified to him under section 402(a)(19)(G), shall accord priority to such individuals in the following order, taking into account employability potential: first, unemployed fathers; second, mothers, whether or not required to register pursuant to section 402(a)(19)(A), who volunteer for participation under a work incentive program; third, other mothers, and pregnant women, registered pursuant to section 402(a)(19)(A), who are under 19 years of age; fourth, dependent children and relatives who have attained age 16 and who are not in school or engaged in work or manpower training; and fifth, all other individuals so certified to him.*

(b) (1) For each State the Secretary shall develop jointly with the administrative unit of such State administering the special program referred to in section 402(a)(19)(G) a statewide operational plan.

(2) The statewide operational plan shall prescribe how the work incentive program established by this part will be operated at the local level, and shall indicate (i) for each area within the State the number and type of positions which will be provided for training, for on-the-job training, and for public service employment, (ii) the manner in which information provided by the Labor Market Advisory Council (established pursuant to section 432(f)) for any such area will be utilized in the operation of such program, and (iii) the particular State agency or administrative unit thereof which will be responsible for each of the various activities and functions to be performed under such program. Any such operational plan for any State must be approved by the Secretary, the administrative unit of such State administering the special program referred to in section 402(a)(19)(G), and the regional joint committee (established pursuant to section 439) for the area in which such State is located.

(3) The Secretary shall develop an employability plan for each suitable person [referred] *certified* to him under section 402(a)(19)(G) which shall describe the education, training, work experience, and orientation which it is determined that [each] such person needs to complete in order to enable him to become self-supporting.

(c) The Secretary shall make maximum use of services available from other Federal and States agencies and, to the extent not otherwise available on a nonreimbursable basis, he may reimburse such agencies for services rendered to persons under this part.

(d) To the extent practicable and where necessary, work incentive programs established by this part shall include, in addition to the regular counseling, testing, and referral available through the Federal-State Employment Service System, program orientation, basic education, training in communications and employability skills, work experience, institutional training, on-the-job training, job development, and special job placement and followup services, required to assist participants in securing and retaining employment and securing possibilities for advancement.

(e)(1) In order to develop [special work projects] *public service employment* under the program established by section 432(b)(3), the Secretary shall enter into agreements with (A) public agencies, (B) private nonprofit organizations established to serve a public purpose, and (C) Indian tribes with respect to Indians on a reservation, under which individuals deemed suitable for participation in such a program will be provided work which serves a useful public purpose and which would not otherwise be performed by regular employees.

(2) Such agreements shall provide—

[(A) for the payment by the Secretary to each employer a portion of the wages to be paid by the employer to the individuals for the work performed;]

(A) for the payment by the Secretary to each employer, with respect to public service employment performed by any individual for such employer, of an amount not exceeding 100 percent of the cost providing such employment to such individual during the first year of such employment, an amount not exceeding 75 percent of the cost of providing such employment to such individual during the second year of such employment, and an amount not exceeding 50 percent of the cost of providing such employment to such individual during the third year of such employment;

(B) the hourly wage rate and the number of hours per week individuals will be scheduled to work [on special work projects of] *in private service employment for* such employer;

(C) that the Secretary will have such access to the premises of the employer as he finds necessary to determine whether such employer is carrying out his obligations under the agreement and this part; and

(D) that the Secretary may terminate any agreement under this subsection at any time.

[(3) The Secretary shall establish one or more accounts in each State with respect to the special work projects established and maintained pursuant to this subsection and place into such accounts the amounts paid to him by the State agency pursuant to section 402(a)(19)(E). The amounts in such accounts shall be available for the payments specified in subparagraph (A) of paragraph (2). At the end of each fiscal year and for such period of time as he may establish, the Secretary shall determine how much of the amounts paid to him by the State agency pursuant to section 402(a)(19)(E) were not expended as provided by the preceding sentence of this paragraph and shall return such unexpended amounts to the State, which amounts shall be regarded as overpayments for purposes of section 403(b)(2).]

(4) No wage rates provided under any agreement entered into under this subsection shall be lower than the applicable minimum wage for the particular work concerned.

(f) Before entering into a project under [any of the programs established by this part] *section 432(b)(3)*, the Secretary shall have reasonable assurances that—

(1) appropriate standards for the health, safety, and other conditions applicable to the performance of work and training on such project are established and will be maintained,

(2) such project will not result in the displacement of employed workers,

(3) with respect to such project the conditions of work, training, education, and employment are reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant,

(4) appropriate workmen's compensation protection is provided to all participants.

(g) Where an individual [referred] *certified* to the Secretary of Labor pursuant to section 402(a)(19[(A)] (i) and (ii)(g) refuses without good cause to accept employment or participate in a project under a program established by this part, the Secretary of Labor shall (after providing opportunity for fair hearing) notify the State agency which [referred] *certified* such individual and submit such other information as he may have with respect to such refusal.

(h) With respect to individuals who are participants in [special work projects] *public service employment* under the program established by section 432(b)(3), the Secretary shall periodically (but at least once

every six months) review the employment record of each such individual while on such special work project and on the basis of such record and such other information as he may acquire determine whether it would be feasible to place such individual in regular employment or on any of the projects under the programs established by section 432(b)(1) and (2).

INCENTIVE PAYMENT

SEC. 434. (a) The Secretary is authorized to pay to any participant under a program established by section 432(b)(2) an incentive payment of not more than $30 per month, payable in such amounts and at such times as the Secretary prescribes.

(b) The Secretary of Labor is also authorized to pay, to any member of a family participating in manpower training under this part, allowances for transportation and other costs incurred by such member, to the extent such costs are necessary to and directly related to the participation by such member in such training.

FEDERAL ASSISTANCE

SEC. 435. (a) Federal assistance under this part shall not exceed [80] *90* per centum of the costs of carrying out this part. Non-Federal contributions may be cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(b) Costs of carrying out this part include costs of training, supervision, materials, administration, incentive payments, transportation, and other items as are authorized by the Secretary, but may not include any reimbursement for time spent by participants in work, training, or other participation in the program [; except that with respect to special work projects under the program established by section 432(b)(3), the costs of carrying out this part shall include only the costs of administration].

PERIOD OF ENROLLMENT

SEC. 436. (a) The program established by section 432(b)(2) shall be designed by the Secretary so that the average period of enrollment under all projects under such program throughout any area of the United States will not exceed one year.

(b) Services provided under this part may continue to be provided to an individual for such period as the Secretary determines (in accordance with regulations prescribed [by the Secretary after consultation] *jointly by him and* with the Secretary of Health, Education, and Welfare) is necessary to qualify him fully for employment even though his earnings disqualify him from aid under a State plan approved under section 402.

RELOCATION OF PARTICIPANTS

SEC. 437. The Secretary may assist participants to relocate their place of residence when he determines such relocation is necessary in order to enable them to become permanently employable and self-supporting. Such assistance shall be given only to participants who concur in their relocation and who will be employed at their place of relocation at wage rates which will meet at least their full need as determined by the State to which they will be relocated. Assistance under this section shall not exceed the reasonable costs of transportation for participants, their dependents, and their household belongings plus such relocation allowance as the Secretary determines to be reasonable.

PARTICIPANTS NOT FEDERAL EMPLOYEES

SEC. 438. Participants in [projects under] programs established by this part shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

RULES AND REGULATIONS

SEC. 439. [The Secretary may issue such rules and regulations as he finds necessary to carry out the purposes of this part: *Provided*, That in developing policies for programs established by this part the Secretary shall consult with the Secretary of Health, Education, and Welfare.] *The Secretary and the Secretary of Health, Education, and Welfare shall, not later than July 1, 1972, issue regulations to carry out the purposes of this part. Such regulations shall provide for the establishment, jointly by the Secretary and the Secretary of Health, Education, and Welfare, of (1) a national coordination committee the duty of which shall be to establish uniform reporting and similar requirements for the administration of this part, and (2) a regional coordination committee for each region which shall be responsible for review and approval of statewide operational plans developed pursuant to section 433(b).*

ANNUAL REPORT

SEC. 440. The Secretary shall annually report to the Congress (with the first such report being made on or before July 1, 1970) on the work incentive programs established by this part.

EVALUATION AND RESEARCH

SEC. 441. (a) The Secretary shall (jointly with the Secretary of Health, Education, and Welfare) provide for the continuing evaluation of the work incentive programs established by this part, including their effectiveness in achieving stated goals and their impact on other related programs. He also may conduct research regarding ways to increase the effectiveness of such programs. He may, for this purpose, contract for independent evaluations of and research regarding such programs or individual projects under such programs. For purposes of sections 435 and 443, the costs of carrying out this section shall not be regarded as costs of carrying out work incentive programs established by this part. *Nothing in this section shall be construed as authorizing the Secretary to enter into any contract with any organization after June 1, 1970, for the dissemination by such organization of information about programs authorized to be carried on under this part.*

[REVIEW OF SPECIAL WORK PROJECTS BY A STATE PANEL]

SEC. 442. (a) The Secretary shall make an agreement with any State which is able and willing to do so under which the Governor of the State will create one or more panels to review applications tentatively approved by the Secretary for the special work projects in such State to be established by the Secretary under the program established by section 432(b)(3).

[(b) Each such panel shall consist of not more than five and not less than three members, appointed by the Governor. The members shall include one representative of employers and one representative of employees; the remainder shall be representatives of the general public. No special work project under such program developed by the Secretary pursuant to an agreement under section 433(e)(1) shall, in any State which has an agreement under this section, be established or maintained under such program unless such project has first been approved by a panel created pursuant to this section.]

TECHNICAL ASSISTANCE FOR PROVIDERS OF EMPLOYMENT OR TRAINING

Sec. 442. The Secretary is authorized to provide technical assistance to providers of employment or training to enable them to participate in the establishment and operation of programs authorized to be established by section 432(b).

COLLECTION OF STATE SHARE

SEC. 443. If a non-Federal contribution of [20] *10* per centum of the costs of the work incentive programs established by this part is not made in any State (as specified in section 402(a)), the Secretary of Health, Education, and Welfare may withhold any action under section 404 because of the State's failure to comply substantially with a provision required by section 402. If the Secretary of Health, Education, and Welfare does withhold such action, he shall, after reasonable notice and opportunity for hearing to the appropriate State agency or agencies, withhold any payments to be made to the State under sections 3(a), 403(a), 1003(a), 1403(a), 1603(a), and 1903(a) until the amount so withheld (including any amounts contributed by the State pursuant to the requirement in section 402(a)(19)(C)) equals [20] *10* per centum of the costs of such work incentive programs. Such withholding shall remain in effect until such time as the Secretary has assurances from the State that such [20] *10* per centum will be contributed as required by section 402. Amounts so withheld shall be deemed to have been paid to the State under such sections and shall be paid by the Secretary of Health, Education, and Welfare to the Secretary. Such payment shall be considered a non-Federal contribution for purposes of section 435.

AGREEMENTS WITH OTHER AGENCIES PROVIDING ASSISTANCE TO FAMILIES OF UNEMPLOYED PARENTS

SEC. 444. (a) The Secretary is authorized to enter into an agreement (in accordance with the succeeding provisions of this section) with any qualified State agency (as described in subsection (b)) under which the program established by the preceding sections of this part C will (except as otherwise provided in this section) be applicable to individuals [referred] *certified* by such State agency in the same manner, to the same extent, and under the same conditions as such program is applicable with respect to individuals [referred] *certified* to the Secretary by a State agency administering or supervising the administration of a State plan approved by the Secretary of Health, Education, and Welfare under part A of this title.

(b) A qualified State agency referred to in subsection (a) is a State agency which is charged with the administration of a program—

(1) the purpose of which is to provide aid or assistance to the families of unemployed parents,

(2) which is not established pursuant to part A of title IV of the Social Security Act,

(3) which is financed entirely from funds appropriated by the Congress, and

(4) none of the financing of which is made available under any program established pursuant to title V of the Economic Opportunity Act.

(c)(1) Any agreement under this section with a qualified State agency shall provide that such agency will, with respect to all individuals receiving aid or assistance under the program of aid or assistance to families of unemployed parents administered by such agency, comply with the requirements imposed by [section] 402(a)(15) and [section] 402(a)(19)[(F)] in the same manner and to the same extent as if (A) such qualified agency were the agency in such State administering or supervising the administration of a State plan approved under part A of this title, and (B) individuals receiving aid or assistance under the program administered by such qualified agency were recipients of aid under a State plan which is so approved.

(2) Any agreement entered into under this section shall remain in effect for such period as may be specified in the agreement by the Secretary and the qualified State agency, except that, whenever the Secretary determines, after reasonable notice and opportunity for hearing to the qualified State agency, that such agency has failed substantially to

comply with its obligations under such agreement, the Secretary may suspend operation of the agreement until such time as he is satisfied that the State agency will no longer fail substantially to comply with its obligations under such agreement.

(3) Any such agreement shall further provide that the agreement will be inoperative for any calendar quarter if, for the preceding calendar quarter, the maximum amount of benefits payable under the program of aid or assistance to families of unemployed parents administered by the qualified State agency which is a party to such agreement is lower than the maximum amount of benefits payable under such program for the quarter which ended September 30, 1967.

(d) The Secretary shall, at the request of any qualified State agency referred to in subsection (a) of this section and upon receipt from it of a list of the names of individuals rereferred to the Secretary, furnish to such agency the names of each individual on such list participating in [a special work project] *public service employment* under section 433(a)(3) whom the Secretary determines should continue to participate in such [project] *employment*. The Secretary shall not comply with any such request with respect to an individual on such list unless such individual has been [referred] *certified* to the Secretary by such agency under such section 402(a)[(15)] *(19)(G)* for a period of at least six months.

Mr. LONG. Mr. President, I think we could say that from the Senate's point of view, this was a very successful conference, and I move the adoption of the conference report.

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

Mr. LONG. I yield.

Mr. CURTIS. The bill to which these amendments are attached is a bill that relates to a lump-sum benefit, is it not, in case of death?

Mr. LONG. Yes, and there is no real problem involved in that provision.

Mr. CURTIS. The major amendment is what has been identified as the Talmadge amendment?

Mr. LONG. Yes.

Mr. CURTIS. Is it true that the Talmadge amendment has passed the Senate on three occasions before substantially as it was sent to the conference this time?

Mr. LONG. Yes, on three occasions.

Mr. CURTIS. Is it not true that the major objective of the Talmadge amendment was to get people on "workfare," in contrast to welfare?

Mr. LONG. That was the idea, to try to help people who are presently on the welfare rolls to be prepared for and placed in jobs.

Mr. CURTIS. And the other amendment that was added on the Senate floor, which was accepted in conference, related to the pass-on of certain increases in social security to welfare recipients; that, too, is a reenactment of a principle that has been enacted many times before; is that not correct?

Mr. LONG. Yes, we have done that before. The present provision of law will expire at the end of this year unless it is extended. H.R. 1 would also extend the expiring provision, but since H.R. 1 will not be acted on before the end of this year, it is necessary to continue the provision on this bill.

Mr. CURTIS. Mr. President, I join with my distinguished chairman in urging that the Senate agree to the conference report.

Mr. LONG. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House further insists upon its amendments to the bill (S. 2891) entitled "An act to extend and amend the Economic Stabilization Act of 1970"; requests a further conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. PATMAN, Mr. BARRETT, Mrs. SULLIVAN, Mr. REUSS, Mr. ST GERMAIN, Mr. MINISH, Mr. WIDNALL, Mr. JOHNSON of Pennsylvania, Mr. J. WILLIAM STANTON, and Mr. BROWN of Michigan were appointed managers at the further conference on the part of the House.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that today, December 14, 1971, he presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 176. A joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes.

EXTENSION OF DUTY-FREE STATUS OF CERTAIN GIFTS

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 398, H.R. 8312.

The PRESIDING OFFICER (Mr. HANSEN). Is there objection to the request of the Senator from Louisiana?

There being no objection, the Senate proceeded to consider the bill (H.R. 8312) to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, which had been reported from the Committee on Finance with amendments on page 1, line 6, after the word "before", strike out "12/31/73" and insert "12/31/72"; and, after line 9, insert a new section, as follows:

SEC. 2. (a)(1) Section 151 of the Internal Revenue Code of 1954 (relating to allowance of deductions for personal exemptions) is amended by striking out "$650" each place it appears and inserting in lieu thereof "$675".

(2) 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" each place it appears and inserting in lieu thereof "$675" and by striking out "$1,300" each place it appears and inserting in lieu thereof "$1,350".

(b) Section 141(c) of the Internal Revenue Code of 1954 (relating to low income allowance) is amended to read as follows:

"(c) LOW INCOME ALLOWANCE.—The low income allowance is $1,050 ($525 in the case of a married individual filing a separate return)."

(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1970, and before January 1, 1972.

(d) In applying section 21(a) of the Internal Revenue Code of 1954 (relating to effect of changes) to a taxable year of an individual which is not a calendar year, each change made by subsection (a) in section 151 of such Code shall be treated as a change in a rate of tax.

Mr. LONG. Mr. President, this is a bill to continue the duty-free status of certain gifts by members of the armed services in combat zones. The Finance Committee originally added to this proposal committee amendments which are no longer necessary. That being the case, it is my hope that we can delete the Senate committee amendments and pass the bill without amendments, because this is a meritorious matter that should be disposed of in this session.

The PRESIDING OFFICER. There is a unanimous-consent agreement relating to a limitation of time for debate on this bill. Does the Senator wish to vacate that agreement?

Mr. LONG. Yes.

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

Mr. LONG. Mr. President, I ask unanimous consent that the Senate act on the Finance Committee amendments en bloc. I would hope that the amendments are rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The amendments were rejected.

Mr. CURTIS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. CURTIS. For the information of the Senate and for the RECORD, this bill relates to what?

Mr. LONG. This is a House-passed bill to continue the duty-free status of certain gifts by members of the armed services serving in combat zones. What it involves, in other words, is continuing the duty-free treatment of Christmas gifts from Vietnam servicemen.

Mr. CURTIS. And the committee amendments which were just rejected were originally offered at a time when there was need for that legislation, but it was taken care of by subsequent legislation; is that correct?

Mr. LONG. Yes. What was sought by the committee amendment has now been accomplished by the big tax bill that we passed just recently.

The committee had proposed adding the 1971 tax reductions to this bill in order to provide certainty so that the Internal Revenue Service could go ahead and print the 1971 tax forms to be mailed out to taxpayers. They have done so, and in the meantime we have passed the tax cut bill itself, and so the 1971 tax cuts are now law. Therefore, the amendments are no longer needed. They are superfluous.

Mr. CURTIS. So the bill as it now stands is identical with the bill that passed the House and could become law without the conference?

Mr. LONG. Without the committee amendments, it is precisely as it passed the House. It requires no conference and may be signed into law immediately.

Mr. CURTIS. I thank the Senator.

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

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

The PRESIDING OFFICER. Without objection, the title amendment is disagreed to.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

(The remarks of Mr. LONG when he introduced S. 3019 are printed in the Morning Business section of the RECORD under Statements on Introduced Bills and Joint Resolutions.)

QUORUM CALL

Mr. BIBLE. 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.

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 report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10367) to provide for the settlement of certain land claims of Alaska Natives, and for other purposes.

ALASKA NATIVE CLAIMS SETTLEMENT ACT—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10367) to provide for the settlement of certain land claims of Alaska Natives, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HANSEN). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 13, 1971, at pp. 46583–46591.)

The PRESIDING OFFICER. The time is under control, with 30 minutes to each side.

Mr. BIBLE. I yield myself such time as I may require for my opening statement. I anticipate that it will not take more than 5 or 10 minutes.

Mr. President, in view of the fact that the House of Representatives, which acted first on the conference report, has previously printed the report together with the joint statement of the conference committee, I ask unanimous consent that the separate printing of this report as a report of the Senate be dispensed with.

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

Mr. BIBLE. Mr. President, on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10367) "to provide for the settlement of the Alaska Native land claims" the conference committee accepted the Senate amendment and agreed to the same with an amendment which is the text of the conference report.

Legislation to settle the Alaska Native land claims has been under active consideration in the Senate for 4 years. In the Congress the Senate passed a settlement measure but no action was taken by the House. During this Congress the members of the Interior Committees of both Houses have given long and careful consideration to this complex and difficult problem. The conference committee alone has met on nine different days since November 30. The resolution recommended by the members of the conference committee is set forth in the conference report.

Mr. President, I ask unanimous consent that a summary of the major features of the conference report be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

In summary form, the conference committee recommends that the settlement consist of the following major features:

First. The Native people receive a total land grant of 40 million acres. Of this total, the individual Native villages receive 22 million acres; the regional corporations receive 16 million acres; and 2 million acres are set aside to avoid hardship, to preserve cemeteries and historic areas, and to provide land grants for individuals and Native settlements which otherwise might not receive land grants under the bill.

Under the provisions of the conference report, the subsurface mineral estate to all lands located in Naval Petroleum Reserve Numbered 4 is fully protected and remains in the ownership of the Federal Government. The four Native villages located in the reserve would receive title to the surface estate only to the lands around their village. An in lieu selection right is provided for outside the boundaries of the reserve to insure the Native people get their full entitlement to lands.

Second. A total of $962½ million is granted to the Native people under the terms of the conference report: $462½ million is to be appropriated by the Federal Government over a period of 11 years, and $500 million would be received from a 2-percent revenue share in mineral development of the public lands in Alaska.

Third. Native villages must organize as nonprofit or business-for-profit corporations before they are eligible for benefits under the act. In addition, up to 13 regional business-for-profit corporations may be established.

Fourth. A joint Federal-State Land Use Planning Commission would be established to undertake a process of statewide land use planning.

Fifth. The Secretary of Interior is directed to withdraw up to 80 million acres of public lands which are suitable for inclusion or creation as new units of the national park, forest, wildlife refuge, or wild and scenic rivers systems.

Sixth. The Secretary is authorized to withdraw, classify or reclassify any public lands in Alaska to insure that the public lands are protected after the land freeze order which has been in effect since January 17, 1969.

Mr. President, in my view the conference report represents a fair and a just settlement of the longstanding claims of the Alaska Native people. The conference report protects the interests of the Native people, the State of Alaska, and the Federal Government.

SUMMARY OF MAJOR FEATURES OF THE CONFERENCE REPORT

I. GENERAL

A. Introduction

The language agreed upon by the managers is the result of long and careful consideration of the House passed bill and the Senate's amendment in the nature of a substitute to the House passed bill. The House bill and the Senate amendment were in major respects substantially different and the conference report—the compromise between the two measures—is in some respects different from the measures passed by the House and the Senate. The conference report is the final product of nine days of meetings by the conference committee since November 30, 1971.

The conference committee concurs on the relevant history and on the main facts at issue; there is general agreement on the principles of law involved and on the limits within which the formulation of public policies must be conducted; there is general consensus on the structural elements which constitute the settlement; and there is a common recognition that the institutions and machinery of settlement are in large measure dictated by the nature of the problem and the elements of the settlement.

Among individual conferees, and among individual members of the House and the Senate, there are, of course, wide differences of opinions on specific issues: on amounts of money and land; on elements of the settlement; on some of the institutions established; and on emphasis and on detail. The specific resolutions proposed to each of these differences by the conference committee represents a compromise. These compromises were, however, recognized as being essential to the development of a conference report which will do justice to the Native people, insure a viable and economically healthy State government, and allow the fulfillment of the reasonable expectations and legitimate interests of all Alaskans and all Americans.

The conference report reflects a willingness on the part of the individual conferees after careful study of the issues involved to concur

in the clear necessity for adoption of a *settlement package*, while reserving the right of all Members of Congress to debate further, at another time and in connection with other legislation, their individual views on some of the specific policies which are of necessity incorporated in this complex omnibus settlement.

B. Major provisions

The major provisions of the conference report are set out below:

1. Land

(a) The Natives will receive title to a total of 40 million acres, both surface and subsurface rights, divided among the some 220 villages and 12 Regional Corporations.

(b) The villages will receive the surface estate only in approximately 18½ million acres of land in the 25 township areas surrounding each village, divided among the villages according to population.

(c) The villages will receive the surface estate in an additional 3½ million acres, making a total of 22 million acres, divided among the villages by the Regional Corporations on equitable principles.

(d) The Regional Corporations will receive the subsurface estate in the 22 million acres patented to the villages, and the full title to 16 million acres selected within the 25 township areas surrounding the villages. This land will be divided among the 12 Regional Corporations on the basis of the total area in each region, rather than on the basis of population.

(e) An additional 2 million acres, which completes the total of 40 million, will be conveyed as follows:

(1) Existing cemetery sites and historical sites will be conveyed to the Regional Corporations.

(2) The surface estate in not more than 23,040 acres, which is one township will be conveyed to each of the native groups that is too small to qualify as a Native village. The subsurface estate will go to the Regional Corporations.

(3) The surface estate in not more than 160 acres will be conveyed to each individual Native who has a principal place of residence outside the village areas. The subsurface estate will go to the Regional Corporations.

(4) The surface estate in not to exceed 23,040 acres will be conveyed to Natives in four towns that originally were Native villages, but that are now composed predominantly of non-Natives. These conveyances will be near the towns, but far enough away to allow for growth and expansion of the towns. The subsurface estate will go to the Regional Corporations.

(5) The balance of the 2 million acres, if any, will be conveyed to the Regional Corporations.

(f) If the entire 40 million acres cannot be selected from the 25 township areas surrounding the villages because of topography or restrictions on the acreage which may be selected from within the Wildlife Refuge System, in lieu selection areas will be withdrawn by the Secretary of the Interior as close to the 25 township areas as possible.

2. Money

The Natives will be paid $462,500,000 over an eleven-year period from funds in the United States Treasury, and an additional $500,000,000 from mineral revenues received from lands in Alaska hereafter conveyed to the State under the Statehood Act, and from the remaining Federal lands, other than Naval Petroleum Reserve Numbered 4, in Alaska. Most of the $500,000,000 paid to the Natives would otherwise be paid to the State under existing law, and the State has agreed to share in the settlement of Native claims in this manner.

3. Corporate Organization

(a) The Natives in each of the Native villages will be organized as a profit or non-profit corporation to take title to the surface estate in the land conveyed to the village, to administer the land, and to receive and administer a part of the money settlement.

(b) Twelve Regional Corporations will be organized to take title to the subsurface estate in the land conveyed to the villages, and full title to the additional land divided among the Regional Corporations. The Regional Corporations will also receive the $962,500,000 grant, divided among them on the basis of Native population. Each Regional Corporation must divide among all twelve Regional Corporations 70 percent of the mineral revenues received by it.

Each Regional Corporation must distribute among the Village Corporations in the region not less than 50 percent of its share of the $962,500,000 grant, and 50 percent of all revenues received from the subsurface estate. This provision does not apply to revenues received by the Regional Corporations from their investment in business activities.

For the first five years, 10 percent of the revenues from the first two sources mentioned above must be distributed among the individual Native stockholders of the corporation.

(c) Natives who are not permanent residents of Alaska may, if they desire, organize a 13th Regional Corporation, rather than receive stock in one of the 12 Regional Corporations. The 13th Regional Corporation will recieve its pro rata share of the $962,500,000 grant, but it will receive no land and will not share in the mineral revenues of the other Regional Corporations.

4. Other Major Provisions

(a) Land Use Planning

A Joint Federal-State Land Use Planning Commission is established. The Planning Commission has no regulatory or enforcement functions, but has important advisory responsibilities.

(b) National interest areas

The Secretary of the Interior is authorized to withdraw from selection by the State and Regional Corporations (but not the Village Corporations) and from the operation of the public land laws up to, but not to exceed, 80 million acres of unreserved lands which, in his view, may be suitable for inclusion in the National Park, Forest, Wildlife Refuge, and Wild and Scenic River Systems.

(c) Interim operation of the public land laws

The Secretary is authorized, where appropriate, under his existing authority, to withdraw public lands and to classify or reclassify such lands and to open them to entry, location and leasing in a manner which will protect the public interest and avoid a "land rush" and massive filings on public lands in Alaska immediately following the expiration of the so-called "land freeze".

(d) Reservation of easements

Appropriate public access and recreational site easements will be reserved on lands granted to Native Corporations to insure that the larger public interest is protected.

(e) Attorney and consultant fees

Fees to attorneys and consultants are limited to $2 million. All contracts based on a percentage fee related to the value of the lands and revenues granted by this Act are declared unenforceable.

(f) Valid existing rights

All valid existing rights, including inchoate rights of entrymen and mineral locators, are protected.

(g) National petroleum reserve No. 4 and wildlife refuges

No subsurface estate is granted in Naval Petroleum Reserve Numbered 4 or in the National Wildlife Refuges, but an in lieu selection to subsurface estate in an equal amount of acreage outside these areas is provided for the Regional Corporations.

(h) National forests

Appropriate limitations are placed on the amount of lands which may be granted from National Forests to Native villages located in the National Forests.

C. Other issues

1. In sections 7 and 8 of the conference report authorizing the creation of Regional and Village Corporations, the conference committee has adopted a policy of self-determination on the part of the Alaska Native people. The conference committee anticipates that there will be responsible action by the board members and officers of the corporations and that there will not be any abuses of the intent of this Act. The conference committee does not contemplate that the Regional and Village Corporations will allow unreasonable staff, officer, board member, consultant, attorney, or other salaries, expenses and fees. The conference committee also contemplates that the Regional and Village Corporations will not expend funds for purposes other than those reasonably necessary in the course of ordinary business operations.

2. The Senate amendment to the House bill provided for the protection of the Native peoples' interest in and use of subsistence resources on the public lands. The conference committee, after careful consideration, believes that all Native interests in subsistence resource lands can and will be protected by the Secretary through the exercise of his existing withdrawal authority. The Secretary could, for example, withdraw appropriate lands and classify them in a manner which would protect Native subsistence needs and requirements by closing appropriate lands to entry by non-residents when the subsistence resources of these lands are in short supply or otherwise threatened. The Conference Committee expects both the Secretary and the State to take any action necessary to protect the subsistence needs of the Natives.

3. Villages located on the Pribilof Islands present a special problem because the fur seals which frequent the islands are the subject of an International Treaty. It is the conference committee's recommendation that the Secretary, after consultation with the Secretary of Commerce, the State and the Planning Commission, reserve the appropriate rights and interests in land to insure the fulfillment of the United States' obligations under the Treaty.

4. Under the provisions of subsection 12 (c) (3) ". . . the Regional Corporation may select only even numbered townships in even numbered ranges, and only odd numbered townships in odd numbered ranges." This language is meant to insure "checkerboard" selections by the Regional Corporations. The State of Alaska would then be permitted to concurrently select lands in the alternate townships not subject to selection by the Regional Corporations.

The effect of this provision of the bill is to limit the selections of the Regional Corporation to townships 2, 4, 6, 8, 10, et cetera, North or South of a principal or special base line, in ranges 2, 4, 6, 8, 10, et cetera, East or West of a principal or special meridian. With respect to odd numbered ranges, East or West of a principal or special meridian, i.e. Range 1 West, Range 1 East, Range 3 West, Range 3 East, et cetera, the Regional Corporation could select from townships 1, 3, 5, 7, 9, et cetera, North or South of a principal or special base line. The numbering system of the townships and ranges is the system used by the United States Land Survey System.

It is recognized that if a principal or special meridian or base line should intersect an area withdrawn for selection, a slightly modi-

fied selection pattern might result; however, those cases seemed so limited as to not do substantial violence to the intended "checkerboard" selection system contemplated.

5. Section 20 provides for the compensation of attorneys and consultants for services and expenses in the representation of Natives, Native Villages, or Native Associations in claims pending before any state or Federal court or the Indian Claims Commission which are dismissed pursuant to this Act, or in the preparation of this Act and previously proposed legislation to settle the Alaska Native claims based upon aboriginal title, use, or occupancy. The Chief Commissioner of the Court of Claims must determine the amount of the claims, within the limits of funds authorized. It is intended that payment for such services shall only be compensated from the funds provided therefor by this section, and penalties are provided in the event other reimbursement is paid.

Under the provisions of subsection 20(g), the Chief Commissioner is also authorized to allow and certify for payment such amounts as he determines are reasonable, but not more than $600,000 in the aggregate, for actual costs incurred by Native Association in advancing land claims legislation. Attorney or consultant fees or expenses may not be paid from this sum. The penalty provisions of subsection 20(f) (2) would be applicable to any violation of this section. An attorney or consultant who has already been paid by a Native Association could of course return the payment and submit a claim under the attorney/consultant part of the section.

II. MAJOR DIFFERENCES BETWEEN THE CONFERENCE REPORT AND THE BILL PASSED BY THE HOUSE

1. Land

Both bills provided for a conveyance to the Natives of 40 million acres. In the House bill, the Natives would have first choice of approximately 18½ million acres from the 25 townships surrounding each Village. The State would then complete its selections under the Statehood Act (about 103½ million acres). After that the Natives would select the rest of the 40 million acres, but selections would not be limited to the 25 township areas.

In the conference report, the State does not make its selection before all of the Native lands have been selected, but the State's interests are recognized as follows:

(a) State selections made before the date of the Secretarial Order imposing a "land freeze", amounting to about 26 million acres, are protected against Native selection, except that a Native Village (not the Regional Corporations) may select from the area surrounding the Village not to exceed three townships of the lands previously selected by the State.

(b) The Regional Corporations can select lands within the 25 township areas only on a checkerboard pattern of odd and even numbers, and the State may select the checkerboarded townships not available to the Regional Corporations.

(c) The withdrawal of land to facilitate Native selections will terminate in four years, and State selections will not thereafter be impeded.

(d) State selections may proceed immediately in areas outside the 25 township areas around Native Villages, and lieu selection areas.

2. Money

The House bill provided for a grant of $425,000,000 from the U.S. Treasury over a ten-year period, and $500,000,000 from mineral revenues most of which would otherwise go to the State.

In the conference report, the $425,000,000 grant is increased to $462,500,000, which is half way between the House figure and the Senate figure.

3. Corporate Organization

The Conferees retained the provisions of the House bill providing for twelve Regional Corporations and a Village Corporation for each Native Village, but made one addition and one modification. The addition is the option of the Natives who are not permanent residents of Alaska to organize a 13th Regional Corporation which will receive and administer their share of the $962,500,000 grant. The modification is the restriction of membership in the Village Corporations to Natives, rather than all residents.

4. Land Use Planning

The House bill withdraws all unreserved public lands in Alaska for an indefinite period, and permits the Secretary of the Interior to classify the withdrawn areas and reopen them to entry when he determines that such action is desirable in the public interest.

The Conferees retained the substance of this provision, but made the statutory withdrawal for only ninety days and directed the Secretary to make any further withdrawal that may be needed under his existing authority.

In addition, the Conferees authorized the Secretary to withdraw not to exceed 80 million acres of unreserved public land that he thinks may be suitable for addition to the National Park, Forest, Wildlife Refuge, and Wild and Scenic Rivers Systems. The withdrawal is for a maximum of seven years. The Secretary must submit recommendations to Congress each six months, for two years, and the lands recommended for addition to the Federal Systems will remain withdrawn until Congress acts, but not to exceed five years. The withdrawal will not affect the right of the Village Corporations and the State to select and get title to lands within the 25 township areas. The withdrawal will prevent the Regional Corporations from getting title to land within the 25 township areas, and the State from getting title to any of the withdrawn areas.

In addition, the Conferees provided for a Joint Federal-State Land Use Planning Commission for Alaska, with a life of five years. The Commission has no regulatory authority.

III. MAJOR DIFFERENCES BETWEEN THE CONFERENCE REPORT AND THE SENATE'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO THE HOUSE PASSED BILL

Set forth below is a brief explanation of the major differences between the conference report recommended by the conference committee and the amendment in the nature of a substitute to the House bill which was adopted by the Senate. The section references below are to the conference report and the discussion following each section indicates the action taken by the conference committee with respect to the appropriate provisions of the Senate passed amendment.

Section 2. Declaration of Policy

The substance of the conference report language is the same as section 2 of the Senate amendment. Subsection 2(g) of the conference committee does not intend that lands granted to Natives under this Act be considered "Indian reservation" lands for purposes other than those specified in this Act. The lands granted by this Act are not "in trust" and the Native villages are not Indian "reservations."

Subsection 2(e) is from the Senate amendment and makes clear that no change in the present policy with respect to Naval Petroleum Reserve Numbered 4 is intended. Native villages located in the Reserve would receive title to surface estate lands only. All mineral and other subsurface rights within the Reserve remain in the ownership of the United States. To insure that a total of 40 million acres of land in fee title is granted to the Native people by this Act, the appropriate Regional Corporation for these villages is granted the right to select the subsurface estate in an equal amount of acreage outside of the boundaries of the Reserve.

Section 3. Definitions

The language of the Senate amendment defining "public lands" was adopted by the conference committee. This language excludes from the definition lands selections by the State under the Statehood Act, but those lands are specifically dealt with elsewhere in the Act.

Section 4. Declaration of Settlement

The conference report language is, in substance, the same as the language of the Senate amendment. It is the clear and direct intent of the conference committee to extinguish *all* aboriginal claims and *all* aboriginal land titles, if any, of the Native people of Alaska and the language of settlement is to be broadly construed to eliminate such claims and titles as any basis for any form of direct or indirect challenge to land in Alaska. The conference committee added a reference in this section to claims "based upon the laws of any other nation." The purpose of the reference is to extinguish any land claims based upon the laws and legal system of Russia or any other country if any such land claims exist.

Section 5. Enrollment

The conference report language was, for the most part, taken from the House passed bill. The Senate amendment (Section 6) provided for the establishment of an Alaska Native Commission which would prepare the final enrollment, resolve disputes and perform other functions under the Act. The conference report provides that enrollment will be the responsibility of the Secretary of Interior rather than the Native Commission, and that most land and other disputes will be settled by arbitration as provided elsewhere in the conference report.

Subsection 5(c) of the conference report deals with the enrollment of Natives who are not residents of Alaska and provides an opportunity for them to elect to be enrolled in a special thirteenth Regional Corporation if a majority of all eligible non-resident Natives favor the creation of such a corporation.

Section 6. Alaska Native Fund

The conference committee split the difference between the $425 million Federal appropriation in the House passed bill and the $500 million in subsection 5(a) of the Senate amendment, and recommended $462,500,000. The payout schedule for the revenues in the Fund is essentially that of the Senate amendment and insures that the bulk of the Federally appropriated funds will be paid out in the early years, thus greatly increasing the present worth of the right to receive these revenues.

The conference committee also recommended the adoption of the Senate amendment's limitation on the use of funds received by corporations under the Act for political purposes.

Section 7. Regional Corporations

The Senate amendment provided for the creation of two Federally chartered Statewide corporations, one to handle investments, and one to perform social welfare functions and to hold title to the mineral estate of lands granted by the bill. In addition, the Senate amendment required: (a) the establishment of seven business for profit Regional Corporations; (b) the establishment of two corporations to be composed of first, non-resident Natives (the "National Corporation"), and second, urban Natives (the "Urban Corporation"); (c) the incorporation of nonprofit membership corporations for each eligible Native Village; and (d) the creation of an Alaska Native Foundation.

The conference report provides for the establishment of 12 Regional Corporations for resident Alaska Natives and permits the creation of a 13th Regional Corporation for non-resident Natives if a majority of non-resident Natives so elect. This 13th Regional Corporation, if created, would serve the same purposes and functions which were to be performed by the National Corporation in the Senate amendment (section 12).

The conference report language provides that the Regional Corporations shall be organized as business for profit corporations. This requirement is in accord with the Senate amendment. In addition, the investment functions to be carried out by the Alaska Native Investment Corporation under section 10 of the Senate Amendment have been assigned in the conference report to the Regional Corporations. Authority to allow the Regional Corporations to join together, to pool investment funds, and to employ the same business management group for the management and administration of investments is found in subsection 7(k) of the conference report. This general grant of authority parallels the specific authority granted to the Investment Corporation in section 10 of the Senate amendment.

The functions to be performed by the Alaska Native Services and Development Corporation under section 8 of the Senate amendment have, for the most part, been redistributed by the conference committee. The Regional Corporations under the conference report language would receive the title to the subsurface estate of the lands granted by the Act. The Regional Corporations would also perform some social welfare functions of regional benefit, would assist the Village Corporations to organize, and would review and advise on the land transactions of the Village Corporations to insure against fraud and overreaching.

The Regional Corporations provided for in the conference report are authorized to merge with other Regional Corporations. This will provide a means of reducing administrative costs and overhead and improving general corporate efficiency.

Section 25 of the Senate amendment would have established an Alaska Native Foundation to carry on the social welfare functions of the Statewide Services and Development Corporation after the Federal charter for the Services Corporation expired. The conference report does not prohibit the Native people from establishing a charitable foundation at some future date and the Senate conferees receded on this item.

The Senate amendment contained specific language in a number of sections which dealt with conflict of laws questions between the Act and State Corporation law. This potential problem is dealt with in subsection 7(p) of the conference report which provides that the provisions of sections 7 and 8 prevail in the event of any conflict.

The conference committee considered, but decided not to adopt, language from the Senate amendment to guard against any special State legislation which might impair the activities and economic viability of the Corporations established by the conference report. It was the conference committee's conclusion that the State would deal fairly in all respects with Native corporations.

Consideration was also given to language in the Senate amendment authorizing Regional Corporations to contribute to the costs of organizing and maintaining local and borough government in rural areas of Alaska. The language was not adopted for the reason that the conference committee concludes that Regional and Village Corporations as established would have this authority.

Section 8. Village Corporations

This section was drawn from section 11 of the Senate amendment. The House bill provided for land and revenue grants to units of municipal government, or to Village Corporations. Under the conference report, before any lands may be granted an eligible village must organize as a non-profit or business for profit corporation to hold title to lands.

Section 9. Revenue Sharing

Sections 9 and 10 of the conference report, with minor exceptions, are substantially the same as section 18 of the Senate amendment.

Section 10. Statute of Limitations

Section 10 of the conference report is patterned after section 18(g) of the Senate amendment. Congressional authority for enactment of this section and other provisions of the conference report is based, in part, upon section 4 of the Alaska Statehood Act.

Section 11. Withdrawal of Public Lands

The Senate amendment provided for two optional land grant provisions. The first, in brief, was for 40 million acres (38½ million acres around Villages and 1½ million acres of floating selections). The second was for 50 million acres (20 million acres around Villages; 10 million acres of lands to be selected for economic potential; and 20 million acres of permit lands to provide subsistence use protection). The Natives would select one of the options at an election to be held within one year of the enactment of the Act.

The conference committee concluded that lands granted under the Act should be granted as soon as possible and that the areas from which they would be granted should be immediately identifiable. For this reason, the conference report does not provide for a "free floating" selection.

Section 11 of the conference report withdraws lands around villages, including villages located on lands selected by or tentatively approved to the State. This section also provides for the withdrawal of in lieu lands adjacent to the 25 township area to insure that the land selection rights of Native Villages and Regional Corporations will be fully protected and will not be frustrated by competing State selections or the creation of new interests in lands under the public land laws.

Subsection 11(b) is, in part, drawn from section 13 of the Senate amendment and provides that Native villages not listed in the bill may, if they meet designated criteria, later qualify for benefits under the Act.

Section 12. Native Land Selections

Section 12 of the conference report provides for the selection of lands granted to the Native people. In major respects, it parallels section 14 and subsection 13(k) of the Senate amendment.

Section 13. Surveys

Section 13 of the conference report parallels portions of sections 13 and 15 of the Senate amendment and specifies in greater detail, both here and in subsection 22(j), the manner in which land surveys are to be conducted.

Section 14. Conveyance of Lands

Section 14 of the conference report provides for the conveyance of lands granted by the Act. This subsection parallels in structure and purpose the provisions of section 15 of the Senate amendment.

Section 15. Timber Sale Contracts

Section 15 of the conference report authorizes the modification of timber sale contracts and is similar to language in subsection 23(t) of the Senate amendment.

Section 16. The Tlingit-Haida Settlement

Subsection 16 of the conference report provides appropriate and necessary limitations with respect to land grants to Native villages located in the National Forests in Southeast Alaska which participated in the Tlingit-Haida judgment. The parallel language of the Senate amendment is in Section 23.

Section 17. Joint Federal-State Land Use Planning Commission

Section 17 of the conference report is based upon section 24 of the Senate amendment. Section 17 consists of four major sections and these are discussed below.

1. The Planning Commission has been modified by reducing the membership to ten members. In addition, the regulatory powers found in section 24 have been revised so that the Commission's functions are limited to providing advise, coordination and making recommendations to State and Federal government. The enforcement powers granted under section 24(a)(10) have been eliminated and it is the intent of the conference committee that the Federal government and the State will take such actions as are necessary to administer lands under their respective jurisdictions in a manner which will facilitate a process of joint land use planning in Alaska and permit the attainment of both economic requirements and national and state environmental objectives.

2. Subsection 17(b) of the conference report is substantially the same as section 24(d) of the Senate amendment. This subsection provides for the advance reservation of easements and camping and recreation sites necessary for public access across lands granted to Village and Regional Corporations.

3. Subsection 17(c) of the conference report provides that if the Secretary should withdraw a utility and transportation corridor across the public lands in Alaska, the State and the Village and Regional Corporations may not select lands from the area withdrawn for the corridor. In making the withdrawal the Secretary would be acting on the basis of his existing authority such as the Pickett Act and the President's implied authority.

The language adopted by the conference committee is new. The Senate's amendment, in subsection 24(b), would have withdrawn the corridor for the proposed trans-Alaska oil pipeline, maintained the corridor under Federal jurisdiction, and established a management regime to insure the protection of adjacent public lands and visitors to the area. While the conference report does not contain these specific provisions, many of them will be within the Secretary's authority to achieve if he should decide to withdraw the corridor.

4. Subsection 17(d) of the conference report is patterned, in major respects, after subsection 24(c) of the Senate amendment and, in part, after subsection 9(g) of the House passed bill.

The language adopted by the conference committee provides in subsection (d)(1) for a 90-day withdrawal of *all* unreserved public lands in Alaska from all forms of appropriation except locations for metalliferous minerals. The purpose of this withdrawal is two-fold:

First, to permit the Secretary an opportunity to make the withdrawals for National Park, Forest, Refuge and Wild Rivers directed under subsection 2(A);

Second, to permit the Secretary time to determine if there are other public land areas in Alaska which should be withdrawn, classified, or reclassified before they are opened to unlimited and uncontrolled entry, location and leasing under the public land laws. Subsection 9(g) of the House passed bill and subsection 24(c) of the Senate amendment did not limit the time of the withdrawal authority for this second purpose.

The language recommended by the conference committee deals in greater detail with the withdrawal and study of National interest areas and contingencies not dealt with in the House passed bill and the Senate amendment and thus obviates any necessity for providing

for a withdrawal of all public lands in Alaska for an unlimited period of time.

The "classification" and "reclassification" authority granted under subsection 7(d)(1) is *new* legislative authority. The authority is limited to Alaska and to the purposes provided for in subsection 17(d). It is, however, a very broad and important delegation of discretion and authority and the conference committee anticipates that the Secretary will use this authority to insure that the purposes of this Act and the land claims settlement are achieved, that the larger public interest in the public lands of Alaska is protected, and that the immediate and unrestricted operation of all the public land laws 90 days after date of enactment—absent affirmative action by the Secretary under his existing authority—does not result in a land rush, in massive filings under the Mineral Leasing Act, and in competing and conflicting entries and mineral locations.

Subsection 17(d)(2) of the conference report directs the Secretary to withdraw up to 80 million acres of unreserved public lands including lands previously classified such as lands within the Iliamna, Copper River, Brooks Range, White Mountain and other classification areas which he deems are suitable for consideration by the Congress for addition to or creation as new units of the National Park, Forest, Wildlife Refuge, and Wild and Scenic Rivers Systems. This subsection also provides a procedure and sets time limits for terminating withdrawals, for transmitting recommendations to the Congress, and for in lieu selections by the State and Regional Corporations in the event that Congress enacts legislation setting aside these areas for public use and enjoyment.

Subsection 17(d)(3) of the conference report continues the Secretary's full authority over and responsibility for any lands withdrawn by this section and to make contracts and to grant leases, permits and rights-of-way, or easements over any lands withdrawn under this section by the affirmative action of the Secretary after the date of the enactment of this Act. This authority is necessary to protect the lands involved, to provide for their proper administration, and to insure that the Secretary continues to have the full authority he now possesses under existing law with respect to contracts, leases, permits, rights-of-way, and easements. A similar section on the Secretary's authority to administer lands withdrawn by the operation of this Act is found in subsection 22(f) of the conference report.

A major purpose of both of these provisions is, of course, to insure that the Secretary has the authority to grant any contracts, leases, permits, rights-of-way, or easements which may in the future be necessary in connection with Village and Regional construction and local improvement projects, State or local highways and roads, electrical transmission lines, and other types of activities and projects which may involve the use of some withdrawn areas. This language would also permit the Secretary, if he should so decide in the future, to grant the necessary rights-of-way, permits, and other legal authority necessary for the construction of the proposed trans-Alaska oil pipeline. The conference committee did not consider the proposed pipeline in connection with the resolution of the differences between the bills, nor did the House or Senate Committees consider the proposed pipeline in connection with hearings on this subject. Accordingly, the conference committee takes no position on what action the Secretary should take with respect to the pending application. The conference committee does, however, want it clearly understood that *if* the Secretary should, after full and careful evaluation, and after completion of the environmental impact statement required by the National Environmental Policy Act, decide to grant the necessary permits, nothing in this conference report is intended to, nor should be construed in any manner to limit, diminish, or condition the Secretary's existing authority to take any action required to implement this decision.

Language similar to the provisions discussed above is found in section 24(c)(3) of the Senate amendment and in the House passed bill.

Section 18. Revocation of Indian Allotment Authority in Alaska

Subsection 19 of the conference report is taken from the House passed bill and requires an election by Natives with respect to whether to pursue their allotment or to take under the provisions of the conference report providing for a grant of title to the lands on which their primary place of residence is located. The companion provision in the Senate amendment is section 20.

Section 19. Revocation of Reservations

Subsection 19 of the conference report is, with a few modifications, taken from the House passed bill. The parallel language of the Senate amendment is found in section 22 and, if adopted by the conference committee, would have permitted participation in monetary benefits granted by the Act even if a Native village decided to acquire title to their existing reservation.

Section 20. Attorney and Consultant Fees

Section 20 of the conference report provides for the payment of attorney and consultant fees. The parallel language of the Senate amendment is section 26. The Senate language is substantially the same, except that the total amount of fees granted has been reduced to $2 million. In addition, the conference report authorizes the $600,000 granted by subsection 5(g)(1) of the Senate amendment in this section.

Section 21. Taxation

Section 21 of the conference report provides for the tax treatment to be accorded lands and revenues granted by this Act for the settlement of the Alaska Native claims. It parallels section 27 of the Senate amendment and with some deletions and modifications is substantially the same.

Section 22. Miscellaneous

The conference committee in Section 22 added a miscellaneous section to the conference report to pick up a number of provisions from both the House passed bill and the Senate amendment and to deal with problems created by the action of the conference committee in combining the two. Set out below is a discussion of those provisions which are not self-explanatory.

(a) Subsection (a) provides that none of the revenues or lands granted by this Act may be subject to any contract, present or future, which is based on a percentage fee of the value of all or some of the settlement granted. The purpose is, of course, to protect the Native people. This provision would not apply to future percentage fee contracts which are not related to the value of the settlement and which are to be paid out of investment earnings.

(j) Subsection (j) provides for adjustments in deeds to conform to the United States Land Survey System when the lands conveyed have not been adequately surveyed at the time of conveyance. No similar provision was included in either the House or Senate bill, but the conference committee adopted the language to correct this oversight, and to prevent the delay of conveyance which could occur without this provision. The language was deemed necessary in view of the short period provided for the selection and conveyance of lands to the Natives.

(k) Subsection (k) provides that sales and timber management of lands granted to the Natives from the National Forests shall, for a period of five years, continue to be in accordance with rules and regulations of the Secretary of Agriculture (sustained yield). A similar provision was contained in the Senate bill.

Section 23. Review by Congress

Both the House and the Senate bills provided for an annual report to Congress on the implementation of the Act; however, the Senate bill provided for reports to be submitted on March 1 of each year for thirteen years. The conference report requires an annual report until 1984, but does not specify a reporting date. The conference report requires a final report in 1985 in lieu of 1992 as required by the House bill. The Senate bill contemplated detailed reports from the Alaska Native Commission, but this provision was deleted as unnecessary since the conference report does not provide for the Commission.

Section 24. Appropriations

The provision adopted by the conference committee is a simple authorization to appropriate "such sums as are necessary to carry out the provisions of this Act." It is recognized that the Secretary will require additional personnel and other funds in complying with the directives contained in the conference report, and such sums may be appropriated under this provision. The Senate bill also requested the President to advance moneys from his contingency fund for "start-up" of the various corporations authorized by the Senate bills. Due to the different corporate structure and the provision for a $12.5 million appropriation for 1972, such provisions were not deemed appropriate.

The appropriations for the Federal payments into the Alaska Native Fund are already limited by the provisions of subsection 6(a).

Section 25. Publication

The conference committee adopted the House language as section 25 of its report, which is almost identical to the Senate language, and is of similar intent.

Section 26. Saving Clause

The conference committee adopted the House language as section 26 of its report. The Senate provision contained the statement: "Except as specifically provided for in this Act, nothing in this Act shall be construed as repealing any other provision of Federal law applicable to Alaska." That sentence was eliminated as being unnecessary.

Section 27. Separability

The provisions of the House and Senate bills concerning separability were identical, and are included in the conference report as section 21.

Mr. BIBLE. Now, Mr. President, I yield to the distinguished Senator from Alaska (Mr. GRAVEL) for such time as he may need

Mr. GRAVEL. I would like to yield to my senior colleague first.

Mr. BIBLE. The Senator from Alaska (Mr STEVENS) has 30 minutes.

Mr. STEVENS. I thank the Senator.

Mr. President, before beginning my commentary on this bill, I want to acknowledge the great leadership of the Senator from Nevada (Mr. BIBLE) and Representative ASPINALL of Colorado in making it possible for the conference committee to come to a complete agreement on the unanimous basis of all those present to approve the conference report. It was a real exercise in true leadership that these two Members of Congress have shown in this regard, because we started off miles apart yet ended up with a bill which is fair to all concerned.

I am deeply grateful for the leader-

ship that the Senator from Washington (Mr. JACKSON) has shown over the years, and for the assistance we have received from the Senator from Colorado (Mr. ALLOTT) and the other members of the Committee on Interior and Insular Affairs; but we are particularly grateful to the Senator from Nevada (Mr. BIBLE) for his kindness, patience, and wise advice.

Mr. President, my comments on the bill are related to items which may not be adequately explained by the conference report but which have been prepared so ably by counsel for the committee, Mr. William Van Ness, and Mr. Charles Cook and by the counsel in the House Committee on the Interior, Lewis Sigler and Charlie Leppert. I spent a good amount of time at the Department of the Interior working on legislation and I have never seen men who were able to produce so much, so accurately, in so little time. They are truly the architects of this legislation. I believe that it will go down as a hallmark of Indian legislation.

Going through the bill—the problem we have with regard to some of the lands being conveyed is that they are being conveyed with restrictions. They are being conveyed to Native or regional villages at the very time when some of the Federal programs are becoming operative in Alaska and when they are becoming available to the Native people.

For that reason, the bill wisely contains section 2(g). I think it is important to point out that section because of a restriction in the report that indicates the land can be considered as Indian reservation land for the particular purposes mentioned in that section. I mention the EDA type of projects in particular.

On the loans and grants that are made available through Federal agencies in Alaska for the assistance of our Native people, to help them get started in the economic development program that this bill will make available, I think it is important to note that these lands will be considered as through they are Indian-owned lands for the purpose of these Federal acts.

Second, the greatest and most important single decision the conference committee made, that brought about the agreement, was the provision in section 3(e) by which provision tentatively approved lands in the State of Alaska under the Statehood Act or lands identified for selection by the State prior to January 17, 1969, the date of the formal freeze order issued by the Secretary of the Interior are available to the State. That compromise affects about 26 million acres which will be protected for the State except for Native villages. We have taken out of that section the provision which required that the Federal lands be at least 40 acres, because of the existence of Federal installations such as hospitals. The amount of land not needed for a hospital in a small village need not be 40 acres.

It is important to point out the provisions of the enrollment section, section 5. This section refers to the place where a person resided on the date of the 1970 census but it also refers to a permanent residence.

I ask unanimous consent that at the conclusion of my remarks, material provided by the Department of Commerce, Bureau of the Census, be printed in the RECORD, which sets forth the standards which they have used to determine the place of residence.

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

The material referred to follows:

1970 CENSUS OF POPULATION, NUMBER OF INHABITANTS, ALASKA, MAY 1971, PS (1) A3, ALASKA

USUAL PLACE OF RESIDENCE

In accordance with census practice dating back to 1790, each person enumerated in the 1970 census was counted as an inhabitant of his usual place of residence, which is generally construed to mean the place where he lives and sleeps most of the time. This place is not necessarily the same as his legal residence, voting residence, or domicile. In the vast majority of cases, however, the use of these different bases of classification would produce substantially the same statistics, although there may be appreciable differences for a few areas.

The implementation of this practice has resulted in the establishing of residence rules for certain categories of persons whose usual place of residence is not immediately clear. Furthermore, this practice means that persons were not always counted as residents of the place where they happened to be found by the census enumerators. Persons without a usual place of residence were, however, counted where they were enumerated.

Members of the Armed Forces living on military installations were counted as residents of the area in which the installation was located. Members of the Armed Forces not living on a military installation were counted as residents of the area in which they were living. Crews of U.S. Navy vessels were counted as residents of the home port to which the particular vessel was assigned; crews of vessels deployed to the overseas fleet were therefore not included in the population of any State or the District of Columbia. Persons in Armed Forces families were counted where they were living on Census Day (e.g., the military installation, "off-base," or elsewhere, as the case might be). Crews of U.S. merchant marine vessels were counted as part of the population of the U.S. port in which their vessel was berthed on Census Day; or if sailing in inland or coastal waters, either the port of departure or destination, depending on which the vessel was nearest on Census Day. Crews of all other U.S. merchant marine vessels are not included in the population of any State or the District of Columbia.

College students, as in 1950 and 1960, were counted as residents of the area in which they were living while attending college. Inmates of institutions, who ordinarily live there for considerable periods of time, were counted as residents of the area where this institution was located; on the other hand, patients in general hospitals, who ordinarily remain for short periods of time, were counted at their homes. On the night of April 6, 1970, a special enumeration was performed in missions, flophouses, detention centers, etc., and persons enumerated therein were counted as residents of the particular place.

Americans who were overseas for an extended period (in the Armed Forces, working at civilian jobs, studying in foreign universities, etc.) are not included in the population of any of the States or the District of Columbia. On the other hand, persons temporarily abroad on vacations, business trips, and the like, were counted at their usual residence.

Persons in larger hotels, motels, etc., on the night of March 31, 1970, were requested to fill out a census form for allocation back to their homes if they indicated no one was there to report them in the census. A similar approach was used for Americans who left the United States during March 1970 via major intercontinental air or ship carriers for temporary travel aboard. Persons visiting in private homes who gave this kind of indication were also allocated back to their usual residence.

In addition, information on persons away from their usual place of residence was obtained from other members of their families, landladies, etc. If an entire family was expected to be away during the whole period of the enumeration, information on it was obtained from neighbors. A matching process was used to eliminate duplicate reports for a person who reported for himself while away from his usual residence and who was also reported at his usual residence by someone else.

URBAN AND RURAL RESIDENCE

Data on the population of the State by urban and rural residence are shown for the State in table 1 and for the counties, or comparable areas, in table 9. According to the definition adopted for use in the 1970 census, the urban population comprises all persons living in urbanized areas and in places of 2,500 inhabitants or more outside urbanized areas. More specifically, the urban population consists of all persons living in (a) places of 2,500 inhabitants or more incorporated as cities, villages, boroughs (except Alaska), and towns (except in the New England States, New York, and Wisconsin), but excluding those persons living in the rural portions of extended cities; (b) unincorporated places of 2,500 inhabitants or more; and (c) other territory, incorporated or unincorporated, included in urbanized areas.

In censuses prior to 1950, the urban population comprised all persons living in incorporated places of 2,500 or more and areas (usually minor civil divisions) classified as urban under special rules relating to population size and density. The most important component of the urban territory in any definition is the group of incorporated places having 2,500 inhabitants or more. A definition of urban territory restricted to such places, however, would exclude a number of large and densely settled places merely because they are not incorporated. Prior to 1950, an effort was made to avoid some of the more obvious omissions by inclusion of selected places which were classified as urban under special rules. Even with these rules, however, many large and closely built-up places were excluded from the urban territory.

To improve its measure of the urban population, the Bureau of the Census adopted, in 1950, the concept of the urbanized area and delineated, in advance of enumeration, boundaries for unincorporated places. With the adoption of the urbanized area and unincorporated place concepts for the 1950 census, the urban population was defined as all persons residing in urbanized areas and, outside these areas, in all places incorporated or unincorporated, which had 2,500 inhabitants or more. With the following two exceptions, the 1950 definition of urban was continued substantially unchanged to 1960 and 1970. In 1960 (but not in 1970), certain towns in the New England States, townships in New Jersey and Pennsylvania, and counties elsewhere were designated as urban. However, most of the population of these "special rule" areas would have been classified as urban in any event because they were residents of an urbanized area or an unincorporated place of 2,500 or more. Second, the introduction of the concept of "extended cities" in 1970 has very little impact on the urban and rural figures generally.

In all urban and rural definitions, the population not classified as urban constitutes the rural population.

Mr. STEVENS. Mr. President, I call the particular attention of the Senate, for the purpose of establishing legislative history, to the fact that residence under the census concept is not necessarily residence under this bill, because the bill is talking about permanent residence, whereas the Census Bureau counted students where they were in the institutions where they were attending school and they counted persons overseas as not being included in the population of any State or the District of Columbia. Obviously, it is not the standard of the Census Bureau we are talking about in this bill but a concept of permanent residence in regard to section 5.

Mr. President, I invite the attention of the Senator to section 6, particularly section 6(b), with regard to the prohibition against using funds for political purposes that go to the regional corporations of the village corporations. These corporations are subject to the Corrupt Practices Act insofar as Federal elections are concerned. It is clear that the intent is that none of the funds shall be used for any election purposes, State, Federal, or local. This is a prohibition against using these funds from the corporations for any purpose involved in political campaigns.

In section 7, the bill wisely makes the regional corporations profit corporations. They are not government entities, but they are part of a profitmaking picture for the native people of Alaska for the future. I think that the intent is quite similar, and I point out this is mentioned in the report, that these corporations parallel the action of the Senate in regard to the investment corporation that was proposed by the Senate version of the bill. It is important for all to note that these are incorporated under the laws of Alaska to conduct business for profit.

They are not government bodies. We assume that as corporations they are doing business for profit and will not incur debts on behalf of any individual other than those debts that they have been authorized to incur pursuant to the corporate laws of the State of Alaska.

Particularly also I would call attention in that same section to subsection (h)(1), which permits transfer of stock pursuant to a court decree of separation and divorce or child support. It should be clearly identified as an exception to the prohibition against transfer of the stock of any of these corporate organizations for a period of 20 years.

In the same section, subsection (1) permits the regional corporations to withhold money from the villages, moneys that they are entitled to under the formula in the bill, either 50 percent of the money after 5 years or 40 percent during 5 years. These moneys may be withheld by the regional corporation until the village has submitted a plan for the expenditure of their funds.

I call particular attention to the fact that under section 8(b) of the bill, the budgets of the corporation may be reviewed in a period of 5 years. This is not the same power as the power to review the plans for spending; this is the power to request a plan in advance of expenditure but not to approve the village budget—that power is limited to 5 years.

The village corporations under section 8(a) are also corporations which are organized for profit, but they may on decision of the villages, be organized as nonprofit corporations under the laws of Alaska.

Under section 9(a), with regard to the revenue sharing provisions, the so-called 2 percent overriding royalty that applies to all lands in Alaska in Federal title today apply to all minerals that are subject to disposition under the Mineral Leasing Act.

This is one of the provisions of the Senate bill as passed. I am hopeful that that change will be duly noted by those people who administer this act after it has been passed.

In regard to section 10(a), the conference made it very clear that the district court of the district of Alaska is the only court that will have jurisdiction over actions in regard to any challenge with respect to the legality.

In subsection (b) it is clear—and this is a significant change—that only in the event the State initiates litigation or voluntarily becomes a party to the litigation to contest the authority of the United States to legislate on the subject matter or the legality of this act, will all rights of land selection granted to the State by the Alaska Statehood Act shall be suspended.

All of the lands under this act which are conveyed to the Native people of Alaska with the exception of hardship lands and those lands identified as the new lands will be within 25 townships.

I call attention to section 11(a). This is also a very significant compromise on the part of the conferees. It recognizes that the lands around the village areas in Alaska are the lands that the village people have wanted and claim as their own. There are no floating selection rights under the bill.

I would also like to call to the attention of the Senate that the revenue-sharing sections of the bill apply only to the revenues of the State of Alaska received after the date of this act. A very significant word in that section is the word "hereafter" and that is a change that means that the 2 percent overriding royalty will be paid when received from mineral resources of the State of Alaska from revenues received after the date of this act.

There are many significant changes in this bill that have been, I believe, to a great extent explained, and very well explained, I may add by the report that has been filed by the conference committee. I do believe, however, that there are some areas that need further explanation—for instance, section 14(h) regarding the conveyance of fee title to regional corporations for cemetery sites and historical places. I would hope that the manager of the bill would agree with me that the intent of the conferees was not to take the places away from the village, to take away their cemeteries or their historical sites, but merely to place title in the regional corporation as the custodian of places properly identified as such sites. For instance, I refer to some of the old Russian churches and some of the areas preserved by the village people. Title will be conveyed to the village corporations, for instance, of some of such places. It is the intent of the conferees under this act that those areas will be preserved and that they are conveyed to the village corporations for that purpose and not for the purpose of commerical exploitation but to provide for the preservation of the cemeteries and historic sites.

Mr. BIBLE. Mr. President, will the Senator yield to me at that point?

Mr. STEVENS. I yield.

Mr. BIBLE. Mr. President, the Senator from Alaska brought that point up during the conference. It was very thoroughly discussed by him and by the members of the conference. The interpretation he places on the status of the cemeteries and historic sites is exactly correct. There is no intent whatever in the bill to take the last resting places or these historic sites away from the Native people or their village corporations.

That was made very clear in the conference.

I am glad that the Senator clarified it by his discussion.

Mr. STEVENS. Mr. President, I thank the Senator from Nevada.

Lands to be made available under the same section, for areas such as Sitka, Kenai, Juneau, and Kodiak are made available under the particular section relating to hardship areas that treatment does not apply to any other area of the State. These lands are made available pursuant to a decision that these are historic villages that existed before a white man got to Alaska that no longer exist. They are to be included in this hardship category created under this act.

I point out particularly the provisions of section 14(h)(5) which deal with the conveyance of 160 acres of land occupied by the Native as a primary place of residence on August 31, 1971. That is a place of residence outside of village land. The subsurface state in such lands shall be conveyed to the appropriate regional corporations.

Mr. President, I would like to make a comment concerning the provisions of section 17(B), which is a provision that I would refer to as a revised Kyl amendment, does give the Secretary of the Interior the right to withdraw 80 million acres of land within the 9-month period following the date of the enactment of this act. It is the intent of the conferees, I believe, that these are to include the lands previously classified, such as the Iliamna classification, Brooks Range, or Copper River areas and that these lands comprise well over 50 million acres already. We have added land up to 80 million acres so that the Secretary could identify the land to be withdrawn by the Congress at some future date for specific Federal programs that is, national parks, forests, wildlife refuges, and wild and scenic rivers.

This amendment that was contributed to by Representative UDALL, of Arizona, with regard to the provisions of subsection (c) of this amendment, which requires the Secretary to report every 6 months for a period of 2 years his recommendations with regard to these lands

the Senator from Nevada has made a most significant contribution. If the Secretary recommends, in 2 years, that land he has identified as being valuable for these for specific programs be added to the areas set aside for those programs in Alaska, the Congress will have 5 years to act. This was another wise and just resolution of the problem that faced us with regard to the great demand for areas needed for conservation purposes.

I again commend the Senator from Nevada for aiding us and for putting together a bill which Representative UDALL and Representative KYL on the other side, and Senator METCALF on this side felt so strongly about. Through this bill we can achieve our respective goals.

In section 21 the statement is made that:

> The receipt of shares of stock in the Regional or Village Corporations by or on behalf of any native shall not be subject to any form of Federal, State, or local taxation.

I assume the manager of the bill would agree that we are talking about shares issued originally by the corporation or issued in the 21st year and not stock dividends in lieu of dividends. Those dividends would be taxable under the existing law.

Mr. BIBLE. Mr. President, if the Senator will yield, the answer, as I understand the question, is "Yes."

ORDER OF BUSINESS

Mr. TOWER. Mr. President, I ask unanimous consent that the Senator from Alaska will yield to me without losing his right to the floor so that I may propound a unanimous-consent agreement.

Mr. STEVENS. I yield.

The PRESIDING OFFICER. The Senator from Texas is recognized.

ECONOMIC STABILIZATION ACT OF 1971

Mr. TOWER. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2891.

The PRESIDING OFFICER (Mr. HANSEN) laid before the Senate a message from the House of Representatives announcing its disagreement to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2891) entitled "An Act to extend and amend the Economic Stabilization Act of 1970," and requesting a further conference thereon.

Mr. TOWER. I move that the Senate agree to the request of the House for a further conference, 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. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS, Mr. CRANSTON, Mr. TOWER, Mr. PACKWOOD, and Mr. ROTH conferees on the part of the Senate.

Mr. TOWER. Mr. President, this matter has been cleared on both sides. The reason for this action is that an amendment was added in conference, against which there was a point of order raised in the House which was sustained by the Parliamentarian and we are going back to work on the measure now.

I thank the Senator for yielding.

ALASKA NATIVE CLAIMS SETTLEMENT ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10367) to provide for the settlement of certain land claims of Alaska Natives, and for other purposes.

Mr. STEVENS. Mr. President, the miscellaneous provisions in section 22 contain very important decisions. Two of them have not been commented on in the report.

Section 2(b) directed the Secretary of the Interior "to issue patents to all persons who have made a lawful entry on the public lands in compliance with the public land laws for the purpose of gaining title to homesteads, headquarters, sites, trade and manufacturing sites, or small tract sites."

These people are to get their patents immediately, or at least as soon as possible.

The second group consists of those who made a lawful entry prior to August 31, 1971, and although they might not have completed all requirements of the land laws, shall be permitted to continue to meet those requirements, and provided they lawfully entered on the land and were not trespassers, they will be able to continue and receive patents to the land they lawfully entered.

The provisions of subsection (h)(2) pertain, as I understand it, to tentatively approved lands and the withdrawals made within tentatively approved lands, for the purpose of permitting village selections. After 3 years they should go back to the State which should receive patent for such lands not taken by the village in question.

I assume the manager agrees. There is a withdrawal for the villages and even though these lands were tentatively approved under the Statehood Act, a village within by T/A lands could select lands within those tentatively-approved areas. But, once that withdrawal expires there is an understanding that the remaining lands should be patented to the State of Alaska.

Mr. BIBLE. If I followed the Senator's complex question, I think the answer is yes, but I would want to read it first. I think the answer is yes.

Mr. STEVENS. I apprecite the statement of the Senator.

My intent is to make certain that those lands, within T/A lands, withdrawn for the purpose of villages, not used by villages, are to be patented by the State at that time. I want to be sure it is clear we do that.

Mr. BIBLE. As the Senator has restated it, the answer is unquestionably yes.

Mr. STEVENS. In section 22(c) we have provided a section that all lands "conveyed to village and regional corporations, any person who prior to August 31, 1971, initiated a valid mining claim or location under the general mining laws and recorded notice of said location within the appropriate State or local office shall be protected in his possessory right if all requirements of the general mining laws are complied with, for a period of 5 years, and may, if all requirements of the general mining laws are complied with, proceed to patent."

This is a protection for those who have mining claims in Alaska; if they are valid today and if they continue in the development they will have an additional 5 years to proceed to patent. Otherwise they might be cut off by reason of the fact they did not have an opportunity to fully protect their claim under the mining laws prior to this date.

Section 22(k) is a provision that many people have misunderstood. It is my firm opinion that the lands conveyed to the Native people in southeast Alaska will be an immediate asset because they are timberlands from the national forest in Alaska.

For fiscal and other reasons we have delayed the cash settlement and I felt there could be extraordinary pressure on the villages to sell this timber before they would have the money and before they develop the management protections to really treat those timberlands as what they are, a long-term asset of each village. For that reason the bill provides:

> (1) the sale of any timber from such lands shall, for a period of five years, be subject to the same restrictions relating to the export of timber from the United States as are applicable to national forest lands in Alaska under rules and regulations of the Secretary of Agriculture; and
>
> (2) such lands are managed under the principle of sustained yield and under management practices for protection and enhancement of environmental quality no less stringent than such management practices on adjacent national forest lands for a period of twelve years.

I feel that is something that will result in the preservation of these forest lands for the Native people.

I hope in time that will prove to be the case.

Mr. President, in the past years, many hundreds of people have entered upon the public lands in Alaska to make entries under the public land laws. Because of the imposition of the so-called super land freeze in 1969, many of these individuals have not received a patent, although they may have completed all the requirements stipulated in the public land laws or may have been well on their way to completing these requirements. In addition, many individuals have entered the public lands to stake claims under the general mining laws.

It has been my opinion throughout our consideration of the Native land claims settlement legislation that both types of entries should be protected in the final settlement bill. Such protection is a matter of simple justice. Many hundreds of Alaskans have spent years of effort in satisfying the requirements of the public land laws. Often, they have spent large sums of money in reliance on the fact that they would some day receive a patent in compensation for their labors.

Not only is the protection of entries under the public land and general mining laws a matter of justice, it is also a matter of sound economics. The mineral extraction industry is an essential component of the Alaskan economy. In recent years, mineral resource concerns have invested much capital in our State. This capital has, in turn, generated additional income for Alaskan businesses that are not involved in mineral development. The decision to invest venture capital is dependent upon many factors. One of the most important of these is the certainty that possessory and other valid existing rights will not be disturbed. The mere threat of disturbance is usually enough to deter the investment of venture capital.

It is my opinion that the bill we are considering today does protect rights which have accrued under the general mining and public land laws. This is accomplished in several places in the bill. One of the most important is section 22 (b), which I proposed during conference committee consideration of the settlement legislation. This provision directs the Secretary to promptly issue patents to all persons who have made entry on the public lands in compliance with the public land laws for the purpose of gaining title to homesteads, headquarters sites, trade and manufacturing sites, and small tract sites, and who have fulfilled all requirements of the law prerequisite to obtaining a patent.

In addition, this section provides that any person who has made a lawful entry prior to August 31, 1971, for any of the foregoing purposes shall be protected in his right of use and occupancy until all the requirements of law for a patent have been met. This would be so even if the lands involved have been reserved or withdrawn in accordance with Public Land Order 4582, as amended, or the withdrawal provisions of the settlement legislation. Of course, to qualify for protection under the latter part of this provision, an individual must have maintained his occupancy in accordance with the appropriate public land law.

Similar treatment is also provided to those who have entered the public lands in compliance with the general mining laws. Under section 22(c), which I also proposed, on lands conveyed to villages and regional corporations, any person who prior to August 31, 1971, initiated a valid mining claim or location under the mining laws and recorded notice of his location will be protected in his possessory rights, if all the requirements of the law have been satisfied. This protection will apply for a period of 5 years and, if the mining claimant has complied with the requirements of the mining laws, he will receive a patent. On lands which are not conveyed to village and regional corporations, the August 31, 1971, cutoff date does not apply, and the rights of all those who initiated valid mining claims or locations will be protected in accordance with subsection (c) even if their entries were made subsequent to August 31.

I believe that another aspect of the settlement legislation will have a favorable impact on the Alaskan mining industry. This is the conference committee's treatment of the land freeze. First, metalliferous mining entries are exempted from the further freeze provided in section 17(d). Such an exemption is in keeping with that provided in the Pickett Act and Public Land Order 4582, as amended, and is absolutely necessary to the continuation of an economically viable mineral extraction industry in Alaska. Second, the general land freeze stipulated in the bill is carefully defined and is restricted in time and location, thus, insuring the prudent development of Alaska's land base, which is so essential to the social and economic progress of all our people.

Mr. President, I believe that the conference committee's treatment of rights which have accrued under the mining and public land laws is an excellent accommodation of the various interests involved. The settlement legislation which we are considering today is an historic and significant landmark in our treatment of Alaska Natives. We must also keep in mind that the bill will have a significant impact on the non-Native citizens of Alaska. I believe that the provisions which I have just described and others that have been written into the bill will provide all our people with the opportunity to participate in the development of Alaska.

Mr. President, obviously I have just about used all of our time. On behalf of the people of Alaska I want to express our sincere gratitude to the Senator from Nevada. He suggested that the Congressman from Alaska, the Senators from Alaska, and the Governor of Alaska get together to try to resolve our differences before the conference. We did that, and while our understanding has not been incorporated 100 percent into the bill it led to a substantial resolution of the problems before the conference.

It has been a pleasure to work with the Senator from Nevada, and I appreciate the opportunity to make this explanation.

Mr. BIBLE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 25 minutes.

Mr. BIBLE. I thank the Presiding Officer.

Mr. President, first let me thank the the Senator from Alaska (Mr. STEVENS) for his comments. All of us worked as a team on this bill. We did have many complications as we went along on it, but men of goodwill can always, with a little give and take, work out their problems. I think the end product is a fair and equitable bill.

Mr. President, earlier I asked unanimous consent that the printing of the report by the Senate be dispensed with. I would now like to ask unanimous consent that unanimous-consent order be withdrawn, because there seems to be a feeling that there should be a considerable number of these reports made available for the people of Alaska.

The PRESIDING OFFICER. Without objection, the previous order will be vitiated.

Mr. BIBLE. Mr. President, I want, first, to offer for the RECORD the statement of the chairman of the full committee, the Senator from Washington (Mr. JACKSON), who, for reasons which are apparent to everyone throughout the Nation—at least, I hope they are—was unable to be in attendance at every meeting, but attended as frequently as he could and was available for most of the meetings.

I ask unanimous consent that his statement be printed in the RECORD.

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

STATEMENT BY SENATOR JACKSON

Mr. President, I want to commend both the House and Senate members of the Conference Committee on the Alaska Native Claims Settlement Act of 1971 for their dedicated effort and for the constructive and reasonable manner in which the differences between the House passed bill and the Senate amendment were resolved.

I especially want to thank and commend the Senior Senator from Nevada for serving as Chairman of the Senate Conferees during the conference meetings I was unable to personally attend. The Senior Senator from Nevada, who is Chairman of the Subcommittee on Parks and Recreation, did an outstanding job in handling this complex and difficult conference and in protecting the interests of the Native people, the State, the Federal government, and the larger public interest in the resources and the future of Alaska.

I also want to note that because of the senior Senator from Nevada's persuasive arguments on behalf of his Park Study Amendment to the bill when it was considered in the Senate, the Conference Committee adopted the amendment in the Conference Report. This amendment directs that the Secretary of the Interior withdraw up to 80 million acres of land in Alaska which are suitable for inclusion in the National Park, Forest, Wildlife Refuge and Wild and Scenic Rivers System. Future generations of Americans will be thankful for the Senator's foresight and judgment and I am proud to have cosponsored this important amendment in the Senate.

Mr. President, the purpose of a Conference Committee is, of course, to resolve and to compromise the differences between House and Senate passed bills. I endorse and commend the major portions of the Conference Committee's actions. There are, however, some aspects of the conference report on which I have individual views which I advanced in the Conference Committee that are not in accord with the action that was ultimately taken by a majority of the Senate and House conferees.

I want to set forth these views for the *Record* because I believe that my concerns in many of these areas can be handled by the Secretary of the Interior under his existing legal authority and in the administration of the Act.

First, I regret that the Conference Committee did not accept my amendment to require competitive leasing of all public lands in Alaska. It is my view that competitive leasing would result in greater revenues to the United States Treasury and would prevent windfalls to private individuals.

Second, I would have preferred the language of the Bible amendment which I cosponsored to the language in the Conference Report. The amendment of the Senior Senator from Nevada as adopted by the Senate had no limitation on the total amount of acreage which could be withdrawn for park purposes. The Secretary can and, in my view, should withdraw any public lands in Alaska—within the 80 million acre limitation of the Conference Report—which meet the standards for inclusion in, or creation as, new units of the National Park, Forest, Refuge or Scenic Rivers Systems. If this is not done, the

last chance to set aside these unspoiled lands for future generations without cost to the American people will have been foregone.

Third, it is my strong conviction that the Joint Federal-State Land Use Planning Commission should have regulatory and enforcement powers as provided for in the Senate amendment, rather than merely being an advisory body to the State and Federal government. The Secretary can, by supporting the Commission and by following the planning priorities the Commission recommends, insure that a national land use policy will be developed for the public lands in Alaska.

Fourth, I would have preferred the adoption of the land formula I proposed in the Senate bill which provided for less lands—30 million acres—but higher quality lands—10 million acres of free-floating lands to be selected for their economic potential. I believe the public interest is better served by granting the Native people less total acreage, but making sure that the lands granted are valuable and will generate a continuing source of revenue.

Fifth, I would have preferred the simplicity and security of *one* Statewide Investment Corporation, competently staffed and subject to appropriate restrictions, to protect the interests of the Native beneficiaries in the revenues granted by the Act to the 13 Regional Corporations provided for in the Conference Report.

Sixth, in my view, the protection of Native subsistence needs and requirements would have been better protected by a special provision in the Act rather than by leaving the matter to Secretarial discretion.

Mr. President, I would like to commend wholeheartedly the efforts of both the House and Senate conferees for their untiring efforts over the nine days of the conference. The *settlement package* is a fair and honorable resolution of the Native Claims—fair to the Native people, to the citizens of Alaska, to the State, and to the national interest.

Mr. BIBLE. I want to single out the Senator from Washington (Mr. JACKSON) for the many days of work that he, and he alone, has spent on the consideration of the Alaskan Native problem. This started in the 90th Congress. In the 91st Congress he devoted at least 6 days in field hearings and in Washington, D.C., to these problems. In addition, he devoted more than 15 days of full committee time to executive sessions. As the record will show, the bill was reported to the Senate after many days of hearings and deliberation. It was passed by the Senate, but did not pass the House of Representatives.

In this Congress, the 92d, the chairman devoted some 3 days to hearings on this bill, another 3 days to executive sessions, and 1 day to floor debate in perfecting the Senate bill and sending it to conference. There were almost 9 full days of meeting in conference. So, in my view, the junior Senator from Washington deserves the major share of the credit for the work that has been hammered into this legislation on the Senate side.

I also want to pay particular tribute to Bill Van Ness, chief counsel to the committee who worked out so many, many problems not only in this session but in the last session, in the Alaska Native claim bill. I do not know what we would have done without his legal and sharp analysis of the problems involved.

I would also like to salute Jerry Verkler, staff director, and likewise Charles Cook, minority counsel. Again as a team, they worked long and hard to bring out a bill which I think is a fair and equitable one.

Now, I would like to yield 5 or 10 minutes, or whatever time he may want, to the distinguished Senator from Alaska (Mr. GRAVEL).

Mr. GRAVEL. I thank my colleague from Nevada.

Mr. President, before proceeding, I would like to clarify two minor points. According to the bill funds will be appropriated into the Alaska native fund beginning this fiscal year; that is, before July 31, 1972. But no funds will be paid out from the Alaska Native fund to the regional or village corporations until the Secretary of the Interior has completed the Native enrollment. That procedure could take as long as 2 years. It is my understanding that in the interim the appropriated funds will be held in a special fund in the U.S. Treasury. Will there be any interest credited to that account while the funds are withheld pending enrollment?

Mr. BIBLE. The bill does not by its terms provide for interest on the appropriated funds once they are, in fact, appropriated although interest at the rate of 4 percent per annum beginning 6 months after the end of any fiscal year in which Congress fails to make a scheduled appropriation is provided.

As to funds withheld pending enrollment, it is the committee's intention that the Secretary of the Treasury shall use his existing statutory authority to invest and manage the Alaska Native fund pending enrollment and to credit any interest so earned to that fund. When the enrollment is completed, the total balance, including accrued interest will be paid to regional corporations in accordance with the bill.

Mr. GRAVEL. I thank the Senator. My second question concerns revocation of existing reservations. Under the committee bill all reservations in Alaska are revoked, unless the village corporations located within the reservation elect to take fee title to the reservation. If Natives do elect to take title to the reservation, they will not participate in the land selection procedures of the bill, nor share in the monetary settlement.

Some reservations contain two or more Native villages. On page 27, section 19(b) of the conference report, the committee bill states:

> If two or more villages are located on such reserve the election must be made by all of the members or stockholders of the Village Corporations concerned.

Does this language mean that an election in such cases must result in a unanimous vote of all the Natives in order to take fee title to the reservation?

Mr. BIBLE. No, it does not. The language merely provides that where two or more villages are located in the same reservation, then members of all affected villages must participate in the election held to determine whether to retain the reservation. If a majority of all affected Natives vote to take title to the reservation, that election will be effective. The language refers to participation by all affected Natives, not to any requirement of a unanimous vote.

Mr. GRAVEL. Mr. President, last month the Senate passed S. 35, a product of considerable legislative effort on the part of the Senate Committee on Interior and Insular Affairs.

The dedication and leadership of Senator HENRY M. JACKSON and other members of the committee, and the solid legislative craftsmanship of the committee staff under the direction of Chief Counsel William Van Ness, produced an excellent document, worthy of the importance of the Alaska Native land claims.

The House had earlier passed H.R. 10367, which likewise was an impressive document. House Interior Committee members and staff had labored long and hard to reach a compromise of all competing interests.

Both bills essentially took the same approach to settlement. Both included approximately $1 billion in revenue, 40 million acres in confirmed title to the Natives, and a corporate structure for long-term management of settlement funds and land interests, with considerable discretion left to the Native recipients on the disposition and control of these resources.

Nevertheless, the conference between the two Houses was a difficult one, difficult because this was the most important piece of legislation for Alaska since the Statehood Act cleared both Houses in 1958. Provisions of this legislation cut across virtually every economic and social interest in the State of Alaska.

Make no mistake about it, with passage of this legislation Alaska will never be the same. For Alaskans, this legislation will take some getting used to. But once the immediate changes are implemented, and our people become familiar with the new structures and the new interests, I am confident there will be common agreement that the act we consider today will have been extremely beneficial to the individuals concerned and to the State and Federal governments.

Virtually all land in Alaska is presently in public ownership. This legislation will convey at least 40 million acres to Native interests—and that means private interests— and will open the way for additional land selections under the Statehood Act, much of which will ultimately reach private hands. That will be a new element in Alaska life.

Another new element involves Alaska government structure. Most of Alaska's vast land expanse does not fall within the boundaries of regional government. With this legislation we will be creating, in fact, if not in name, government for the many rural regions of Alaska.

The Natives of Alaska have not had and do not have today the economic resources to insure their full equality as citizens of our State or this Nation. Most Native Alaskans over the years have become dependent upon government handouts for all aspects of their health and welfare—oftentimes for their very subsistence. With passage of this legislation some economic resources will be available to the Native population of Alaska. This will not insure dramatic improvements in their way of life, but it will give the Native people an opportunity to build

and create on their own, with their own leadership, in their own way, for the first time not dictated to by a non-Native bureaucracy thousands of miles away.

All of this and more will take some getting used to by Alaskans. There will be newly created entities with real economic and social power. There will be new leaders in the mainstream of Alaska's economic and political life. There will be new bases of economic potential for employment, development and investment. There will be new interests to deal with regarding Alaska's land and its resources.

And, hopefully, from this there will be rapid and significant improvement in job opportunities, education, and the general health and welfare of all Alaskans, particularly those who need it most, the people of village Alaska.

The land claims settlement is not welfare legislation. For nearly a century the Federal Government has had an unredeemed debt to the Indians, Eskimos, and Aleuts of Alaska.

Now, a claim has been filed, considered, and, with passage of this legislation, the claim will be paid. It is a just and valid claim, recognized by all branches of the Federal Government. H.R. 10367 is the negotiated settlement of that obligation.

As a consequence of retiring the debt, increased economic opportunities will flow to the recipients. Some non-Natives believe, in all good faith, that the settlement is too much of an advantage for the Native people, particularly when added to other existing Federal programs for the exclusive benefit of Alaska Natives.

The weakness of this argument lies in the kind of conditions existing Government programs have created. We have provided too little in all areas—health, education, housing, employment—as verified by available statistics, and apparent to all who know the nature of village life. We have approached these programs in such a way as to create a demeaning climate of dependency among some of the proudest, most resourceful people on earth.

With this legislation, the Native people of Alaska gain some tools with which to break the cycle of dependency and help shape their own destiny.

Mr. President, this legislation, in my opinion, does justice, to the valid claims of the Native people. I believe most Natives will accept the legislation as a just settlement.

This legislation will produce immediate and significant benefits for all the people of Alaska.

It will open the way for orderly development of our vast resource potential.

It insures that tens of millions of acres of Alaska land will be set aside for parks, wilderness areas, wildlife ranges, and developed recreational areas.

Not every Alaskan, nor every Member of Congress will find happiness with this legislation. In the final analysis it has that common property of all legislation which we enact: it is the work of mortal men attempting to wrestle with urgent problems, acutely aware of present realities, yet with an eye on the vision we hope to build into our future.

I am certain that the immediate reaction in Alaska to enactment of this legislation will not be universal acclaim, but rather a mixed blend of delight, hope, caution, and anger.

But I am also convinced that this is sound legislation, a fair settlement, and a necessary prelude to development and protection of America's last great remaining frontier.

For 5 years I have been personally and actively involved with this problem. As a U.S. Senator I have lived with this legislation for 3 years, often to the exclusion of most other interests. I am satisfied with the result. I am confident of the justice of its provisions, and I urge its passage by the U.S. Senate.

There are two gentlemen whose activities with respect to this legislation stand out. They are the Senator from Washington (Mr. JACKSON), and Representative ASPINALL, both chairmen of the respective Interior Committees of the House and the Senate. Their job, of course, requires that they handle this legislation. But the way these gentlemen conducted themselves over the past 2 years in this problem area demonstrates not only that they did a job they are required to do because of their position, but that they demonstrated a degree of leadership and dedication far in excess of that normally exercised. The Senator from Washington (Mr. JACKSON) melded together various points of view to bring about a decision. The decision to have the Federal Field Committee in Alaska do detail research in this area laid the groundwork for information which opened the way for passage of this legislation.

The Senator from Nevada (Mr. BIBLE) himself, because of the enforced absence of the chairman in the final months, played an unusual role, particularly in the conference committee. We were fortunate that he is gifted with a tempering personality that enabled him to influence other members in bringing about the resolve to push the legislation along.

I am in accord with his statement with respect to Bill Van Ness and Jerry Verkler on the Senate side. I would add to that commendation mention of Lewis Sigler on the House side.

The work necessary to bring this bill together has been a gargantuan task and all who participated deserve the gratitude of all Alaskans.

I want to pay particular commendation to my colleague on the other side of the aisle (Mr. STEVENS). Though we at times have disagreed on some of the facets of this legislation, let me say that I believe his resolve and his dedication to accomplish a solution in this regard are no less than my own, and certainly no less than anyone else's.

This is my second experience with Representative ASPINALL, in conference.

Representative ASPINALL was on this floor earlier. The way he conducted the conference committee was probably the most ideal leadership I will ever experience in my tenure of office in Congress. He was at all times very courteous, at all times very diligent, and I believe, in a personal way, he went out of his way to encourage each individual member to state his views while at the same time moving the process along to a conclusion. I also wish to mention the following House conferees: Messrs. HALEY, EDMONDSON, UDALL, MEEDS, BEGICH, SAYLOR, KYL, STEIGER, and CAMP. Their efforts certainly are noteworthy and their accomplishment great in the passage of this legislation.

Let me say we probably could not have seen a bill this year if it had not been for the Governor of Alaska, William A. Egan, coming forward and adding his voice, adding also a tempering influence, since he knew many Members of the House and the Senate on a personal basis because of his long career of public service. His efforts to arrive at a just settlement were most important in permitting us to reach a legislative solution.

Let me particularly point out the efforts made by Representative NICK BEGICH of Alaska, which added a catalytic influence on the House side and which I am sure helped to bring about the legislation in the House.

Let me just add, in passing kudos, the names of Dr. Douglas Jones, who was appointed to the Federal field committee and joined my staff in the Senate; Byron Mallott, no longer on my staff, but who was here in the beginning, and did significant and important early groundwork, Sam Kito, who advised me in many different areas of this legislation.

Joe Rothstein, my administrative assistant, who is with me on the floor today, has devoted more time to this subject than any other task we could possibly have thought of undertaking during my short tenure. His efforts were important in countless ways that can never be fully appreciated by those who have not lived with the development of this legislation.

There is one other noteworthy ingredient: The Alaskan Native people themselves. They brought to Congress the bill, sought its introduction, and obtained its introduction. When I consider the amount of work we have undergone in bringing about this legislation, and when we realize that the Alaskan people, through their Native organization, hammered out a bill with all the intricacies this one has, I think it is an amazing testimonial to the great democratizing process that has taken place in Alaska. If this bill carries the imprint of any one group of people, it is that of the Alaskan Natives.

The imprint is there. It has been hammered into an amalgam and then into a compromise, which is what we have before us today. I think this compromise is a good one, certainly, within the realm of the ability of human beings to make such a compromise. I can only say that as we go forward from today, the challenge has been met by Congress, we have worked

our will, and the challenge rests with the Alaskan Native people and the citizens of Alaska themselves—first, with the citizens of Alaska, in the fact that they must accept this legislation; and second, with the Native people, who must develop from this legislation, a future for themselves.

We can pass as many laws as we will, but if the people who are subject to those laws do not accept them, then the effort goes to naught, and we do representative government a disservice. I hope and pray that the Alaskan community—and I shall do everything in my power, and I am sure my colleagues will, to bring it about—will accept the legislation in the spirit in which it has been rendered, to do justice first to the Natives of Alaska, and second to all the people of Alaska and the people of this Nation. As I have stated, I think we have met our challenge. I am confident Alaska's citizens will meet their challenge, in their acceptance of the legislation, and that the Natives of Alaska will meet their challenge, their great opportunity.

We have done today, Mr. President, probably the most significant thing for Alaska, with the passage of this legislation, since the passage of the Statehood Act, if not since the purchase of Alaska from Russia.

Mr. BIBLE. Mr. President, as we are about to move to the adoption of this conference report, I again wish to pay tribute to the chairman of the full conference committee. I have had many conferences, over my years on the Committee on Interior and Insular Affairs, with Representative WAYNE ASPINALL. I do not recall the number, but it is of a high numerical order. He gives to a conference a balance and a firmness that we do not always find in our conferences. In this conference in particular, which was tedious and involved some misunderstandings, he maintained a balance and retained his sense of humor throughout. The differences, I think, were resolved adequately.

Mr. President, I believe I am now in a position to yield back the remainder of my time.

Mr. STEVENS. Mr. President, if I have any time remaining, I would like to point out that this represents the last settlement for any aboriginal group on a first-time basis. There have been treaties and there have been judicial settlements with other Indian groups, but this is the last of the great aboriginal claims that will be presented to the Congress. This is a historic occasion.

Mr. BIBLE. I think it is, also. Let me add to the statement that Senator STEVENS has just made that it has been a pleasure to work with the Alaska Senators on this matter, and I hope it will be landmark legislation, that will help work out the problems of all concerned. I do not say that this is a perfect bill, but I believe it is the best we can get.

Mr. President, I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HANSEN). All remaining time having been yielded back, the question is on agreeing to the conference report.

The report was agreed to.

QUORUM CALL

Mr. BIBLE. 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.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today—and I hope that will be very shortly—it stand in adjournment until 12 o'clock noon tomorrow.

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

Mr. MANSFIELD. The only business remaining for today is the conference report on the economic package part of phase II, and we hope to have that momentarily.

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.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971—CONFERENCE REPORT

Mr. PROXMIRE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HANSEN). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of this date at pp. 46844–46848.)

Mr. PROXMIRE. Mr. President, the House objected to the conference report as was agreed to by the conference committee on S. 2891, The Economic Stabilization Act Amendments of 1971. We have since then, Mr. President, appointed new conferees, met and we have now agreed to a revised conference report which removes the language objected to by the House.

The initial conference report contained an amendment to the Senate language authorizing an increase in the maximum pay permitted to certain categories of legislative employees. This provision has been eliminated in the revised conference report, and the language with respect to Federal pay is now identical to the bill passed by the Senate on December 1. It is my understanding that a point of order was made against that particular language, which has now been eliminated completely; so there is no question that this now is in compliance.

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

Mr. PROXMIRE. I yield.

Mr. TOWER. The Senator is correct. A point of order was raised to the amendment that was adopted by the conference, and that point of order was sustained; hence the necessity for referring the bill back to conference. Actually, we have the bill in the form that it was passed, with the exception of a very minor amendment.

Mr. PROXMIRE. I thank the Senator. He has described the situation precisely as I understand it.

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

Mr. PROXMIRE. I yield.

Mr. McGEE. The "very minor amendment" that the distinguished Senator from Texas alluded to is the McGee amendment to the bill; and in terms of its application, it was not very minor.

Mr. PROXMIRE. I am sure the Senator from Texas was not referring to Senator McGee's amendment, which is a very important amendment. I think he was referring to the fact that this was amended further by the House.

Mr. TOWER. The McGee amendment was amended by the House. At least, they offered an amendment which we accepted, which was relatively minor, relative to the whole amendment offered by the distinguished Senator from Wyoming, which was not minor in any respect.

Mr. PROXMIRE. As a matter of fact, it was major league. I recall saying in committee that, so far as millions of Federal employees are concerned, this is the most important part of the bill.

Mr. McGEE. Indeed, it is. But I think the intent of the Senate, even in the light of the House effort to amend the amendment, is what ought to be made a part of the record, and that is the reason why I wanted to do just that.

The amendment requires the comparability adjustments for Federal employees on January 1, 1972, notwithstanding the provisions of the President's alternate plan submitted to Congress August 31, 1971. Is that correct?

Mr. PROXMIRE. That is correct.

Mr. McGEE. When will those increases take effect?

Mr. PROXMIRE. On the first day of

the first pay period on or after January 1, 1972.

Mr. McGEE. The key to that is "on or after January 1, 1972"?

Mr. PROXMIRE. That is correct.

Mr. McGEE. Does that include employees of the legislative branch of the Government, or just civil service employees?

Mr. PROXMIRE. Yes. Legislative employees are included.

Mr. McGEE. When will their pay be eligible to be increased?

Mr. PROXMIRE. As of January 1, 1972, if the Senator or committee chairman approves the individual increase—the Senator with respect to his own staff and the committee chairmen with respect to their staffs.

Mr. McGEE. Is it the opinion of the chairman of the conference that the bill makes that very specific?

Mr. PROXMIRE. No. The rules of conference prevented us from making the bill that specific, but that is what the conferees on the part of the Senate intended, and certainly it is fair and equitable for employees of the judicial branch and the legislative branch to be treated in the same manner as executive branch employees.

Mr. McGEE. I think that is the point that it is significant to make at this time, in the RECORD—that is, that we did not intend any inequity or discrimination; that once the lines were laid out that this should be subject to the individual Senator or the chairman of the committee, it should be available for those particular legislative employees.

Mr. PROXMIRE. That is correct. This was always called the Federal employees' comparability amendment, and it was my understanding that there was no discrimination here. It would apply to executive employees and judicial and legislative also. If would apply to all Federal employees.

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

Mr. PROXMIRE. I yield.

Mr. TOWER. It is my recollection that this legislative history was made at the time the Senator from Wyoming proposed his amendment. That certainly was my understanding at the time.

Mr. McGEE. That is correct.

Mr. TOWER. I think that was the intent of the Senate conferees, in any case. Now we have the amendment offered by the Senator from Wyoming in its pristine form, without having been tampered with.

Mr. McGEE. That is correct. We did not want any misinterpretation of that action subsequently to be resurrected in adverse ways.

Mr. PROXMIRE. I think the Senator from Wyoming is most helpful in engaging in this colloquy. Otherwise, there could be some confusion. After all, the House raised a point of order, and this could be interpreted as meaning that because the point of order was sustained, legislative employees could not be paid the increase. However, I think this colloquy makes it clear that this was not our intention. Legislative employees should be paid the increase; and because the McGee amendment was accepted in toto, it is my understanding that they will be.

Mr. TOWER. If it does not mean this, I would feel some stupidity in going back to my office this evening.

Mr. McGEE. Assured by that, the Senator from Wyoming is delighted—not only that the Senator can go back to his office, but also that he can go home, rather soon.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

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

The motion to lay on the table was agreed to.

CREDITS TO INDIA AND PAKISTAN FROM THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. BYRD of Virginia. Mr. President, because of the interest in Pakistan and India, I want to read into the record figures from the annual report of the World Bank and the International Development Association. These figures are as of June 30, 1971.

The total of International Development Association credits to nations throughout the world is $3,340,000,000. Of this total, more than $2 billion has gone to India and Pakiston, $1,507,000,000 to India and $497 million to Pakistan.

It will be noted from these figures that almost two-thirds, actually 60 percent, of all the soft loans—namely, all the long-term credits or grants or giveaways, any way one wants to express it—has gone to India and Pakiston.

These figures are significant in light of what is developing between those two countries. It is significant also, despite the vast amount of public funds which have gone into the World Bank, into the soft loans and into the long-term credits—the bulk of which has gone to India and Pakistan—that this Congress, this Senate, over and beyond the $3 billion in soft loans made by the International Development Association has recently authorized $960 million more for this institution. I am glad to say that the Senator from Virginia voted against that. It is additional evidence that American taxpayers are financing many of the problems developing throughout the world.

I think it is inexcusable for Congress to keep on appropriating tax funds for long-term grants and give-away programs to countries all over the world, particularly in a situation where the two countries that should gain the most by this, are dissipating the funds by fighting each other.

If Congress and the administration are not willing, as a result of what is happening in India and Pakistan, to reappraise its entire foreign aid program, to reappraise its giveaway programs, to reappraise the amount of money Congress is authorizing and appropriating for international financial institutions, then I think Congress and the administration are taking an unsound and unwise view.

I say again that the funds supplied by the American taxpayers have played a part, and maybe a significant part in making it possible for those two countries to fight each other. I do not believe we are doing them any favors when we make it possible for them to engage in warfare against each other.

Mr. President, I hold another document in my hand entitled "Military Assistance and Foreign Military Sales Facts, March 1971, Department of Defense."

On page 12 of that Government document it gives "Deliveries on Excess Defense Articles by Fiscal Years."

The interesting thing about the report is that of all the nations in the world to which we have delivered excess defense articles, the amounts of such articles insofar as India, Pakistan, and Nepal are concerned are classified. But for all the other countries, the figures are supplied. There are no figures for India. There are no figures for Pakistan. There are no figures for Nepal. There is only the insertion in each of those years that the figures are classified data.

Now, Mr. President, why should those figures be classified for India, Pakistan, and Nepal? They are not classified for any other nation.

It shows that this country, by its policies, in supplying military equipment and money, has made it possible for India and Pakistan to fight each other, which could lead to further difficulties for other nations in that area.

I want to express the hope—the very strong hope—that the United States will stay neutral in the fighting between India and Pakistan. We have caused enough damage already by supplying them with military equipment. How much, we cannot say, because the figures are classified.

Yes, there are many countries involved which have received deliveries of excess defense articles through the years—practically every country in Latin America, in East Asia, the Near East, South Asia, Western Europe, and also many countries in Africa. But, I repeat, the only countries with classified data are Pakistan, India, and Nepal.

Why in the world would that be, Mr. President?

So I say again, I hope that Congress will give serious consideration to this new report of the World Bank and the International Development Association, which shows that 60 percent of all of the soft loans and long-term credits have gone to those two countries—India and Pakistan.

Mr. President, I ask unanimous consent to have printed in the RECORD a table entitled "Bank Loans and IDA Credits by Country."

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

BANK LOANS AND IDA CREDITS BY COUNTRY

[Cumulative total, June 30, 1971—Expressed in U.S. currency—Initial commitments net of cancellations, refundings and terminations]

Country	Bank loans		IDA credits		Total	
	Number	Amount	Number	Amount	Number	Amount
Afghanistan			4	$15,277,313	4	$15,277,313
Algeria	3	$80,500,000			3	80,500,000
Argentina	9	509,102,049			9	509,102,049
Australia	7	417,730,000			7	417,730,000
Austria	9	104,860,083			9	104,860,083
Belgium	4	76,000,000			4	76,000,000
Bolivia	1	23,250,000	6	32,600,000	7	55,850,000
Botswana	1	32,000,000	3	9,100,000	4	41,100,000
Brazil	34	998,291,274			34	998,291,274
Burma	3	33,123,943			3	33,123,943
Burundi	1	4,800,000	3	3,280,000	4	8,080,000
Cameroon	5	37,100,000	5	30,000,000	10	67,100,000
Central African Republic			2	8,500,000	2	8,500,000
Ceylon	8	74,128,601	4	19,646,000	12	93,774,601
Chad			3	8,100,000	3	8,100,000
Chile	18	232,537,762	1	18,997,755	19	251,535,517
China	14	312,613,133	4	13,073,716	18	325,686,849
Colombia	48	871,877,840	1	19,500,000	49	891,377,840
Congo, Democratic Republic of	5	91,582,854	3	18,000,000	8	109,582,854
Congo, People's Republic of	1	30,000,000	3	5,630,000	4	35,630,000
Costa Rica	11	84,876,251	1	4,550,243	12	89,426,494
Cyprus	6	39,493,510			6	39,493,510
Dahomey			2	8,100,000	2	8,100,000
Denmark	3	85,000,000			3	85,000,000
Dominican Republic	1	25,000,000	2	9,000,000	3	34,000,000
Ecuador	10	71,300,000	4	24,600,000	14	95,900,000
El Salvador	9	57,918,024	2	13,599,331	11	71,517,355
Ethiopia	11	97,800,000	6	44,500,000	17	142,300,000
Fiji	1	11,800,000			1	11,800,000
Finland	16	276,526,846			16	276,526,846
France	1	250,000,000			1	250,000,000
Gabon	4	54,788,722			4	54,788,722
Gambia, the			1	2,100,000	1	2,100,000
Ghana	2	53,000,000	6	31,900,000	8	84,900,000
Greece	4	71,300,000			4	71,300,000
Guatemala	5	50,500,000			5	50,500,000
Guinea	3	73,500,000			3	73,500,000
Guyana	4	14,219,117	2	5,100,000	6	19,319,017
Haiti	1	2,600,000	1	349,855	2	2,949,855
Honduras	10	58,085,959	5	24,027,974	15	82,113,933
Iceland	8	30,014,000			8	30,014,000
India	39	1,051,248,279	34	1,507,040,696	73	2,558,288,975
Indonesia			16	227,400,000	16	227,400,000
Iran	19	612,146,457			19	612,146,457
Iraq	2	25,293,946			2	25,293,946
Ireland	3	44,500,000			3	44,500,000
Israel	7	154,412,479			7	154,412,479
Italy	8	398,028,000			8	398,028,000
Ivory Coast [1]	10	75,991,567			10	75,991,567
Jamaica	8	59,959,421			8	59,959,421
Japan	31	857,041,004			31	857,041,004
Jordan			5	16,015,502	5	16,015,502
Kenya [2]	12	228,824,026	11	61,300,000	23	290,124,026
Korea	6	194,500,000	6	64,938,129	12	259,438,129
Lebanon	1	27,000,000			1	27,000,000
Lesotho			1	$4,100,000	1	$4,100,000
Liberia	4	$15,249,812			4	15,249,812
Luxembourg	1	11,761,983			1	11,761,983
Malagasy Republic	3	11,100,000	4	29,100,000	7	40,200,000
Malawi			7	40,000,000	7	40,000,000
Malaysia	16	288,678,513			16	288,678,513
Mali [1]			2	16,800,000	2	16,800,000
Malta	1	6,040,080			1	6,040,080
Mauritania	1	66,000,000	2	9,700,000	3	75,700,000
Mauritius	1	6,973,119	1	5,200,000	2	12,173,119
Mexico	25	1,053,446,438			25	1,053,446,438
Morocco	10	186,720,830	2	18,300,000	12	205,020,830
Nepal			2	4,200,000	2	4,200,000
Netherlands	10	236,451,985			10	236,451,985
New Zealand	5	112,058,680			5	112,058,680
Nicaragua	15	59,858,828	1	2,994,834	16	62,853,662
Niger			4	13,903,224	4	13,903,224
Nigeria	13	338,800,000	2	35,304,820	15	374,104,820
Norway	6	145,000,000			6	145,000,000
Pakistan	31	633,459,647	38	497,190,454	69	1,130,650,101
Panama	6	60,047,426			6	60,047,426
Papua and New Guinea	3	34,700,000	3	11,000,000	6	45,700,000
Paraguay	6	21,838,549	4	21,400,000	10	43,238,549
Peru	24	244,102,066			24	244,102,066
Philippines	15	238,952,923			15	238,952,923
Portugal	5	57,500,000			5	57,500,000
Rhodesia [3]	3	86,950,000			3	86,950,000
Rwanda			1	9,300,000	1	9,300,000
Senegal [1]	2	4,000,000	6	24,150,000	8	28,150,000
Sierra Leone	3	11,400,000	2	6,500,000	5	17,900,000
Singapore	10	114,243,457			10	114,243,457
Somalia			4	12,350,000	4	12,350,000
South Africa	11	241,800,000			11	241,800,000
Spain	8	326,861,832			8	326,861,832
Sudan	6	129,000,000	2	21,500,000	8	150,500,000
Swaziland	2	6,950,000	1	2,800,000	3	9,750,000
Syria			1	8,500,000	1	8,500,000
Tanzania [2]	3	42,200,000	10	60,700,000	13	102,900,000
Thailand	22	361,698,461			22	361,698,461
Togo			1	3,700,000	1	3,700,000
Trinidad and Tobago	6	49,390,424			6	49,390,424
Tunisia	11	102,168,689	6	44,762,598	17	146,931,287
Turkey	16	238,679,609	10	111,815,987	26	350,495,596
Uganda [2]	1	8,400,000	7	44,300,000	8	52,700,000
United Arab Republic	1	56,500,000	1	26,000,000	2	82,500,000
Upper Volta [1]			2	7,000,000	2	7,000,000
Uruguay	9	130,461,803			9	130,461,803
Venezuela	10	329,114,641			10	329,114,641
Yemen, People's Democratic Republic of			1	1,600,000	1	1,600,000
Yugoslavia	19	565,490,547			19	565,490,547
Zambia [3]	11	168,250,000			11	168,250,000
International Finance Corporation	1	200,000,000			1	200,000,000
Total	783	16,068,465,389	274	3,340,398,431	1,057	19,408,863,208

[1] 1 loan for $7,500,000 shown against Ivory Coast is shared with Mali, Senegal, and Upper Volta.
[2] 6 loans aggregating $162,800,000 shown against Kenya are shared with Tanzania and Uganda.
[3] 3 loans totaling $106,700,000 have been assigned in equal shares to Rhodesia and Zambia.

ORDER FOR RECOGNITION OF SENATOR TAFT TOMORROW

Mr. EAGLETON. Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of the remarks of the majority and minority leaders, the Senator from Ohio (Mr. TAFT) be recognized for not to exceed 15 minutes.

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

AMENDMENT OF DISTRICT OF COLUMBIA ELECTION ACT

Mr. EAGLETON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2878.

The PRESIDING OFFICER (Mr. STEVENSON) laid before the Senate the amendment of the House of Representatives to the bill (S. 2878) to amend the District of Columbia Election Act, and for other purposes, which was to strike out all after the enacting clause, and insert:

That the District of Columbia Election Act (D.C. Code, secs. 1–1100—1–1115), is amended as follows:

(1) The first section of such Act (D.C. Code, sec. 1–1101), is amended (A) by striking out in clause (2) thereof the final "and", (B) by redesignating clause (3) as clause (4), (C) by adding a new clause (3) as follows:

"(3) Alternates to the officials referred to in clauses (1) and (2) above, where permitted by political party rules; and",

and (D) by inserting in clause (4) (as redesignated by this section) "or by ward" immediately after "large".

(2) Pargaraph (4) of section 2 of such Act (D.C. Code, sec. 1–1102), is amended by striking out "a school" and inserting in lieu thereof "an".

(3) Paragraph (2) of section 2 of such Act (D.C. Code, sec. 1–1102), is amended as follows:

(A) By striking out "The term" and inserting in lieu thereof "Except as provided in paragraph (7) of this section, the term".

(B) By striking out in clause (A) "one-year period" and inserting in lieu thereof "ninety-day period" and by inserting at the end thereof immediately before the semicolon ", except in the case of an election of electors of President and Vice President of the United States the period shall be thirty days".

(C) By striking out in clause (B) "twenty-one" and inserting in lieu thereof "eighteen".

(D) By striking out clause (C), and redesignating clause (D) as clause (C).

(4) Section 2 of such Act (D.C. Code, sec. 1–1102), is amended by inserting at the end of that section the following:

"(7) (A) Any person in the District of Columbia who has been convicted of a crime in the United States which is a felony in the District of Columbia, may be a qualified elector, if otherwise qualified—

"(i) at the end of the five-year period beginning on the date he completes the sentence of incarceration imposed upon him for the last such crime committed by him, or in case of a person who is granted parole or probation with respect to such last crime, beginning on the date he begins such parole or probation, if he successfully completes such parole or probation, or

"(ii) at the end of the three-year period beginning on the date he completes such sentence of incarceration, or in the case of a person who is granted parole or probation with respect to such last crime, beginning on the date he begins such parole or probation, if

the Superior Court of the District of Columbia, after application made to such court by such person, certifies to the Board that such person has demonstrated such qualities of conduct and character as to warrant the restoration of his right to vote; or

"(iii) on the date upon which he receives a pardon with respect to such crime.

"(B) For the purposes of this paragraph, the term 'felony' shall include any crime committed in the District of Columbia referred to in section 14 of this Act (D.C. Code, sec. 1–1114).

"(C) Nothing in this paragraph shall be construed to grant a pardon or amnesty to any person."

(5) Clause (3) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105), is amended by inserting immediately before "copy" the word "sample".

(6) Clause (4) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105), is amended by striking out "school".

(7) Section 5 of such Act (D.C. Code, sec. 1–1105), is amended (A) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively, and (B) by adding after subsection (a) the following:

"(b) (1) The Board shall, on the first Tuesday after the first Monday in May of each presidential election year, conduct a presidential preference primary election within the District of Columbia in which qualified electors therein may express their preference for candidates of each political party of the District of Columbia for nomination for President and may elect delegates, and alternates where permitted by the rules of a particular political party, to a particular political party national convention convened to nominate that party's candidate for President.

"(2) No person shall participate as a candidate for nomination for President in such primary unless there shall have been filed with the Board, not later than the forty-fifth day before such primary, (A) a petition on behalf of his candidacy signed by at least one thousand qualified electors of the District of Columbia who are registered under section 7 of this Act, and who are of the same political party as the prospective nominee, and (B) a written statement signed by the prospective nominee affirming that he wants his name listed on the ballot for such primary as a candidate for such nomination.

"(3) No person shall be listed on the ballot in such primary for election as such delegate, or alternate unless there shall have been filed with the Board, not less than the forty-fifth day before such primary, (A) a petition in support of that prospective candidate for delegate or alternate, as the case may be, signed by at least one thousand qualified electors of the District of Columbia registered under section 7 of this Act who are of the same political party as the prospective candidate, and (B) if the prospective candidate is pledged to support a particular presidential candidate, a written statement signed by such presidential candidate affirming that such prospective candidate for delegate or alternate, as the case may be, is seeking that office with the approval of such presidential candidate and that such candidate for delegate or alternate was properly selected according to the rules of his political party relating to the nomination of candidates for delegate or alternate. If such presidential candidate fails to so indicate his approval of a candidate for delegate or alternate, such candidate shall appear on the ballot (if he files the appropriate petition) in such primary as a candidate for election as a delegate or alternate pledged to no presidential candidate.

"(4) The Board shall arrange the ballot for the presidential preference primary so as to enable each voter to indicate his choice for presidential nominee and for delegates, and alternates, pledged to support that prospective nominee with one mark.

"(5) The delegates and alternate delegates, of each political party within the District of Columbia to the national convention of that party convened for the nomination of the candidate of that political party for President, elected in accordance with this Act, shall be obligated, on the first and second ballots cast at that convention for nominees for President, to vote for the candidate for nomination who received at least a plurality of the votes cast in the presidential preference primary for all such candidates of that party for President held in the District of Columbia at which such delegates and alternates were elected, or until such candidate notifies each delegate in writing that he is no longer a candidate. On subsequent ballots so cast each such delegate shall be free to cast his ballots in his discretion without restriction.

"(6) The Board shall by regulation specify such additional details as may be necessary and proper to effectuate the purposes and provisions of this subsection."

(8) Clause (2) of subsection (b) of section 7 of such Act (D.C. Code, sec. 1–1107) is amended by striking out "section 2(2)" and inserting in lieu thereof "paragraphs (2) and (7) of section 2 of this Act".

(9) Subsection (a) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(a) (1) Each candidate for election to the office of national committeeman or alternate, or national committeewoman or alternate, and for election as a member or official designated for election at large under clause (4) of the first section of this Act, shall be a qualified elector registered under section 7 of this Act who has been nominated for such office, or for election as such member or official, by a nominating petition (A) prepared in accordance with the rules prescribed by the Board, (B) signed by not less than one thousand qualified electors registered under such section 7 of this Act, who are of the same political party as the candidate, and (C) filed with the Board not later than the forty-fifth day before the date of the election held for such office, member, or official.

"(2) In the case of a nominating petition for a candidate for election as a member or official designated for election from a ward under clause (4) of such first section, such petition shall be prepared and filed in the same manner as a petition prepared and filed by a candidate under paragraph (1) of this subsection and signed by two hundred qualified electors residing in such ward, registered under section 7 of this Act, who are of the same political party as the candidate."

(10) Subsection (b) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended by striking out "three-year" and inserting in lieu thereof "ninety-day".

(11) Subsection (i) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(i) Each candidate in a primary election for the office of Delegate shall be nominated for such office by a nominating petition (1) filed with the Board not later than the forty-fifth day before the date of such primary election; (2) signed by qualified electors registered under section 7 of this Act, who are of the same political party as the candidate, and equal in number to 1 per centum of the total number of such electors in the District of Columbia, as shown by the records of the Board as of the ninety-ninth day before the date of such primary election, or by two thousand of such qualified electors, whichever is less. A nominating petition for a candidate in a primary election for the office of Delegate may not be circulated for signature before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of nominating petitions. The Board shall arrange the ballot of each political party in each such primary election so as to enable a voter of such party to vote for any one duly nominated candidate of that party for the office of Delegate."

(12) Subsection (j) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(j) (1) A duly qualified candidate for the office of Delegate may, subject to the provisions of this subsection, be nominated directly as such a candidate for election in the next succeeding general election for such office (including any such election to be held to fill a vacancy). Such person shall be nominated by a nominating petition (A) filed with the Board not less than the forty-fifth day before the date of such general election; and (B) signed by qualified electors registered under section 7 of this Act equal in number to 1½ per centum of the total number of such qualified electors in the District, as shown by the records of the Board as of the ninety-ninth day before the date of such election, or by three thousand of such qualified electors, whichever is less. No signatures on such a petition may be counted which have been made on such petition more than ninety-nine days before the date of such election.

"(2) Nominations under this subsection for candidates for election in a general election for the office of Delegate shall be of no force and effect with respect to any person whose name has appeared on the ballot of a primary election for such office held within eight months before the date of such general election."

(13) Subsection (m) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended to read as follows:

"(m) Designations with respect to the election of officials under clause (4) of the first section of this Act by written communications filed with the Board not later than ninety days before the date of such election."

(14) Subsection (o) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(o) Each candidate in a general election for member of the Board of Education shall be nominated for such office by a nominating petition (A) filed with the Board not later than the forty-fifth calendar day before the date of such general election; and (B) signed by at least two hundred qualified electors who are duly registered under section 7 of this Act, who reside in the ward from which the candidate seeks election, or in the case of a candidate running at large, signed by at least one thousand of the qualified electors in the District of Columbia registered under such section 7. A nominating petition for a candidate in a general election for member of the Board of Education may not be circulated for signatures before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of nominating petitions. In a general election for members of the Board of Education, the Board shall arrange the ballot for each ward to enable a voter registered in that ward to vote for any one candidate duly nominated to be elected to such office from such ward, and to vote for as many candidates duly nominated for election at large to such office as there are Board of Education members to be elected at large in such election."

(15) Section 8 of such Act (D.C. Code, sec. 1–1108), is amended by adding at the end of that section the following:

"(r) Any petition required to be filed under this Act by a particular date must be filed no later than 5 o'clock post meridian on such date."

(16) Subsection (1) of section 8 of such Act (D.C. Code, sec. 1–1108), is repealed.

(17) Subsection (c) of section 9 of such Act (D.C. Code, sec. 1–1109), is amended to read as follows:

"(c) Any candidate or group of candidates may, not less than two weeks prior to such election, petition the Board for credentials authorizing watchers at one or more polling places and at the place or places where the vote is to be counted for the next election during voting hours and until the count has been completed. The Board shall formulate rules and regulations not inconsistent with this Act to prescribe the form of watchers' credentials, to govern the conduct of such watchers, and to limit the number of watchers so that the conduct of the election will not be unreasonably obstructed. Such rules and regulations should provide fair opportunity for watchers for all candidates or groups of candidates to challenge prospective voters whom the watchers believe to be unqualified to vote, to question the accuracy in the vote count, and otherwise to observe the conduct of the election at the polling places and the counting of votes."

(18) Paragraph (1) of subsection (a) of section 10 of such Act (D.C. Code, sec. 1–1110), is amended to read as follows:

"(a)(1) The elections of the officials referred to in clauses (1), (2), and (3) of the first section of this Act, and of officials designated pursuant to clause (4) of such section, and the primary under section 5(b) of this Act, shall be held on the first Tuesday after the first Monday in May of each presidential election year."

(19) Section 10(a)(7)(A) of such Act (D.C. Code, sec. 1–1110), is amended by striking out "a majority" and inserting in lieu thereof "at least 40 per centum".

(20) Section 10(a)(7)(B) of such Act (D.C. Code, sec. 1–1110), is amended by striking out "a majority" and inserting in lieu thereof "at least 40 per centum".

(21) The first sentence of paragraph (8) of subsection (a) of section 10 of such Act (D.C. Code, sec. 1–1110), is amended by striking out "less than a majority".

(22) Subsection (a) of section 11 of such Act (D.C. Code, sec. 1–1111), is amended by inserting immediately before the last sentence thereof, the following new sentence: "In no case, however, shall the petitioner be required to pay the cost of any recount in any such election if the difference in the number of votes received by the petitioner in connection with any office and the number of votes received by the person certified as having been elected to that office, in the case of an election from a ward, is less than 1 per centum or fifty votes, whichever is less, or in the case of an election at large, is less than 1 per centum or five hundred votes, whichever is less."

(23) Subsection (b) of section 13 of such Act (D.C. Code, sec. 1–1113), is amended by striking out "or delegate" and inserting in lieu thereof "delegate or alternate,".

(24) Subsection (d) of section 13 of such Act (D.C. Code, sec. 1–1113), is amended by striking out "or delegate" and inserting in lieu thereof "delegate or alternate,".

(25) Subsection (e) of section 13 of such Act (D.C. Code, sec. 1–1113), is amended to read as follows:

"(e)(1) Every independent committee or party committee which receives or expends funds on behalf of any candidate or group of candidates in an election for any office referred to in the first section of this Act, or in a primary election held under section 5(b) of this Act, shall have a chairman and a treasurer and shall maintain an address in the District of Columbia where notices may be sent. Each such committee shall register with the Board of Elections as soon as its receipts or expenditures, or the sum of its receipts and expenditures total $100, or within ten days after its organization, whichever first occurs.

"(2) In any election held in the District of Columbia with respect to any office referred to in the first section of this Act, or with respect to a primary election held under section 5(b) of this Act, each candidate for election, and the treasurer of each independent or party committee, shall file with the Board of Elections on the tenth calendar day before, and also within thirty days after, the date on which such primary or general election was held, an itemized statement, complete as of the day next preceding the date of filing, setting forth—

"(A) The name and address of each person who has made a contribution to or for such committee in one or more items of the aggregate amount of value, within the calendar year, of $100 or more, together with the amount and date of such contribution;

"(B) The total sum of the contributions made to or for such committee during the calendar year and not stated under subparagraph (A);

"(C) The total sum of all contributions made to or for such committee during the calendar year;

"(D) the name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such committee, and the amount, date, and purpose of such expenditure;

"(E) The total sum of all expenditures made by or on behalf of such committee during the calendar year and not stated under subparagraph (D);

"(F) The total sum of expenditures made by or on behalf of such committee during the calendar year.

"(3) The statements required to be filed by paragraph (2) of this subsection shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"(4) Every person (other than a political committee) who makes an expenditure in one or more items, other than by contribution to a political committee, aggregating $50 or more within a calendar year for the purpose of influencing any general or primary election held under this Act, shall file with the Board an itemized detailed statement of such expenditure in the same manner as required of the treasurer of a political committee by paragraph (2) of this subsection.

"(5) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

"(1) All contributions made to or for such committee;

"(2) The name and address of every person making any such contribution, and the date thereof;

"(3) All expenditures made by or on behalf of such committee; and

"(4) The name and address of every person to whom any such expenditure is made, and the date thereof.

"(6) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure by or on behalf of a political committee exceeding $10 in amount. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

"(7) Every person who receives a contribution for a political committee shall, on demand of the treasurer, and in any event within five days after the receipt of such contribution, render to the treasurer a detailed account thereof, including the name and address of the person making such contribution, and the date on which received.

"(8) Any candidate, treasurer of any independent committee, or party committee, or other person who willfully violates this subsection shall be fined not more than $5,000 or imprisoned for not more than 30 days, or both.".

SEC. 2. Paragraphs (1), (2), and (3) of subsection (c) of section 2 of the Act entitled "An Act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia", approved June 20, 1906 (D.C. Code, sec. 31–101(c)), are amended to read as follows:

"(1) Each member of the Board of Education elected from a ward shall at the time of his nomination (A) be a qualified elector (as that term is defined in section 2 of the District of Columbia Election Act) in the school election ward from which he seeks election, (B) have, for the ninety-day period immediately preceding his nomination, resided in the school election ward from which he is nominated, and (C) have, during the ninety-day period next preceding his nomination, been an actual resident of the District of Columbia and have during such period claimed residence nowhere else. A member shall forfeit his office upon failure to maintain the qualifications required by this paragraph.

"(2) Each member of the Board of Education elected at large shall at the time of his nomination (A) be a qualified elector (as that term is defined in section 2 of the District of Columbia Election Act) in the District of Columbia, and (B) have, during the ninety-day period next preceding his nomination, been an actual resident of the District of Columbia and have during such period claimed residence nowhere else. A member shall forfeit his office upon failure to maintain the qualifications required by this paragraph.

"(3) No individual may hold the office of member of the Board of Education and (A) hold another elective office other than delegate or alternate delegate to a convention of a political party nominating candidates for President and Vice President of the United States, or (B) also be an officer or employee of the District of Columbia government or of the Board of Education. A member will forfeit his office upon failure to maintain the qualifications required by this paragraph.".

SEC. 3. The provisions of this Act and the amendments made thereby shall take effect as of January 1, 1972.

Mr. EAGLETON. Mr. President, I know that has been cleared on both sides of the aisle, and I, therefore, move that the Senate concur in the amendment of the House to S. 2878, to amend the District of Columbia Election Act, and for other purposes, with amendments that I now send to the desk.

The PRESIDING OFFICER (Mr. STEVENSON). The amendments will be stated.

The assistant legislative clerk read as follows:

On page 4 of the House engrossed amendment, strike out line 11 and all that follows down through and including line 25 on page 6 an insert in lieu thereof the following:

"(b)(1) The Board shall, on the first Tuesday after the first Monday in May of each presidential election year, conduct a presidential preference primary election within the District of Columbia in which the registered qualified voters therein may express their preference for candidates of each political party of the District of Columbia for nomination for President.

"(2) No person shall be listed on the ballot as a candidate for nomination for President in such primary unless there shall have been filed with the Board no later than forty-five days before the date of such presidential primary election a petition on behalf of his judiciary signed by the candidate and at least one thousand qualified electors of the District of Columbia who are registered under section 7 of this Act, and of the same political party as the nominee.

"(3) Candidates for delegate and alternates where permitted by political party rules to a particular political party national convention convened to nominate that party's candidate for President shall be listed on the ballot of the presidential preference primary held under this Act as—

"(A) full slates of candidates for delegates supporting a candidate for nomination for President if there shall have been filed with the Board, no later than forty-five days before the date of such presidential primary, a petition on behalf of such slate's candidacy signed by the candidates on the slate, the candidate for nomination for President supported by the slate, and by at least one thousand qualified electors of the District of Columbia who are registered under section 7 of this Act and are of the same political party as the candidates on such slate;

"(B) full slates of candidates for delegates not committed to support any named candidate for nomination for President if there shall have been filed with the Board, no later than forty-five days before the date of such presidential primary, a petition on behalf of such slate's candidacy, signed by the candidates on the slate and by at least one thousand qualified electors of the District of Columbia who have registered under section 7 of this Act and are of the same political party as the candidates on such slate;

"(C) an individual candidate for delegate supporting a candidate for nomination for President if there shall have been filed with the Board, no later than forty-five days before the date of such presidential primary, a petition on behalf of such candidate, signed by the candidate and by at least one thousand qualified electors of the District of Columbia who have registered under section 7 of this Act and are of the same political party as the candidate; or

"(D) an individual not committed to support any named candidate for nomination for President if there shall have been filed with the Board, no later than forty-five days before the date of such presidential primary, a petition on behalf of such candidate, signed by the candidate and by at least one thousand qualified electors of the District of Columbia who have registered under section 7 of this Act and are of the same political party as the candidate.

No candidate for delegate or alternate may be listed on the ballot unless such candidate was properly selected according to the rules of his political party relating to the nomination of candidates for delegate or alternate.

"(4) The Board shall (A) arrange the ballot for the presidential preference primary so as to enable each voter to indicate his choice for presidential nominee and for the slate of delegates and alternates pledged to support that prospective nominee with one mark, and provide an alternative to vote for individual delegates or uncommitted slates of delegates, and (B) clearly indicate on the ballot the candidate for nomination for President which a slate or candidate for delegate supports.

"(5) The delegates and alternates of each political party within the District of Columbia to the national convention of that party convened for the nomination of the candidate of that political party for President, elected in accordance with this Act, shall only be obligated to vote for the candidate for nomination who received at least a plurality of the votes cast in the presidential preference primary for all such candidates of that party for President held in the District of Columbia at which such delegates were elected on the first and second ballots cast at that convention for nominees for President, or until such time as such candidate receiving a plurality of such vote cast in the presidential preference primary withdraws his candidacy, whichever occurs first.

"(6) The Board shall by regulation specify such additional details as may be necessary and proper to effectuate the purposes and provisions of this subsection."

On page 7, line 16, of the House engrossed amendment, strike out "one thousand" and insert in lieu thereof: "five hundred"; on page 8, line 1, of the House engrossed amendment, strike out "two hundred" and insert in lieu thereof: "one hundred".

On page 9, line 20, of the House engrossed amendment, strike out "No sig-" and all that follows down through and including line 23 on that page and insert in lieu thereof the following: "A nominating petition for such a candidate for the office of Delegate may not be circulated for signature before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of such nominating petitions."

On page 10 of the House engrossed amendment, strike out lines 8 through 11 and insert in lieu thereof the following:

"(m)(1) Designation of offices of local party committees to be filled by election pursuant to clause (4) of the first section of this Act shall be effected, in accordance with the provision of this subsection, by written communication signed by the chairman of such committee and filed with the Board not later than ninety days before the date of such election.

"(2) Such designation shall specify separately (A) the titles of the offices and the total number of members to be elected at large, if any, and (B) the title of the offices and the total number of members to be elected by ward, if any.

"(3) In the event that a party committee designates members to be elected by ward pursuant to clause (B) of paragraph (2) this subsection, the number of such officials to be elected from each of the wards shall be based on the relative numerical strength of such party in such ward, as compared with the total numerical strength of such party in the District, in each case as measured by the total number of registered voters of such party residing in each ward, (as shown by the records of the Board as one hundred-twenty days before such election) based on the method known as the method of equal proportions, with no ward to elect less than one member. The Board shall by regulation specify such additional details as may be necessary and proper to effectuate the purpose of this subsection."

On page 11, line 17, of the House engrossed amendment, strike out the quotation marks.

On page 11 of the House engrossed amendment add after line 17 the following:

"(s) In the case of petitions nominating candidates for the office of Delegate and for member of the Board of Education, they shall be accompanied by a guarantee of $200 in the form of currency, surety, or a bond, at the choice of the candidate. Such guarantee shall be forfeited by the candidate in the event he fails to receive at least 5 per centum of the vote cast in the election for which he has presented a petition to the Board. In the event such candidate received at least 5 per centum of the vote cast, the guarantee shall be returned in full."

On page 13, line 16, of the House engrossed amendments, strike out "five hundred" and insert in lieu thereof: "three hundred and fifty".

On page 13 of the House engrossed amendment, strike out line 20 and insert in lieu thereof: "and inserting in lieu thereof 'delegate, or alternate'."

On page 13 of the House engrossed amendment, strike out line 23 and insert in lieu thereof: "and inserting in lieu thereof 'delegate, or alternate'."

On page 14, line 17, of the House engrossed amendment strike out "tenth" and insert in lieu thereof: "fifth".

On page 17 of the House engrossed amendment, insert after line 6 the following:

(26) Subsection (b) of section 4 of such Act (D.C. Code, sec. 1–1104) is amended by striking "$50 per day, with a limit of $2,500 per annum" and inserting "$75 per day with a limit of $11,250 per annum" in lieu thereof.

(27) Paragraph (2) of subsection (a) of section 5 of such Act (D.C. Code, sec 1–1105) is amended by inserting immediately before the semicolon a comma and the following: "including, upon approval by majority vote of the District of Columbia Council, referendums, advisory elections, and other community elections such as those for model cities programs, as part of any regular election".

(28) Paragraph (6) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105) is amended by striking out "paragraphs (1), (2), (3), or (4)" and by inserting in lieu thereof "paragraph (1), (2), or (3)".

(29) Subsection (d) of section 5 of such Act (D.C. Code, sec. 1–1105) is amended by striking "persons not absent from the District but who are physically unable" and inserting "either persons temporarily absent from the District or persons physically unable" in lieu thereof.

(30) Subsection (a) of section 7 of such Act (D.C. Code, sec. 1–1107) is amended by striking in the second sentence "person" and inserting "qualified elector".

(31) Paragraph (1) of subsection (d) of section 7 of such Act (D.C. Code, sec. 1–1107), is amended (A) by striking from clause (A) the words "odd-numbered calendar year and of each presidential election year" and inserting "calendar year" in lieu thereof, and (B) by striking from clause (B) the words "presidential election" and inserting "even-numbered" in lieu thereof, and (C) by inserting in clause (C), after the word "special", the words, "or runoff".

(32) Subsection (c) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended to read as follows:

"(c)(1) In each election of officials referred to in clause (1) of the first section of this Act, and in each election of officials designated for election at large pursuant to clause (4) of such section, the Board shall arrange the ballot of each party to enable the registered voters of such party to vote separately or by slate for each official duly qualified and nominated for election to such office.

"(2) In each election of officials designated, pursuant to clause (4) of the first section of this Act, for election from a ward, the Board shall arrange the ballot of each party to enable the registered voters of such party, residing in such ward, to vote separately or by slate for each official duly qualified and nominated from such ward for election to such office from such ward."

(33) Subsection (f) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended by striking out "August 15" and inserting "the third Tuesday in August" in lieu thereof.

(34) Paragraphs (1) and (2) of subsection (n) of section 8 of such Act (D.C. Code, sec. 1–1108) are each amended by striking out "qualified electors" and inserting "duly registered voters" in lieu thereof.

SEC. 2. Section 302(1) of the Federal Corrupt Practices Act, 1925 (2 U.S.C. 241(1)) is amended by inserting immediately be-

fore the period at the end thereof a comma and the following: "and the District of Columbia".

On page 17, line 7, of the House engrossed amendments, strike out "SEC. 2" and insert in lieu thereof: "SEC. 3".

On page 18, line 17, of the House engrossed amendment, strike out "SEC. 3" and insert in lieu thereof: "SEC. 4".

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the House amendment with amendments.

The motion was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from New York is recognized.

(The remarks of Mr. JAVITS when he introduced S. 3023 and S. 3024 are printed in the Morning Business section of the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ADJOURNMENT

Mr. EAGLETON. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 16 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, December 15, 1971, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

CLEVELAND CITY COUNCIL ENDORSES EMERGENCY CRIME CONTROL ACT

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 13, 1971

Mr. JAMES V. STANTON. Mr. Speaker, in recognition of the fact that the crisis in crime which now confronts each of our large cities can be resolved only if substantial Federal assistance is provided directly to the cities, the City Council of Cleveland recently endorsed the Emergency Crime Control Act of 1971 introduced on November 16 by Congressman SEIBERLING and myself. I would like to commend to my colleagues the text of this resolution:

CLEVELAND CITY COUNCIL ENDORSES EMERGENCY CRIME CONTROL ACT

The following Resolution was adopted by the Council of the City of Cleveland December 6, 1971.

Res. No. 1866-71.

By Messrs. Garofoli and Sliwa.

An emergency resolution memorializing the House of Representatives to enact legislation to provide greater and more efficient Federal financial assistance to cities with a high incidence of crime.

Whereas, H.B. 11813 introduced in the Congress of the United States by the Hon. James V. Stanton, Congressman from the 29th District, proposes a revision of the method of the distribution of Federal funds to assist the cities in crime control; and

Whereas, the need in the larger urban communities is greatest for financial assistance for two reasons—there is a higher incidence of crime in the nation's major cities and there is also a decrease in the finances with which to abate this crime; and

Whereas, the proposed bill would allocate funds to the various communities based upon their needs properly substantiated and documented so that the funds allocated would be sufficient to fund a program strong enough to control the situation rather than merely delay it; and

Whereas, this resolution constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore.

Be it resolved by the Council of the City of Cleveland:

Section 1. That the Congress of the United States be and it hereby is memorialized to enact into law H.B. 11813 as proposed by Congressman James V. Stanton or any similar legislation which would incorporate the revenue sharing features of Mr. Stanton's proposal.

Section 2. That the Clerk of Council be and she hereby is directed to transmit a copy of this resolution to Congressmen James V. Stanton, William Minshall, Louis B. Stokes and Charles Vanik.

Section 3. That this resolution is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its adpotion and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

Adopted December 6, 1971.

Effective December 8, 1971.

LEGISLATION TO STEM THE PROLIFERATION OF DISEASED BLOOD

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 13, 1971

Mr. BROTZMAN. Mr. Speaker, today I am introducing a bill vitally needed to stem a rising health crisis in the United States: The proliferation of diseased blood.

Anyone involved in an injury requiring a transfusion today faces a good chance of contracting serum hepatitis. Last year alone there were over 50,000 cases reported, and estimates of those left unreported run as high as half a million. Transfusions for one out of every 150 patients over the age of 40 will result in death.

This last year has been over 2 million blood transfusions performed in the United States. And yet, we still do not have a comprehensive, effective Federal law regulating the source and handling of this precious, life-sustaining fluid.

Science has shown that the chief source of hepatitis is blood received from paid donors. The chances of their blood carrying the disease is 11 to 70 times greater than that of a volunteer. The paid donor is not screened carefully. Alcoholics, drug addicts, and others who live in conditions that invite hepatitis represent a great number of the persons who sell their blood to commercial blood banks.

Administration of these blood banks is often deplorable. Facilities are not inspected, health policies go unquestioned. One example has even been given where donors are paid in vouchers redeemable only at a local liquor store. It takes little imagination to determine the ultimate use for these proceeds.

This is not to say that all blood is bad. Many voluntary and commercial blood banks run perfectly respectable operations. Indeed, the good ones deserve our commendation for the invaluable service they provide. But, enough of the organizations supplying our doctors are so disreputable that stricter Government supervision is demanded.

At present, the medical profession depen is much too heavily on the paid donor. Volunteers seldom lie about their past, they have little reason to. They are generally healthier. But the volunteer is also rare. People simply do not give enough to meet our great needs. Perhaps they do not realize the danger they face should they need wholesome blood some day.

Little is being done at present by the Government to remedy this situation. The National Institutes of Health licenses only 166 of the some 7,000 blood banks across our Nation. Moreover, most of the massive quantities of blood imported by this country every year go without any inspection or regulation at all.

NIH apparently is not the answer. What we need is a strong and enforceable law establishing stringent regulations, and a forceful organization to see them implemented.

This is the purpose of the bill I am today introducing. It would establish a national blood bank program within the Department of Health, Education, and Welfare run by a program director with the authority to inspect, license, and regulate every blood bank in the country. He would be responsible for establishing standards for donor selection, for management of blood inventories aimed at minimizing the risk of disease and outdating, for setting limits on the number of paid donors within any banking system, and for establishing a national donor registry to allow cross-checking by blood banks for hepatitis carriers.

Regulation alone, however, is not the answer. The real key to a good, long-term blood bank program is to encourage more people to contribute. Those donors eliminated by stricter health standards must be replaced. This bill would commit $9 million to a national campaign to recruit volunteers.

Mr. Speaker, the most tragic aspect of the current situation is that hepatitis is almost entirely preventable. I believe that a vigorous national effort to inform the public of the importance of donating blood, combined with adequate supervision of blood banking, could virtually wipe out transfusion hepatitis by 1980.

To be sure, it will take strong action such as this to stamp out serum hepatitis