SENATE—*Thursday, March 4, 1971*

(Legislative day of Wednesday, February 17, 1971)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. ELLENDER).

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

Eternal Father, as we pause in the midst of daily toil and the deliberations of this place, help us to make our personal devotion part of the promise of a better world. Remove all that obstructs Thy spirit in our lives that we may perceive Thy guidance in the affairs of state. When we understand what is Thy will, give us the courage to do it. As servants of the people in the land of the free and the home of the brave, make us worthy of the past and equal to the present. Grant that each one of us may contribute to the world's good our own life, strong, clean, honest, and trustworthy. Teach us the eternal mystery that it is in losing ourselves to something higher than ourselves, that we truly find ourselves.

We pray in the name of Him who came not to be ministered unto but to minister, and to be servant to all. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, March 3, 1971, be approved.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

INTEREST RATES AND COST OF LIVING STABILIZATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 31, Senate Joint Resolution 55.

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

The legislative clerk read the joint resolution as follows:

S.J. Res. 55, to provide for temporary extension of certain provisions of law relating to interest rates and cost of living stabilization.

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

There being no objection, the resolution was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 55

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

REGULATION OF INTEREST RATES ON DEPOSITS AND SHARE ACCOUNTS IN FINANCIAL INSTITUTIONS

SECTION 1. Section 7 of the Act of September 21, 1966, as amended (Public Law 91–151; 83 Stat. 371), is amended by striking out "March 22, 1971" and inserting in lieu thereof "June 1, 1971".

AUTHORITY TO APPLY PRICE AND WAGE CONTROLS

SEC. 2. Section 206 of the Economic Stabilization Act of 1970 (title II of Public Law 91–379), as amended (Public Law 91–558), is amended by striking out "March 31, 1971" and "April 1, 1971" and inserting in lieu thereof "May 31, 1971" and "June 1, 1971", respectively.

NOTICE TO SENATORS ON CLOTURE MOTION VOTE ON TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I am sending the following telegram to all Democratic Members. I state this for the information of the Senate, and also for the benefit of the acting minority leader so that he will be aware of what is being done:

Urgently request that you be in attendance on Tuesday, March 9, for final vote on cloture on rule XXII. Imperative that all Senators be on hand for vote at approximately 1:05 pm. on Tuesday next.

MIKE MANSFIELD,
Majority Leader U.S. Senate.

Mr. GRIFFIN. Mr. President, recognizing that the distinguished majority leader once again is making a special effort to try to get good attendance on Tuesday next when the vote on cloture will take place, I want to say, on behalf of the minority leadership, that we likewise will get in touch with every Republican Senator and make sure that he is aware of the vote. We will do our best to get as good attendance as we possibly can.

Last week, the minority leader sent out a telegram and we expect to do the same this time—either a telegram or a direct call from the minority leader.

ORDER FOR RECESS UNTIL 11:45 A.M., ON MONDAY, MARCH 8, 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, March 5, 1971, it stand in recess until 11:45 a.m. on Monday next.

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

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY, MARCH 8, 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on Monday, March 8, 1971, after the approval of the Journal, and under the usual procedure, that the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the order previously entered, morning business will begin now with statements therein limited to 3 minutes to each Senator.

Under the previous order, the distinguished Senator from Indiana (Mr. HARTKE) is now recognized for 1 hour.

(The remarks of Mr. HARTKE when he submitted Senate Resolution 66 and additional remarks on the same subject are printed later in the RECORD under submission of resolutions.)

MESSAGE FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on March 1, 1971, the President had approved and signed the joint resolution (S.J. Res. 44) to extend the time for the proclamation of marketing quotas for burley tobacco for the 3 marketing years beginning October 1, 1971.

SPECIAL REVENUE SHARING, RELATING TO MANPOWER—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 92–59)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

Like the 1770s, which produced an American Revolution, the 1970s can be a decade of revolutionary change. We have an opportunity to build on the strengths of the federal system, and by so doing to forge a strong new partnership in which each level of government is lodged at that level at which it can best be performed.

One of the keys to this reform is Revenue Sharing—General and Special, $16 billion in all.

Four weeks ago I asked the Congress to enact a $5 billion General Revenue Sharing program. It was essentially a proposal to take some of the tax dollars the Federal Government raises and use them as a transfusion for our hard-pressed States, counties and cities—to be spent as the people in each jurisdiction agree with their own elected officials makes the best sense.

Two days ago in my message on Law Enforcement Assistance, I presented to

the Congress the first of six proposals that will account for a total of $11 billion in Special Revenue Sharing programs. Unlike General Revenue Sharing, which is new money without project restrictions, Special Revenue Sharing consists of $10 billion now going into present Federal grant programs, plus $1 billion in new funds, rescued from a thicket of narrow categories and earmarked for spending in six broad areas of national concern.

Today I am proposing legislation in the second major area of Special Revenue Sharing—Manpower. The Manpower Revenue Sharing Act of 1971 would:

—Provide $2 billion during the first full year of its operation—$4 for every $3 now being spent—to help move men and women into productive employment.

—Unify into one the many programs under which Federal manpower money is now channeled to State and local governments.

—Free city, county, and State budgets from matching and maintenance-of-effort encumbrances, and officials of those governments from intricate administrative procedures.

—Vest the power to shape local manpower assistance efforts in governments close to the people they assist.

MANPOWER ASSISTANCE: IN WHOSE HANDS?

Labor, like other economic resources, is allocated by the market under our system. But as the American economy has grown increasingly complex and technological, we have seen that the job market has imperfections—frictions, lags, slack in the gears—whose costs in unemployment, under-employment and inadequate incomes must be reduced. A degree of cautious intervention in the market process over the long term is clearly a human imperative and a matter of national interest—as the Congress recognized nine years ago this month with a substantial commitment of Federal money and attention under the Manpower Development and Training Act of 1962. That Act, and the Economic Opportunity Act of 1964, currently include more than a dozen categorical grant programs in the manpower field, funded in Fiscal 1971 at $1.5 billion.

While these efforts proceed from the best of intentions, they are overcentralized, bureaucratic, remote from the people they mean to serve, overguidelined, and far less effective than they might be in helping the unskilled and the disadvantaged. The reason: by and large, their direction does not belong in Federal hands.

Designing a manpower program that can best deliver its intended services starts with the recognition, one, that the "job market" is really thousands of interacting but separate markets spread all over the economic and geographic map of the United States, and two, that the "labor force" is actually 87 million individual men and women with a wide diversity of training needs. Under the circumstances it makes little sense for Washington to dominate decisions on manpower assistance—not when 50 States and thousands of local government units, each in touch with its own territory and close to its own people, stand ready to apply their know-how if Washington will only help pay the bills.

PENALIZING DIVERSITY AND SUBSIDIZING BUREAUCRACY

I recognize that there are many Federal purposes for which categorical grants are still the best available approach. My Special Revenue Sharing proposals are targeted specifically at those program areas in which I believe the case for local decision is overriding.

Manpower is an area in which the need to adapt to diverse and changing local conditions is especially compelling, and in which the advantages of local control are correspondingly great.

When nationwide categorical programs are applied to diverse job markets, some cities and States may find their needs met nicely—but many others, inevitably, will come off second best. They will, in effect, be penalized for differing from the models according to which Federal programs are designed. They find themselves forced into funding projects of low *local* priority ahead of those of higher priorities simply because Federal program inflexibilities mean funding the available ones or none at all. Those who suffer as a result are not governmental units in the abstract but real people with bills to pay and families to feed. The injury is compounded when local funds, scarce at best, must be set aside to match—in effect, to buy into—the Federal money, if the money is not to be lost.

In one respect only do all States and cities fare equally under a system of narrow categorical grants: officials of all must, as a matter of survival, learn their way through a bureaucratic jungle.

For example:

—Merely to describe one State's Federal manpower programs in 1970 required a jargon-heavy tome 1185 pages long.

—Last fall a businessmen's group attempting to list all the public manpower programs in New York City gave up after 44 entries, commenting that "attempting to unravel the intricate mass of detailed data on the individual programs has been an exhausting undertaking."

—Harried vocational school administrators must cope with a 930-page Labor Department manual and hundreds of pages more of Federal standards and conditions, to meet the requirements of a single program—MDTA institutional training.

In light of all this, Americans' discontent with government is no mystery. The Federal money put to low-priority uses, the captive local matching money, the waste of time by local officials in threading their way through Byzantine administrative tangles—all are unfair: to a Nation that deserves a healthy employment market, to people out of work who deserve effective job assistance, and to taxpayers who deserve a hundred cents worth of public benefits on every dollar government takes from them.

TO MAKE GOOD ON A GOOD IDEA

The active Federal commitment to manpower training and development was a good idea in 1962, when Congress in enacting MDTA expressed concern that "the problem of assuring sufficient employment opportunities will be compounded by the extraordinarily rapid growth of the labor force in the next decade." It is an even better idea today, with the labor force already enlarged by 19 percent in the 9 years since, and with technological change still rapid. But one of the great lessons of the dramatic Federal Government growth in the 1960s is that even a good idea like this can fall short of its promise if the way in which it is carried out runs against the grain of the Federal system. By converting the Nation's manpower programs from categorical grants to Special Revenue Sharing, we can play to the strengths of the Federal partnership, teaming Federal dollars with State and local decision-making. This is the purpose of the Manpower Revenue Sharing Act of 1971 which I am proposing today.

WHERE THE MONEY GOES

I have proposed that $2 billion be provided for the first full year of the Manpower Revenue Sharing Act, which would replace the Manpower Development and Training Act and manpower provisions of the Economic Opportunity Act on January 1, 1972. This represents an increase of almost one-third over current levels of funding for the affected categorical grants. Since the need for job training and other manpower assistance expands as the Nation grows, the act would set no ceiling on future appropriations.

Of this amount provided, 85 percent would be distributed to the States and to cities and counties with a population of 100,000 or more. Since jobs and workers cross city and county lines, bonus funds within the formula distribution would be awarded to consortia of local governments which embrace entire major labor market areas. Governments which can agree to act in concert in smaller urban areas would also qualify for funds. The remaining 15 percent would be made available to the Secretary of Labor to fund special activities.

The shared revenues would be allocated by statutory formula. Each State or local area's share would be determined by its proportionate number of workers, unemployed persons, and low income adults.

WHAT ARE MANPOWER PROGRAMS?

Manpower programs develop job skills. They help the unemployed and underemployed, particularly welfare recipients and other disadvantaged persons, make the transition to better jobs, better pay, and higher skill levels.

An effective program focuses on individual needs and available jobs. It embraces a wide range of manpower activities, providing combinations of services to move people toward their employment goals. Authorized manpower activities include:

—recruitment, counseling, testing, placement, and follow-up services;

—classroom instruction in both remedial education and occupation skills;

—training on the job with both public and private employers, aided by manpower subsidies;

—job opportunities, including work experience and short-term employment for special age groups and the temporary unemployed, and transitional public service employment at all levels of government;

—ancillary services like child care assistance, relocation assistance, and minor health services.

Decisions on the mix and specifics of State and local activities under this broad umbrella would be up to each government. However, payments and allowances for individuals would be limited to two consecutive years, in recognition of the fact that these manpower programs are designed not to provide long-term public support but rather to assist job seekers in making the transition to permanent or better jobs.

NEW FLEXIBILITY AND ACCOUNTABILITY

In keeping with the principles of Special Revenue Sharing, State and local governments would be given wide discretion in determining how the funds provided should be used.

This manpower program, unlike its predecessors, would have no exhaustive volumes of Federal standards to be met. There would be no towering piles of Federal program applications to complete and no frustrating delays at the Federal level. State and local money now tied down by matching requirements and maintenance of effort would be freed for spending elsewhere as community priorities might dictate.

Giving State and local officials full power to spend Federal manpower funds would sharply increase the citizen's ability to influence how the funds are spent. It would make government more responsive to legitimate demands for quality services.

To enhance public *accountability* for manpower programs, State and local governments would be required to publish a statement of program objectives and projected uses of funds each year, prior to receiving their shared revenues. These statements would include information on the area's economic and labor market conditions; targeted client groups; proposed activities; wages, allowances and other benefits; manpower agencies involved; and the positions and salaries of the program's administrators. In addition, the statements would review the previous year's programs.

Both State and local governments would be required to publish comments about each other's program statements. In particular, they would be responsible for coordinating and making full use of all other State and local manpower activities available. After full public disclosure and discussion they would be required to publish their final program statements for the coming year.

To increase the information available to the public, the Labor Department would publish evaluations of program effectiveness.

The people would have the hard facts needed to hold their public officials directly and readily accountable for the manner in which manpower programs are administered.

PROGRAMS AND PURPOSES

Manpower Revenue Sharing is a partnership. Washington puts up the purse and sets out the broad purposes of authorized spending, while program decisions are turned over to the statehouses, county governments and city halls. My proposal neither mandates nor terminates any programs. It provides that the continuation, expansion, or modification of each program would be determined, as it ought to be, by the test of performance alone—and determined by the State or community which the program serves. Programs that have proved themselves in practice could be continued with the use of the Federal funds provided. Indeed many current categorical programs probably would continue and expand in response to local needs once arbitrary Federal restrictions were removed. On the other hand, programs whose past claims of effectiveness are not justified by the record deserve to be replaced by others more responsive to community needs. Vesting the program authority in governments close to the people will make it harder for programs to coast along on their momentum from year to year, and easier to tailor manpower assistance to on-the-scene realities.

THE FEDERAL ROLE

The special activities financed by the 15 percent of manpower funds retained for use by the Secretary of Labor would include support and assistance for State and local programs through staff training and technical aid, through research, and through experimental and demonstration programs to develop new manpower techniques.

The Department of Labor would also maintain a comprehensive system of labor market information and computerized job banks to facilitate exchange of information among different areas. It would monitor State and local programs for fiscal accountability and compile comparative data on all programs to help the Congress and the public assess their effectiveness.

In addition, the Labor Department would have funds to help support certain programs which operate most effectively across State and local boundaries.

This Act, like my other revenue sharing proposals, would include rigorous safeguards against all discrimination. The legislation I am recommending today stipulates that revenue shared and other funds expended by the Secretary of Labor under this Act would be considered Federal financial assistance within the meaning of Title VI of the Civil Rights Act of 1964.

MANPOWER POLICY AND PUBLIC SERVICE EMPLOYMENT

One of the most innovative features of my proposed Manpower Training Act of 1969 was an automatic "trigger" which provided more manpower funds when the national unemployment rate rose to 4.5 percent or more for three consecutive months

The Manpower Revenue Sharing Act contains a similar feature. Triggered funds would be distributed by the Secretary of Labor to areas of high unemployment to provide additional training and employment opportunities.

Under such conditions many State and local governments might choose to use these funds to create temporary public service jobs to offset the rise in unemployment.

This is an acceptable and appropriate use of triggered funds—*and* of regular shared revenues for manpower programs.

Transitional and short-term public employment can be a useful component of the Nation's manpower policies. But public employment not linked to real jobs or not devoted to equipping the individual to compete in the labor market is only a palliative, not a solution for manpower problems.

Thus, this Act would also provide *permanent* authority for public service job creation as part of an overall manpower program—but with the proviso that such jobs must constitute transitional opportunities. Within a two-year period participants must be enabled to move into the public employer's regular payroll, or helped to obtain other public or private employment.

Public jobs created through manpower funds would thus be used to develop skills and abilities, with participants moving through such positions into permanent opportunities.

Federal funds already support almost 2 million jobs in State and local government. When enacted, General Revenue Sharing may support tens of thousands more.

Furthermore, last week the administration requested Congressional approval for the creation of at least 200,000 new public jobs for welfare recipients. A part of my welfare reform proposals, these new jobs would lead to non-subsidized employment for welfare recipients for whom other jobs are not available.

FITTING PROGRAMS TO PEOPLE

This new reliance on local flexibility and local initiative should benefit citizens and communities across the country. For example:

—This Act would allow city governments to bring jobless ghetto residents onto city payrolls in education, health safety and anti-pollution work while preparing them to move into permanent jobs.

—This Act would allow State governments to reach out to isolated rural poor people with training and job programs shaped to their special needs.

—This Act would allow county governments to provide skill training and transitional employment to welfare recipients to move them toward self-support and new dignity.

It would, in short, allow each State or community to fit its programs to its people.

LOOKING AHEAD

In August 1969 I submitted the Manpower Training Act of 1969. It was one of three key proposals to begin reversing the tide of power which for a generation has flowed from the States and communities to Washington.

For over a year the Ninety-first Congress considered the proposed new manpower legislation, adding many new and creative ideas to our original proposals. Legislation was approved by both houses of Congress which entrusted important new manpower responsibilities to State and local governments. Unfortunately, the final bill also contained serious flaws, and I was forced to withhold my approval from it last December. With this message I am fulfilling my pledge then to submit new manpower legislation in 1971.

This bill builds upon the foundation that was laid during the last Congress.

It responds to Governors' and Mayors' appeals for increased responsibility and increased flexibility.

It makes manpower programs more readily accountable to the clients they serve and the taxpayers who support them.

It recognizes that transitional public service employment is an integral part of manpower policy—and places no ceiling on its extent within the manpower program.

It triggers extra Federal funds to counteract periods of rising unemployment.

In summary, this proposal is designed to give more effective help to those who need it, and to give Americans full return for their tax dollars spent on manpower assistance in the years ahead—full return in the form of unemployment brought down and kept down, and in the form of new income and achievement opportunities for millions of deserving men and women.

And its effects could reach far beyond the field of manpower: As it gives State and local governments the resources and authority to deal with their problems in a single area, it can build the confidence and competence of those governments in all areas. As it cuts away the layers of bureaucracy that have separated the people from one specific exercise of their governing power, it can help restore the people's faith in the democratic process generally. Teamed with my other Special and General Revenue Sharing proposals, it can help to launch the United States on a new era of revolutionary change for the better.

RICHARD NIXON.

THE WHITE HOUSE, *March 4, 1971.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 1002, Public Law 90–226, the Speaker had appointed Mr. ADAMS and Mr. HOGAN as members of the Commission on Revision of the Criminal Laws of the District of Columbia, on the part of the House.

The message announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 4690. An act to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act, and for other purposes;

H.J. Res. 16. Joint resolution to authorize the President to designate the period beginning March 21, 1971, as "National Week of Concern for Prisoners of War/Missing in Action"; and

H.J. Res. 337. Joint resolution authorizing the President to proclaim the second week of March 1971 as Volunteers of America Week.

HOUSE BILL REFERRED

The bill (H.R. 4690) to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act, and for other purposes, was read twice by its title and referred to the Committee on Finance.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation for the Department of Agriculture for "Forest protection and utilization," Forest Service, for the fiscal year 1971, had been reapportioned on a basis indicating a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT ON PROPOSED CLOSURE OF CLINTON COUNTY AIR FORCE BASE, OHIO, AND PERRIN AIR FORCE BASE, TEX.

A letter from the Department of the Air Force, transmitting, pursuant to law, a report of the facts, and the justification for the proposed closure of Clinton County Air Force Base, Ohio, and Perrin Air Force Base, Tex., dated January 1971 (with an accompanying report); to the Committee on Armed Services.

REPORT OF THE SECRETARY OF THE NAVY ON FLIGHT INCENTIVE PAY

A letter from the Secretary of the Navy, reporting, pursuant to law, on flight incentive pay for the period ended November 30, 1970; to the Committee on Armed Services.

REPORT ON DEATHS, INJURIES AND ECONOMIC LOSSES RESULTING FROM ACCIDENTAL BURNING OF PRODUCTS, FABRICS OR RELATED MATERIALS

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on the results of study and investigation by the Food and Drug Administration of deaths, injuries, and economic losses resulting from accidental burning of products, fabrics, and related materials (with an accompanying report); to the Committee on Commerce.

GAS SUPPLIES OF INTERSTATE NATURAL GAS PIPELINE COMPANIES, 1969

A letter from the Chairman, Federal Power Commission, transmitting, for the information of the Senate, a publication entitled "The Gas Supplies of Interstate Natural Gas Pipeline Companies, 1969 (with an accompanying document); to the Committee on Commerce.

REPORT OF THE SECRETARY OF COMMERCE ON THE FAIR PACKAGING AND LABELING ACT

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the activities of the Department under the Fair Packaging and Labeling Act, for the fiscal year ended June 30, 1971 (with an accompanying report); to the Committee on Commerce.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on substantial improvements needed in the financial management of the Virgin Islands Government, Department of the Interior, dated March 2, 1971 (with an accompanying report); to the Committee on Government Operations.

PROPOSED AMENDMENT OF THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

A letter from the Acting Administrator, General Services Administration, transmitting a draft of proposed legislation to amend section 204(b) of the Federal Property and Administrative Services Act of 1949, as amended (with an accompanying paper); to the Committee on Government Operations.

APPLICATION REPORT BY THE ROY WATER CONSERVANCY SUBDISTRICT PRESSURE IRRIGATION SYSTEM

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, an application report by the Roy Water Conservancy Subdistrict Pressure Irrigation System (with accompanying papers and report); to the Committee on Interior and Insular Affairs.

REPORT ENTITLED "FEDERAL AND STATE INDIAN RESERVATIONS—AN EDA HANDBOOK"

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report entitled "Federal and State Indian Reservations—An EDA Handbook," dated January 1971 (with an accompanying report); to the Committee on Interior and Insular Affairs.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATIONS FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LAW ENFORCEMENT REVENUE SHARING ACT OF 1971

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to amend the Omnibus Crime Control and Safe Streets Act of 1968 (with accompanying papers); to the Committee on the Judiciary.

REPORTS OF THE ATOMIC ENERGY COMMISSION

A letter from the Chairman, U.S. Atomic Energy Commission, transmitting, pursuant to law, the annual report of the Commission for 1970 and the supplemental report entitled "Fundamental Nuclear Energy Research—1970" (with accompanying reports); to the Joint Committee on Atomic Energy.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION INCREASING CERTAIN SOCIAL SECURITY BENEFITS AND OTHER RELATED MATTERS

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation providing for a cost of increases in the benefits under the Social Security Act; for a general increase in social security benefits of twenty per cent in the year nineteen hundred and seventy-two and ten per cent in the year nineteen hundred and seventy-three; with a minimum monthly payment of one hundred and fifty dollars per person and two hundred and fifty dollars per married couple; for a method whereby social security benefits shall be computed on the basis of the ten highest years of the worker's earnings; for an increase in the amount of benefits payable to widows of retired workers to an amount equal to one hundred per cent of the benefits payable to the worker at the time of his death; for the removal of the restrictions on the amount of income a person may earn while receiving social security benefits and that further increases in social security benefits shall not be used by public housing authorities as the basis for increased rentals; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the State Secretary to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from the Commonwealth."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"RESOLUTIONS REQUESTING CONGRESS TO CALL A CONVENTION FOR THE PURPOSE OF AMENDING THE UNITED STATES CONSTITUTION TO PROVIDE FOR INTERGOVERNMENTAL SHARING OF FEDERAL INCOME TAX REVENUE

"Whereas, A resolution of our nation's myriad and diverse problems is contingent upon a viable partnership between the federal government and strengthened state governments; and

"Whereas, The federal government, by its extensive reliance on the graduated income tax as a revenue source, has virtually preempted the use of this source from state and local governments, thereby creating a disabling fiscal imbalance between the federal government and the state and local governments; and

"Whereas, Increasing demands upon state and local governments for essential public services have compelled the states to rely heavily on highly regressive and inelastic consumer taxes and property taxes; and

"Whereas, Federal revenues based predominantly on income taxes increase significantly faster than economic growth, while state and local revenues based heavily on sales and property taxes do not keep pace with economic growth; and

"Whereas, The fiscal crisis at state and local levels has become the overriding problem of intergovernmental relations and of continuing a viable federal system; and

"Whereas, The evident solution to this problem is a meaningful sharing of federal income tax resources; and

"Whereas, The United States Congress, despite the immediate and imperative need therefor, has failed to enact acceptable revenue sharing legislation; and

"Whereas, In the event of such Congressional inaction, Article V of the Constitution of the United States grants to the states the rights to initiate constitutional change by applications from the legislatures of two-thirds of the several states to the Congress, calling for a constitutional convention; and

"Whereas, The Congress of the United States is required by the Constitution to call such a convention upon the receipt of applications from the legislatures of two-thirds of the several states; now, therefore, be it

"Resolved, By the General Court of the Commonwealth of Massachusetts that, pursuant to Article V of the United States Constitution, the General Court of the Commonwealth of Massachusetts does hereby make application to the Congress of the United States to call a convention for the sole and exclusive purpose of proposing to the several states a constitutional amendment which shall provide that a portion of the taxes on income levied by Congress pursuant to the sixteenth amendment of the United States Constitution shall be made available each year to state governments and political subdivisions thereof, by means of direct allocation, tax credits, or both, without limiting directly or indirectly the use of such monies for any purpose not inconsistent with any other provision of the Constitution of the United States; and be it further

"Resolved, That this application shall constitute a continuing application for such convention pursuant to Article V until the Legislatures of two-thirds of the states shall have made like applications and such convention shall have been called by the Congress of the United States unless previously rescinded by this General Court; and be it further

"Resolved, That certified copies of this resolution be transmitted forthwith by the Secretary of the Commonwealth to the President of the Senate and the Speaker of the House of Representatives of the United States and to the Legislatures of each of the several states attesting the adoption of this resolution by the General Court of the Commonwealth of Massachusetts."

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S.J. Res. 10. Joint resolution to authorize the President to designate the period beginning March 21, 1971, as "National Week of Concern for Prisoners of War/Missing in Action" (Rept. No. 92-25).

EXECUTIVE REPORTS OF A COMMITTEE

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

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

Robert V. Denney, of Nebraska, to be a U.S. district judge for the district of Nebraska; and

H. Brooks Phillips of Mississippi, to be U.S. marshal for the Northern District of Mississippi.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. TALMADGE (by request):

S. 1108. A bill to amend the Act of August 28, 1950, enabling the Secretary of Agriculture to furnish, upon a reimbursable basis, certain inspection services involving overtime work. Referred to the Committee on Agriculture and Forestry.

By Mr. HARTKE:

S. 1109. A bill for the relief of Harold Albert, Lona Sarah, Karen Therese, and Bruce Alex Arnold; and

S. 1110. A bill for the relief of Kendrick Hamilton Vernon, Sylvia Louise Vernon, Francis McLaudie Vernon, Carrie Hellouise Vernon, Richard Seymour Bickham Vernon, Marion Rosalee Vernon, Marie Elizabeth Vernon, and Elvet Anthony Vernon. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF (for himself and Mr. DOMINICK):

S. 1111. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education. Referred to the Committee on Finance.

By Mr. BELLMON:

S. 1112. A bill to amend the Federal Corrupt Practices Act, 1925, in order to make more effective the reporting of campaign expenditures, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. BAKER (for himself, Mr. MUSKIE, Mr. BEALL, Mr. BAYH, Mr. BIBLE, Mr. BOGGS, Mr. BROCK, Mr. CANNON, Mr. CASE, Mr. CHURCH, Mr. COOPER, Mr. CRANSTON, Mr. DOLE, Mr. EAGLETON, Mr. GRAVEL, Mr. HARRIS, Mr. HATFIELD, Mr. HUMPHREY, Mr. JAVITS, Mr. MCGEE, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MONDALE, Mr. NELSON, Mr. PERCY, Mr. RANDOLPH, Mr. SPONG, Mr. STEVENS, and Mr. WILLIAMS):

S. 1113. A bill to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with air pollution, water pollution, solid waste disposal, general pollution, and degradation of the environment, and other related problems. Referred to the Committee on Public Works.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 1114. A bill to declare that the United States holds in trust for the Reno-Sparks Indian Colony certain lands in Washoe County, Nev. Referred to the Committee on Interior and Insular Affairs.

S. 1115. A bill to declare that certain federally owned lands are held by the United States in trust for the Paiute-Shoshone Tribe of the Fallon Reservation and Fallon Colony, Nevada. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself and Mr. HATFIELD):

S. 1116. A bill to require the protection, management, and control of wild free-roaming horses and burros on public lands. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 1117. A bill to provide for regulation of public exposure to sonic booms, and for other purposes. Referred to the Committee on Commerce.

By Mr. TUNNEY:

S. 1118. A bill for the relief of Gloria Talinao. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 1119. A bill to authorize the Secretary of the Interior and the Secretary of Agriculture to protect, manage, and control free-roaming horses and burros on public lands. Referred to the Committee on Interior and Insular Affairs.

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

S. 1120. A bill to provide for the disposition of the judgment in favor of the Shoshone Tribe or Nation of Indians and the Shoshone-Bannock Tribes in Indian Claims Commission dockets 326-D, 326-E, 326-F, 326-G, 326-H, 366, and 367, and for other purposes.

Referred to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY (for himself, Mr. Moss, and Mr. PELL):

S. 1121. A bill to reform the Federal elective process, and for other purposes. Referred to the Committees on Finance, Commerce, Rules and Administration, and Government Operations, jointly, by unanimous consent.

By Mr. TAFT:

S. 1122. A bill to authorize the Secretary of the Interior to establish and operate a National Museum and Repository of Negro History and Culture at or near Wilberforce, Ohio. Referred to the Committee on Labor and Public Welfare.

By Mr. PROUTY (for himself, Mr. JAVITS, Mr. JORDAN of Idaho, Mr. GRIFFIN, and Mr. SCOTT):

S. 1123. A bill to extend and amend the Higher Education Act of 1965, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. WILLIAMS (for himself, Mr. CHURCH, and Mr. RANDOLPH):

S. 1124. A bill to amend the Older Americans Act of 1965 to authorize a special emphasis transportation research and demonstration project program. Referred to the Committee on Labor and Public Welfare:

By Mr. STEVENS:

S.J. Res. 63. Joint resolution proposing an amendment to the Constitution of the United States with respect to the minimum age qualifications of Representatives and Senators. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself and Mr. CASE):

S.J. Res. 64. Joint resolution to authorize and request the President to proclaim the week of April 25, 1971, through May 1, 1971, as "National ROTC Band Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIBICOFF (for himself and Mr. DOMINICK):

S. 1111. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education. Referred to the Committee on Finance.

TUITION TAX CREDIT BILL

Mr. RIBICOFF. Mr. President, over 7 years ago, I introduced legislation to provide tax relief for those families burdened with the rising costs of higher education. The Senate has passed this legislation two times, most recently as the Ribicoff-Dominick tuition tax credit amendment to the 1969 Tax Reform Act. A majority of Republicans as well as Democrats joined in passing the measure, only to see it deleted by the House in conference.

Today, the need for this legislation is greater than ever before. Increasing tuition costs and Federal, State and local taxation make it impossible for many low- and middle-income families to send a child to college without financial assistance.

In the last 5 years, tuition costs of public institutions have risen by 50 percent. At private colleges and universities tuition has increased by 70 percent. The result is that today, it costs between $10,000 and $20,000 to obtain a bachelor's degree. Moreover, estimates by the Office of Education show that tuition alone will increase by 25 percent at public institutions of higher learning and by 38 percent at private institutions in the next 10 years.

The college scholarship service of the College Entrance Examination Board assists over 2,000 colleges and universities in setting guidelines for financial assistance. The service has made an authoritative study of what colleges must expect from students and their families toward covering the cost of education.

A family with one child in college and a pretax income of $10,000 is expected to pay $1,570 toward a year's college expenses.

Under the Federal tax laws, this family in 1972 would be expected to pay about $1,400 in income taxes. An additional $300 would generally be paid for State and local taxes. This leaves only $6,730 for all other living expenses for the entire family.

A constituent of mine recently wrote of the plight in which the soaring costs of education has placed his family.

One child has completed a year of college at the cost of several thousand dollars. Next year, twin sons will be of college age. One wants to be a veterinarian.

Both parents work full time. The children work during the summers. Family income cannot be expanded. Available scholarships and loans are exhausted. Educational expenses in tens of thousands of dollars must be paid in the next few years.

My constituent asks only one question, "How can I send my sons to college?"

As we face the necessity of finding solutions to the complex social problems facing this Nation, we must recognize the essential role that education plays in our society. Our children's education is an investment in the future. A better educated population is the strongest tool for the continued growth and development of our Nation.

The bill I introduce today proposes a maximum tax credit of $325 per student. The credit would be computed on the basis of 100 percent of the first $200 of qualifying expenditures for tuition, fees, and books; 25 percent of the next $300; and 5 percent of the subsequent $1,000. No credit would be allowed for student costs above $1,500.

The resulting credit would be allowed against the Federal tax of any person who paid the expenses of education for himself or another person at a qualified educational institution. A qualified institution includes recognized colleges, universities, graduate schools, vocational and business schools.

The bill is drafted to relieve the heavy burden of educational costs now borne by the average American citizen. It would not benefit wealthy individuals who can easily afford these costs.

The available credit would begin to be phased out when the taxpayer's adjusted gross income reached $15,000. Two percent of the amount by which a taxpayer's adjusted gross income exceeded $15,000 would be deducted from the credit available to that taxpayer. Thus, no taxpayer with an income above $31,250 would be eligible for a credit.

I ask unanimous consent that a table outlining the available benefits to various income groups be printed at this point in the RECORD:

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

AVAILABILITY OF TUITION CREDIT BY AMOUNT OF QUALIFIED EXPENSES AND INCOME LEVEL (PER STUDENT)

Qualified expense	Adjusted gross income					
	$10,000	$15,000	$20,000	$25,000	$30,000	$35,000
$100	$100.00	$100.00	0	0	0	0
$200	200.00	200.00	$100.00	0	0	0
$300	225.00	225.00	125.00	$25.00	0	0
$400	250.00	250.00	150.00	50.00	0	0
$500	275.00	275.00	175.00	75.00	0	0
$750	287.50	287.50	187.50	87.50	0	0
$1,000	300.00	300.00	200.00	100.00	0	0
$1,250	312.50	312.50	212.90	112.50	$12.50	0
$1,500	325.00	325.00	225.00	125.00	25.00	0

Mr. RIBICOFF. Mr. President, while tax credit legislation is not the final answer to the rising cost of education, it will strengthen the ability of a family to finance the college education of a son or daughter.

Other creative proposals to finance higher education must continue to be explored. In my own state of Connecticut, at Yale University, an innovative proposal to allow students to defer of their tuition for up to 35 years has been adopted.

Yale, recognizing that its $4,400 a year cost could deprive all but the wealthy of an education, will allow a student to defer a portion of his tuition and repay Yale at the rate of 0.4 percent of his annual income for every $1,000 in tuition that is deferred. Elliot Richardson, Secretary of the Department of Health, Education, and Welfare, has commended this experiment for its "boldness and imagination" and the Ford Foundation has appropriated $500,000 to study the type of program that Yale is starting.

However, while creative concepts of financing higher education must be developed the average American family needs relief now.

My bill will significantly strengthen the ability of millions of Americans to provide a quality education for their children.

I am pleased to announce that Senator DOMINICK is joining with me again to work for passage of this legislation.

Mr. GRIFFIN. Mr. President, on behalf of the distinguished Senator from Colorado (Mr. DOMINICK), I ask unanimous consent to have printed in the RECORD a statement by him on the tuition tax credit bill, introduced by the distinguished Senator from Connecticut

(Mr. RIBICOFF), which was referred to the Committee on Finance.

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

STATEMENT BY SENATOR DOMINICK

Mr. President, I am pleased once again to join the distinguished Senator from Connecticut (Mr. RIBICOFF) in co-sponsoring proposed legislation designed to provide some much needed tax relief to the lower-middle and lower income taxpayer who is shouldering the ever increasing burden of providing higher education for himself or his children. My interest in providing tax relief for higher educational expenses dates back to my first days in public office. In the Colorado Legislature, I introduced similar legislation every year of my four years there. During the 87th Congress, I introduced a tuition tax credit bill in the U.S. House of Representatives, and during the 88th, 89th, 90th, and 91st Congresses I joined with Senator RIBICOFF in sponsoring similar legislation in the Senate.

The urgent need for enactment of this legislation is reflected in the growing number of American families who are hard pressed to meet the rising costs of higher education for their children, whether at public or private colleges or universities.

I ask unanimous consent that there be printed in the Record at this point a table composed of figures compiled by the U.S. Office of Education, Department of Health, Education, and Welfare, demonstrating the rapidly increasing cost of higher education.

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

ESTIMATED AVERAGE CHARGES PER FULL-TIME STUDENT

[Tuition and required fees]

	All	University	Other 4 years	2 years
1958-59:				
Public	$191	$220	$143	$75
Nonpublic	738	862	667	386
1968-69:				
Public	307	411	301	137
Nonpublic	1,417	1,673	1,346	1,003
Projected: 1977-78:				
Public	367	525	407	169
Nonpublic	1,855	2,186	1,805	1,443

Source: U.S. Office of Education, Department of Health, Education, and Welfare.

Mr. DOMINICK. To further realize the impact of higher educational costs, one must realize that the number of students working toward undergraduate or graduate degrees has tripled in the last fifteen years. One of every two citizens between the ages of 18 and 21 is now a student. Seven million students are now in colleges or universities; by 1975, there will be nine million students, and by 1985, there will be eleven million.

The rationale of the bill is better put in perspective when one considers that at a total cost of between $10,000 and $20,000 for 4 years of undergraduate education for each child, the cost of higher education for their children may well cost the family more than the family home. It certainly is a greater burden than mortgage interest, State and local taxes, medical expenses or casualty losses, and yet we give tax relief in the form of deductions for these expenses. It seems to me only right that we recognize for tax purposes the cost of higher education for young Americans.

Our bill would do just that. Under the formula set forth in the bill, the full credit is allowed on the first $200 of expenses for tuition fees and books; 25-percent credit will be allowed for the next $300 of expenses, and a credit of 5 percent would apply to the next $1,000 of such expenses. The total credit allowable on $1,500 of expenses would be $325.

The formula also provides that the allowable tax credit shall be reduced by 2 percent of the adjusted gross income of the taxpayer in excess of $15,000. The effect of this limitation is to place the major emphasis of the bill on assisting the lower and lower middle-income taxpayers who are bearing the burden of higher education. Under this formula, for example, a person with an adjusted gross income of $15,000 putting one person through college would be entitled to the total credit of $325, while a person with an adjusted gross income of $30,000 putting one person through college would be entitled to a tax credit of $25.

The bill provides for an investment in people rather than in machines. It is the very best investment we can make for the future of our country. Latest Office of Education figures indicate that a person with four years of higher education will, over the course of his life, earn about $213,000 more than a person with a high school diploma. Notwithstanding how substantial this figure appears to the Treasury in terms of returned tax dollars, it fails to truly reflect the value to the person receiving the education or to those other persons who are the direct or indirect recipients of such education.

There is widespread support for the tax credit approach in helping to meet the growing costs of higher education. For example: A questionnaire was sent to the president and trustees of all public and private institutions of higher education by the Citizens National Committee on Higher Education which produced a favorable reply from 90 percent of those responding.

A national survey conducted by Opinion Research Corp., of Princeton, New Jersey, for CBS–TV in 1966, disclosed that 70 percent of the viewing public supported tax credits for education, while only 13 percent opposed this approach. It is interesting to note that in that survey the highest level of support was found among persons in the $5,000 to $6,999 income bracket; 88 percent of this group favored educational tax credits. Among young people in the 18- to 29-year age group, 80 percent were in favor of this proposal.

In June of 1968, a nationwide survey by Better Homes and Gardens magazine reported that almost three-fourths of the 300,000 consumers who responded think a family's college expenses are so basic that they should be deductible on individual Federal income tax returns. A more recent Better Homes and Gardens survey reported in the March 1971, issue indicates that of the 70,000 persons polled, 66 percent agreed that college costs should be fully deductible while 30 percent disagreed, three percent were neutral, and one percent failed to respond.

Other polls have shown the same kind of results: 70 to 80 percent of the public supports the concept of tax credits for education expenses.

College and university administrators, faculty, and trustees have expressed enthusiastic support for the tax credit approach to extend the benefits of higher education to the many who cannot now meet the rapidly increasing costs. The tax credit concept has received the endorsement of a variety of educational organizations, including the National Education Association, the Colorado Education Association, the National Association of University Administrators, the Association of American Colleges, the United Business Schools Association, and the Citizens National Committee for Higher Education.

I believe we should again act favorably on this legislation to help our hard-pressed lower and middle income wage earners meet the rising costs of educating their children to meet the challenges of the future.

By Mr. BELLMON:

S. 1112. A bill to amend the Federal Corrupt Practices Act, 1925, in order to make more effective the reporting of campaign expenditures, and for other purposes. Referred to the Committee on Rules and Administration.

Mr. BELLMON. Mr. President, much has been said in recent months concerning campaign expenditures. The cost of advertising in various communications media to bring a candidate's message to the voters has risen sharply with the increased use of television.

The public is aware that more than $60 million was spent in the last presidential campaign, and that untold millions more went into advertising budgets for State and local candidates across the country. I want to emphasize that word, "untold," because it accurately describes the existing system for reporting campaign spending.

Nobody knows for sure just how much money is spent in this country's elections. Because of our unrealistic, unworkable, and unenforceable reporting laws, there is no way to obtain a reliably accurate figure. It is too easy—in fact almost necessary from the standpoint of survival—for a candidate to hide behind a committee or some other such loophole to avoid making a true disclosure.

In many instances, candidates are faced with campaign spending limits which are ridiculously low. This contributes to the farcical game that is played each election, in which candidates bombard the voters with every image-building device that money can buy; then at the end of the campaign, they piously file their reports showing they stayed under an impossible ceiling imposed by law.

Under such circumstances, it is not any wonder that elected officials often have a difficult time maintaining the respect and confidence of their constituents.

Mr. President, there seems to be general agreement that something needs to be done to erase the facade that exists today in reporting of campaign expenditures. We need to look at this problem seriously and objectively and take corrective action before the next election.

Several proposals have been advanced and these have features of considerable merit. The minority floor leader, Mr. SCOTT, has studied this problem with an admirable degree of thoroughness, and I commend him for the research he has done and the efforts he has put forth to modernize our laws.

His campaign reform bill, requiring detailed reports to be filed by candidates and political committees with an independent Federal Elections Commission, has many features with which I agree. For one thing, it does away with ceilings on candidate expenditures, but places some realistic limitations on the amounts the candidate and individuals may contribute to a campaign. It also offers tax incentives for small political contributors and encourages lower ad-

vertising rates, both of which steps would promote greater participation by our citizens in the elective process.

Mr. President, a meaningful campaign expenditure law will include several features which present law or proposed legislation does not contain.

First, we need a law that cannot be evaded by either winners or losers, regardless of their ethical standards. This is imperative because a losing candidate may feel no compunction about filing false information which could make a winning candidate's accurate reports have a damaging result.

Second, we need a law that will give voters complete and accurate facts on campaign expenditures by candidates before, not after, the votes are cast and counted. Even accurate information is of little value to a voter after the election is over and the results have been announced. Voters need to know which candidate is trying to buy his way into office before they make their decisions.

Mr. President, I have full confidence in the good judgment of American voters and I feel that if they have the facts they will make wise decisions generally. The amount of campaign expenditures is an important part of the information voters must have in order to choose between real ability and a job of professional packaging to make a candidate appear to be able.

What is needed is a three-pronged approach, involving not only the candidate and his committees, but the communications media as well. Therefore, I am introducing today a bill which will require the media to participate in the reporting system. In this way we can obtain a true picture of how much money is spent by each candidate for advertising. By comparing reports from advertising media with reports of candidates and committees, we can provide a check-and-balance system that should deter any tendencies toward manipulation.

The Nation's communications media have properly expressed great interest in the matter of campaign spending and, therefore, I am confident they will want to cooperate in this joint effort.

Mr. President, my bill amends the Federal Corrupt Practices Act of 1925. Here is a summary of the provisions of the bill:

SUMMARY

SECTION 2

(1) Amends Sec. 302 by including primary elections. The present law only covers general and special elections.

(2) Amends the term candidate to include nomination or election of President and Vice President.

(3) Amends the term political committee so that it applies to all political campaigns.

(4) Technical amendment.

(5) Amends the section by adding a new subsection which defines "political advertising."

SECTION 3

Sec. 305 is rewritten. This section deals with reporting by the treasurer of a political committee. He would have to report all contributions over $50 by name and address and the total amount given under $50. Also he would have to report the amounts spent by the committee on or in behalf of a candidate.

SECTION 4

Amends Sec. 306 to include the Secretary of the Senate as a reporting point.

SECTION 5

Section 307 is rewritten. This section deals with reporting by the candidate himself. Its provisions are the same as for the political committee.

SECTION 6

Section 309 is rewritten to require communications media (newspapers, radio, television, printers, etc.) to report on political advertising.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

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

S. 1112

A bill to amend the Federal Corrupt Practices Act, 1925, in order to make more effective the reporting of campaign expenditures, 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 "Federal Corrupt Practices Amendments of 1971."

SEC. 2. Section 302 of the Federal Corrupt Practices Act, 1925 (2 U.S.C. 241), is amended by—

(1) amending paragraph (a) of such section to read as follows: "(a) the term 'election' means a primary, general, or special election;";

(2) striking out, in paragraph (b) of such section, the words "election as" and inserting in lieu thereof "nomination for election, or election, as President or Vice President;";

(3) striking out all the matter in paragraph (c) of such section after the word "electors" and inserting in lieu thereof a semicolon;

(4) striking the period at the end of such section and inserting in lieu thereof a semicolon; and

(5) adding at the end thereof the following new paragraph: "(j) the term 'political advertising' means any advertisement which presents the name of a particular candidate for nomination or election.".

SEC. 3. Section 305 of such Act is amended to read as follows: "Sec. 305. (a) The treasurer of a political committee shall file with the appropriate official statements which are complete as of the day before the date of filing containing—

"(1) the name and address of each person who has made a contribution to or for such committee in the amount of $50 or more, together with the date and amount of such contribution (or its fair market value if the contribution was other than money);

"(2) The total sum of all contributions made to or for such committee in amounts of less than $50;

"(3) The total sum of all contributions made to or for such committee during the calendar year; and

"(4) Amounts spent by such committee for political advertising.

"(b) Any amount spent for political advertising shall be described in sufficient detail to identify it accurately, including—

"(1) The amount spent, the date of the expenditure, and the person to whom payment was made;

"(2) In the case of printed cards, pamphlets, circulars, posters, dodgers, booklets, or other such advertisements, writings, or statements (such as reprints from periodicals, books, newspapers, or other publications), the title and number of each;

"(3) In the case of radio and television advertising, the name and address of the station; and

"(4) In the case of the purchase of the services of campaign consultant firms, advertising agencies, media consultant firms, and other such commercial organizations, the name and address of the firm, together with the particular services rendered.

"(c) Statements filed under this section shall be filed on the first day, which is not a Sunday or legal public holiday of each month, except that beginning with the first day of the month immediately preceding the election, reports shall be filed weekly. Statements filed under this section shall be cumulative during the calendar year to which they relate. If there has been no change in an item reported in a previous statement, only the amount need be carried forward. The statement filed on the first day of January shall cover the preceding calendar year.

"(d) For purposes of this section, the appropriate official shall be—

"(1) The Clerk, in the case of a political committee receiving contributions or making expenditures for or on behalf of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress; and

"(2) The Secretary, in the case of a political committee receiving contributions or making expenditures for or on behalf of a candidate for the office of President, Vice President or Senator."

SEC. 4. Section 306 of such Act is amended by inserting immediately after the word "Clerk" in the text of such section the following: ", or Secretary, as the case may be,".

SEC. 5. Section 307 of such Act is amended to read as follows:

"SEC. 307. (a) Each candidate shall file with the appropriate official statements giving a correct and accurate account of—

"(1) Any amount spent by such candidate, or on his behalf, for political advertising designed to advance his candidacy; and

"(2) The source of amounts so spent, whether from the personal funds of the candidate and his immediate family or from contributions.

"(b) Any amount spent for political advertising shall be described in sufficient detail to identify it accurately, including—

"(1) The amount spent, the date of the expenditure, and the person to whom payment was made;

"(2) In the case of printed cards, pamphlets, circulars, posters, dodgers, booklets, or other such advertisements, writings, or statements, such as reprints from periodicals, books, newspapers, or other publications) the title and number of each;

"(3) In the case of radio and television advertising, the name and address of the station; and

"(4) In the case of the purchase of the services of campaign consultant firms, advertising agencies, media consultant firms, and other such commercial organizations, the name and address of the firm, together with the particular services rendered.

"(c) In reporting the sources of money spent for political advertising, the candidate shall indicate the full name and address of the person from whom the contribution was received, and the date and amount of such contribution (or its fair market value if the contribution was other than money). If the source of the money spent was the personal funds of the candidate or his family, it shall be so identified.

"(d) Statements filed under this section by candidates for nomination for election, or election, to the office of President, Vice President, or Senator shall be filed with the Secretary. Statements filed under this section by candidates for nomination for election, or election, to the office of Representative, or Resident Commissioner or Delegate to the Congress, shall be filed with the Clerk.

"(e) Statements filed under this section

shall be filed on the first day, which is not a Sunday or legal public holiday of each month, except that beginning with the first day of the month immediately preceding the election, reports shall be filed weekly. Statements filed under this section shall be cumulative during the calendar year to which they relate. If there has been no change in an item reported in a previous statement, only the amount need be carried forward. The statement filed on the first day of January shall cover the preceding calendar year."

SEC. 6. Section 309 of such Act is amended to read as follows:

"SEC. 309. (a) The provisions of this section shall apply to both broadcast and nonbroadcast communications media, handling political advertising, which shall include but not be limited to newspapers, radio, television, billboards, direct mail, printing, and specialties.

"(b) Any broadcast or nonbroadcast communications medium which accepts for broadcast or publication any political advertising shall file with the appropriate official a detailed statement of any political advertising accepted for broadcast or publication, the amount received for such broadcasting or publishing such advertising, the name and address of the person from whom payment was received, the candidate whose name appeared in such advertising, and a facsimile or other copy of such advertising.

"(c) Statements filed under this section shall be filed on the first day, which is not a Sunday or a legal public holiday, of each month, except that beginning with the first day of the month immediately preceding the election, reports shall be filed weekly. Statements filed under this section shall be cumulative during the calendar year to which they relate. If there has been no change in an item reported in a previous statement, only the amount need be carried forward. The statement filed on the first day of January shall cover the preceding calendar year.

"(d) For purposes of this section, the appropriate official shall be—

"(1) The Clerk, in the case of a political advertisement for a candidate for the office of Representative or Delegate or Resident Commissioner to the Congress; and

"(2) The Secretary, in the case of a political advertisement for a candiate for the office of President, Vice President, or Senator."

SEC. 7. (a) Section 319 of such Act is amended to read as follows:

"Sec. 319. (a) Except as provided in subsection (b), this title shall take effect thirty days after its enactment.

"'(b) The amendments to this title made by the Federal Corrupt Practices Amendments of 1971 shall take effect thirty days after their enactment."

(b) Section 609 of title 18, United States Code, is repealed, effective thirty days after the day of enactment of this Act.

By Mr. BAKER (for himself, Mr. MUSKIE, Mr. BEALL, Mr. BAYH, Mr. BIBLE, Mr. BOGGS, Mr. BROCK, Mr. CANNON, Mr. CASE, Mr. CHURCH, Mr. COOPER, Mr. CRANSTON, Mr. DOLE, Mr. EAGLETON, Mr. GRAVEL, Mr. HARRIS, Mr. HATFIELD, Mr. HUMPHREY, Mr. JAVITS, Mr. MCGEE, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MONDALE, Mr. NELSON, Mr. PERCY, Mr. RANDOLPH, Mr. SPONG, Mr. STEVENS, and Mr. WILLIAMS):

S. 1113. A bill to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with air pollution, water pollution, solid waste disposal, general pollution, and degradation of the environment, and other related problems. Referred to the Committee on Public Works.

Mr. BAKER. Mr. President, on behalf of myself and Senator MUSKIE, and on behalf of Senators BEALL, BAYH, BIBLE, BOGGS, BROCK, CANNON, CASE, CHURCH, COOPER, CRANSTON, DOLE, EAGLETON, GRAVEL, HARRIS, HATFIELD, JAVITS, HUMPHREY, MCGEE, MCGOVERN, MCINTYRE, MONDALE, NELSON, PERCY, RANDOLPH, SPONG, STEVENS, and WILLIAMS, I introduce, and ask that it be appropriately referred, a bill to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with solid waste disposal, general pollution, and degradation of the environment, and other related purposes. I ask unanimous consent that, at the conclusion of my remarks, the text of the bill be printed in full in the RECORD.

This bill, Mr. President, is identical in most respects to a bill that Senator MUSKIE and I introduced in the 91st Congress—S. 3410. That bill grew out of a study that was conducted at our request by an ad hoc task force at the Oak Ridge National Laboratory. The task force concluded that there did not exist a single, multidisciplinary structure capable of undertaking the kind of broad, continuing examination of environmental matters that is so clearly needed in a time of rapidly expanding technology and environmental degradation. The task force found that while many public and private agencies and individuals—such as the Atomic Energy Commission, the Environmental Protection Agency, the National Science Foundation, and so on—were making highly significant contributions to the area of environmental research, this very fragmentation of effort tended to reduce the possibilities for meaningful interaction between the various groups doing such work.

Therefore, Senator MUSKIE and I devised this proposal for the establishment of a new structure to be called the National Environmental Laboratory. The laboratory would be empowered to set up as many as four large physical facilities, where the best minds in the country could be brought together to undertake research and development, technology assessment, and other multidisciplinary work relating to the environment and the impact on the environment of applied technologies.

There is, I regret to say, an added incentive for the establishment of such a structure that exists in the society today that was not so pronounced last year when the original bill was introduced, and that is the alarming number of highly trained specialists who find themselves unemployed or underemployed as a result of the transition of the country from a wartime-space economy to an economy more oriented toward domestic needs. I am not suggesting that the Congress should create these national environmental laboratories so as to provide public employment for such persons. But I do believe that such laboratories would provide centers where the training and experience of many of these people could be put to good use and toward an end that will be given an increasingly high domestic priority—the enhancement and protection of our natural environment.

It is my hope and expectation that the Subcommittee on Air and Water Pollution, of which Senator MUSKIE is the chairman and of which I am privileged to be a member, and to which this legislation was referred last year, will hold public hearings on the proposal some time in midspring. Judging from the response to several hundred inquiries that Senator MUSKIE and I made last year of prominent members of the scientific, academic, and industrial communities, I anticipate that the bill will receive rather strong support from witnesses at such hearings.

I want to make one last point about this legislation, and that has to do with a concern that has been expressed by some exposed to it. And that is that the work carried out by such a structure would be duplicative of much of the work already being carried out by public and private agencies and groups. It is a legitimate concern and one that I hope will be directly addressed and dealt with constructively during the hearings on the bill.

The bill has been drafted as carefully as possible with this concern in mind. I would like particularly to call attention to subsections 5(d), 5(e), and 5(f) of the bill. Each of these provisions is specifically designed to deal with the questions of close cooperation and interaction with others engaged in related work.

I am sincerely gratified by the support of other Senators for this proposal, as I know Senator MUSKIE is. I hope that others will see fit to join with us at a later time. It is my sincere belief that the enactment of something like this legislation can contribute in large measure to the effort so necessary now and in the future to restore and protect our finite natural environment.

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

S. 1113

A bill to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with air pollution, water pollution, solid waste disposal, general pollution, and degradation of the environment, and other related problems

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 "National Environmental Laboratory Act of 1971."

"SEC. 2. (a) The Congress finds—

"(1) that the Nation is presently experiencing a rapid deterioration of environmental quality;

"(2) that the environmental resources of the Nation are finite;

"(3) that the demands of a growing population and an increasing material standard of living will place an additional burden upon the capacity of the environment;

"(4) that the optimum allocation and use of our limited environmental resources will require the maximum use of scientific principles if the Nation is to restore and enhance

the health, diversity, beauty, and capacity of the environment for perpetuity;

"(5) that the development of technologies has often created unintended ecological, economic, and social effects which have a profound impact on the environment;

"(6) that technologies must be assessed on a timely basis in order to detect and predict the detrimental effects these may have on the ecosystem, which includes man, and that existing technologies must continually be reappraised to detect latent detrimental effects;

"(7) that the amelioration and prevention of environmental problems depend on a thorough understanding of the complex interactions among the human, natural, and technological components of the ecosystem, thereby requiring multidisciplinary research and analysis of the total environment;

"(8) that while the established departments and mission-oriented agencies make and will continue to make valuable contributions in specialized research and development, they lack authority and organization to deal comprehensively with the interconnected problems of the environment; and

"(9) that a complete and thorough understanding of the ecosystem cannot be accomplished through fragmented application of specialized research and development efforts, but rather requires a unity of effort and emphasis which is focused on the restoration and enhancement of the total environment.

"(b) The Congress declares—

"(1) that to assist in the effort to restore and enhance the environment and to minimize future damage to the environment it is necessary to establish a new organization with sufficient professional breadth and scope to provide a unified and systematic approach to the problems of technology assessment and environmental quality; that such an organization will complement those public and private agencies presently dealing with various aspects of the environment; and

"(2) that the organization will conduct basic research, development, analyses of human and natural activities affecting the environment, and other necessary work, which shall include but not be limited to (A) data collection, storage, and dissemination, data analysis and synthesis, the development of methods and devices, training and education, and objective analysis of various environmental policy alternatives; (B) the formulation of, and where appropriate, the development, testing, and demonstration of, alternative solutions to existing and probable environmental insults; and (C) the performance of other functions to assist public and private agencies and persons in the restoration, enhancement, and protection of the environment; and

"(3) that it shall not be an appropriate function for the organization or of any of its constituent parts or representatives to make specific recommendations as to policy or choices between alternative courses of action, whether at its own initiative or upon request, but that the organization may present to policy makers various alternative courses of action and describe the probable results of each such course of action;

"SEC. 3. There is established at the seat of government a National Environmental Laboratory and a Board of Trustees of the Laboratory (hereinafter referred to as the 'Laboratory' and the 'Board') whose duty it shall be to maintain and administer the Laboratory and site or sites thereof, and to execute other functions as are vested in the Board by section 4.

"SEC. 4. (a) The Board shall be composed of nine members as follows: (1) the Administrator of the Environmental Protection Agency; (2) the Chairman of the Council on Environmental Quality established by Public Law 91-190; (3) the Director of the Office of Science and Technology; (4) the Director of the National Science Foundation; and (5) five members appointed by the President from the public, by and with the advice and consent of the Senate. Not more than three of the public members of the Board may be members of the same political party.

"(b) Each member of the Board appointed under clause 5 of subsection (a) of this section shall serve for a term of six years from the expiration of his predecessor's term except that (1) any such member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of such members first taking office shall begin on April 24, 1971, shall expire, as designated by the President at the time of appointment, one at the end of two years, two at the end of four years, and two at the end of six years. No member of the Board chosen from private life shall be eligible to serve in excess of two terms, except that the member whose term has expired may serve until his successor has qualified.

"(c) The President shall designate a Chairman and a Vice Chairman from among the members of the Board chosen from the public.

"SEC. 5. In administering the Laboratory, the Board shall have all necessary and proper powers which shall include, but not be limited to, the power to—

"(a) establish regional national environmental laboratories not to exceed four in number with the geographical distribution of any such regional laboratories determined by environmental criteria;

"(b) establish broad policy directions for the Laboratory as determined from an analysis of the social and environmental priorities established by the Congress, the executive branch, and the private sector;

"(c) solicit, accept, and dispose of gifts, bequests, and devices of money, securities, and other property of whatsoever character for the benefit of the Laboratory, and any such money, securities, or other property shall, upon receipt, be deposited into a special fund administered by the Board for the purposes of the Laboratory, and the source, amount, and restrictions of any gift, bequest, or device of money, securities, or other property in excess of $5,000 fair market value shall be included in the annual report required under section 10;

"(d) obtain grants from, and make contracts with State, local, and private agencies, organizations, institutions, and individuals;

"(e) obtain grants from, and make contracts with, any Federal agency, including the Atomic Energy Commission, as provided for in Section 33 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2053);

"(f) take such steps as may be necessary to coordinate with all public and private agencies so as to avoid unnecessary duplication of environmental research and development activities;

"(g) acquire such site or sites as a location for the Laboratory or regional laboratories;

"(h) acquire, hold, maintain, use, operate, and dispose of any physical facilities, including equipment, necessary for the operation of the Laboratory.

"(i) appoint and fix the compensation and duties of a General Manager and such other officers of the Laboratory as may be required. The compensation of the General Manager and other such officers shall be fixed without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and chapter 51 and subchapter III of chapter 53 of such title 5; and

"(j) appoint and fix the compensation and duties of a Director, or Directors and such other officers of the Laboratory to administer any regional laboratory, or laboratories, established pursuant to subsection (a) of this section; and such Director or Directors may be appointed and compensated without regard to such provisions of title 5.

"SEC. 6. Any Director appointed under clause (h) of section 4 shall be responsible for the management and development of the regional laboratory for which he is appointed and for the research program that such laboratory conducts, subject only to the broad policy directions provided by the Board pursuant to subsection (b) of section 5.

"SEC. 7. The Board shall, in connection with acquisition of any site or sites, as provided for in clause (e) of section 4, provide to businesses and residents displaced from any such site or sites, relocation assistance, including payments and other benefits, equivalent to that authorized to displaced businesses and residents under the Housing Act of 1949, as amended. In providing such relocation assistance and developing such relocation program the Board shall utilize to the maximum extent the services and facilities of the appropriate Federal and local agencies.

"SEC. 8. The Board is authorized to adopt an official seal which shall be judicially noticed and to make such bylaws, rules, and regulations as it deems necessary for the administration of its functions under this Act, including, among other matters, bylaws, rules, and regulations relating to the administration of its trust funds and the organization and procedures of the Board. A majority of the members of the Board shall constitute a quorum for the transaction of business.

"SEC. 9. (a) There is hereby authorized to be appropriated to the Board $50,000,000 for each of four consecutive fiscal years beginning with the fiscal year ending June 30, 1972, to be deposited in a fund (hereinafter referred to as the "Special Trust Fund") for the perpetual maintenance and support of the long-term research activities of the Laboratory. It shall be the duty of the Board to invest such fund only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of the outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are extended to authorize the issuance at par of public debt obligation for purchase by the Special Trust Fund. Such obligations issued for purchase by the Special Trust Fund shall have maturities fixed with due regard for the needs of the Special Trust Fund and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligations shall be the multiple of one-eighth of 1 per centum nearest such market yield. The Board may purchase other interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price only where it determines that the purchase of such other obligations is in the public interest. Any obligations acquired by the Special Trust Fund (except public-debt obligations issued exclusively to the Special Trust Fund) may be sold by the Board at the market price, and such public debt obligations may be redeemed at par plus accrued interest.

"(b) In addition to amounts appropriated pursuant to subsection (a) there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act: *Provided*, That not to exceed $200,000,-

000 may be appropriated for the use of any one regional laboratory established pursuant to subsection (a) of section 5. Such sums appropriated under authority of this subsection shall remain available until expended.

"SEC. 10. The General Manager of the Laboratory shall transmit annually to the President and to Congress a report which shall set forth, but not be limited to, (1) the audit reports required under subsection (a) of section 10 of this Act, (2) bibliographies, with annotations, of research performed, and (3) a description of ongoing research programs."

By Mr. BIBLE (for himself and Mr. CANNON):

S. 1114. A bill to declare that the United States holds in trust for the Reno-Sparks Indian Colony certain lands in Washoe County, Nev. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President, for myself and my colleague from Nevada (Mr. CANNON), I introduce, for appropriate reference, a bill to declare that the United States shall hold in trust for the Reno-Sparks Indian Colony certain lands in Washoe County, Nev.

This bill, Mr. President, is introduced in an effort to provide improved living conditions and a better commnuity life for the Reno-Sparks Colony. It would add to the colony a 480-acre tract of land currently in the public domain situated near the former Stead Air Force Base. The selected lands are vacant and unappropriated public lands. The only improvement is a drift fence installed by the Bureau of Land Management.

Mr. President, the Reno-Sparks Colony badly needs all the assistance it can get in solving mounting problems of crowding and worsening living conditions. The area surrounding the colony was once a rural farming section, but has now become urbanized and was lately zoned for intense industrial development. These changes, coupled with a growing Indian residential population, have resulted in serious housing, health, and economic problems. Last April the colony was designated as a redevelopment area eligible for assistance under the Public Works and Economic Development Act of 1965. But legislative action is needed to provide additional land to relieve the present overcrowding and to permit the establishment of recreation areas. A portion of the 480-acre tract covered by this bill would also be suitable for light industrial use, and would enable the Colony Indians to expand their economic base.

Plans for the future include the formation of a tribal development corporation owned by the colony members. With income derived from expanded properties, such a corporation could provide services now paid for with public funds. The ultimate goal is a land and economic base that will not only afford decent living and working conditions for the colony but enable its residents to form an active community that is largely self-supporting.

This legislation was introduced in the 91st Congress, but was not acted on. It is overdue and I hope affirmative action will be taken expeditiously in this Congress.

I ask unanimous consent that a January 26, 1970, resolution of the Reno-Sparks Tribal Council in support of the legislation be printed in the RECORD following this statement.

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

RESOLUTION—RENO-SPARKS TRIBAL COUNCIL

Whereas, the Reno-Sparks Tribal Council has undertaken a study of the present and future prospects concerning the welfare of the residents of the Reno-Sparks Indian Colony and the economic development of the said colony, we take note of the following:

The Reno-Sparks Indian Colony had its genesis in certain acts of Congress which original intent was to provide homes and farm sites for Washoe and homeless Nevada Indians, with adequate water rights. In providing for the purchase of lands which make up the Reno-Sparks Colony, Congress originally contemplated a resident population of 150 people. This legislation was enacted in 1917. At the time this legislation was passed the area which makes up the Reno-Sparks Colony was on the outskirts of Reno. Under the circumstances which then existed, it was reasonable for Congress to envision a farming community of perhaps 150–200 people occupying the land. However, as most urban and semi-urban areas of the nation have grown and expanded outward to encompass what may have originally been the outskirts of a town or city, the city of Reno has expanded outward, and what was originally a farming area is now the center of industrial growth of Reno and Sparks. Presently the colony is used as residential property by some 600 residents. Even though the property is used as a residential area, it is not located in the residential areas of either Reno or Sparks.

The area surrounding the colony has been zoned by the Washoe County Regional Planning Commission as industrial and is rapidly becoming the industrial area of Reno and Sparks. Located directly east of the colony is a large sand and gravel operation, to the west a number of service industries border on Kietzke Lane, which is becoming the primary area for automobile sale outlets. Further to the west a number of industries are developing, including warehousing and electronics. The overall present growth pattern of the Reno-Sparks area when considered in conjunction with the zoning regulations applicable to the area surrounding the colony and its present population lead inevitably to the conclusion that there is no prospect in the present area for expansion and development of the colony as a residential area.

Among the problems which face the present residents of the colony are as follows: Population density, health, housing, community development and economic development.

As indicated above there are presently 600 residents occupying an area originally intended to serve the needs of some 150 to 200 people. According to statistics in the Overall Economic Development plan of March 1969, the comparison of population density prepared in 1967 indicates a population per square mile of 11,921 for the colony as compared with 6,410 per square mile for the rest of Reno.

Many of the health problems confronting the colony are indirectly caused by the population density and its effects on living conditions. As an illustration, in June of 1969, the colony was faced with an outbreak of hepatitis, which reached epidemic proportions. The disease spread and many more people were infected than would have been because there are 600 people occupying an area originally intended for 150 people.

Housing conditions in the colony are substandard. Although there is presently a mutual self-help housing program which will provide 20 additional units, the program originally contemplated 50 units, but the balance of 30 units cannot be built because of lack of available space. This lack of land area forces many families to double and triple up in houses which were originally intended for one family. Further, the statistics gathered in 1967 for the Overall Economic Development Plan indicates that there are 36 houses which are either unfit for occupancy or are considered to be in poor condition as housing facilities.

The prospects for community and economic development are affected by the nature of the surroundings area. As indicated above the growth pattern of the neighboring properties effectively precludes orderly community development of the colony as a residential area. Because of the limited land area, and the fact the colony is presently used as a residential area, there is virtually no prospect for orderly economic and industrial development.

After a consideration of the foregoing the Reno-Sparks Tribal Council took under advisement the possibility of acquiring additional unused federal land in close proximity to Reno. Following a review of 18 possible locations, the members of the tribal council and other residents, chose an area in the vicinity of Stead, approximately 6 miles north of Reno. The area comprises 480 acres and is located at township 21 north range 18 east of the Mount Diablo Meridian, the south half of section 10 and the northeast quarter of section 28. The land would be held in trust by the United States of America for the benefit of the Reno-Sparks Indian Colony.

The advantages of such action to the peoples of the Reno-Sparks Colony would be numerous and would have effects as to the following areas; population density, health, housing, the return to the colony of those Indians who have been unable to secure homesites at the present location and Indian self-determination with regard to economic and community development.

As mentioned previously, the present site of the colony is wholly inadequate to meet present population demands. In the Overall Economic Development Plan of 1969, the figures for population by age as of 1967 indicates that 51% of the present population is comprised of people under age 21. Based on these figures, the projected population for 1975 by conservative estimate will be 1100. This will mean a population density per square mile at the colony equal to that of New York City at present. With the addition of the land at Stead, 320 acres is proposed for use for both residential and recreational purposes. Of this, 200 acres would be utilized for residential homesites, which would mean in effect, a population density based on present growth rates of 3300 persons per square mile. The balance of 120 acres, while rough and mountainous, with proper planning could be used for community recreational purposes. The above figures do not take into account those Indians who at present are living off the colony due to unavailable land for assignment purposes. There are many people who have made application for assignment of land in the present colony, but have been refused by the tribal council because there simply is not enough land to fulfill all the requests.

The land at Stead would provide homesites for those people who are presently forced to live off the colony because of lack of available land, as well as alleviating the situation which now exists where two and three and sometimes as many as four or five families are living on one assignment. The return of those Indians now forced to live off the colony would help strengthen the bonds of the overall community as well as providing a geographic center for the preservation of family ties and cultural values.

With the acquisition of land at Stead, much would be accomplished in the areas of health and safety. As indicated above, the overcrowded living conditions at the present colony site pose a definite threat to the health of the inhabitants. The proposed site would eliminate the overcrowding, thus removing the main factor which contributes to the spread of communicable diseases at the colony. The zoning of the present area supports industrial development, and it is obvious that the area is becoming increasingly congested with heavy trucking and commercial traffic. With over 20% of the present population age 10 or under, there is a real safety hazard involved with children crossing streets and playing on industrial sites during both working and nonworking hours. The land at Stead would provide an environment which would be far more conducive to the health and safety of the members of the Reno-Sparks Colony.

Of the proposed 480 acres it is envisioned that a parcel of 160 acres, which is located two (2) miles south of the 320 acre residential area, would be used for industrial development. As mentioned previously the present colony site provides no opportunity for industrial development. When the land at Stead is acquired, the present colony site would be used for industrial development. Thus, the people of the Reno-Sparks Colony would have a substantial base with which they would establish a source of tribal income. What is imagined in the near future is a Tribal Development Corporation owned by the members of the colony which, with income derived from the use of these properties, would provide services and facilities now paid for with public funds.

At the present time 17.6% of the labor force at the colony is unemployed, this is three times unemployment rate of Washoe County. One of the basic objectives of economic development would be to eliminate much of this unemployment, thereby reducing the dependence on welfare as means of support. The industrial development would be keyed toward providing jobs for Indian people. This could be arranged through leases to corporations who would draw in the labor market of the nearby Indian community at Stead. Financing for these industries is available through the Economic Planning Unit of the Inter-Tribal Council. Therefore, the people of the Reno-Sparks Colony consider the opportunity presented by acquisition of the land at Stead a monumental step toward long range goals of Indian economic self-determination.

After a careful consideration of all the foregoing points the Tribal Council feels that it is imperative that the land at Stead be acquired to secure the present welfare and future potential for all the residents of Reno-Sparks Colony.

Therefore, be it hereby resolved, that all right, title, and interest in the following vacant and unappropriated public domain land located in Washoe County, Nevada, to wit; south one-half section 10 and northeast one-quarter section 28 in township 21 north, range 19 east, of the Mount Diablo Meridian, be declared by the Congress of the United States of America, to be held in trust for the benefit of the members of the Reno-Sparks Indian Colony.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 1115. A bill to declare that certain federally owned lands are held by the United States in trust for the Paiute-Shoshone Tribe of the Fallon Reservation and Fallon Colony, Nev. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to declare that certain public lands are held in trust by the United States for the Paiute-Shoshone Tribe of the Fallon Reservation and Fallon Colony, Nev.

This proposed legislation was submitted by the Department of the Interior late in the 91st Congress and was not acted on. Its purposes are described in the Department's letter to the Vice President of October 30, 1970, and I ask unanimous consent that that letter be printed in the RECORD following my remarks.

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

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., October 30, 1970.

Hon. SPIRO T. AGNEW,
President, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft of a proposed bill, "To declare that certain federally owned lands are held by the United States in trust for the Paiute-Shoshone Tribe of the Fallon Reservation and Fallon Colony, Nevada."

We recommend that the proposed bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

This bill provides that two tracts of public domain land will be held in trust for the Paiute-Shoshone Tribe of the Fallon Reservation and Fallon Colony, Nevada. It further provides that the Indian Claims Commission will determine the extent to which the value of the trust title conveyed should or should not be set off against any claim against the United States Government determined by the Commission.

One tract contains 40 acres and the other 20 acres. The Fallon Colony is involved in certain improvement projects, and this legislation will provide a land base that will enable the Indians to participate in a much-needed Mutual-Help Housing program.

This land has been the home of these Indians for more than 50 years. The 40-acre tract was eliminated from a Reclamation withdrawal and reserved on August 23, 1917, for the benefit of the Indians who at the time were occupying part of the tract and were earning their livelihood in and around the town of Fallon, Nevada. Subsequently, some of the Indians by mistake constructed their homes on the 20-acre tract described in the bill which is contiguous to the north boundary of the 40-acre parcel. This 20-acre tract was withdrawn on March 14, 1958, in aid of legislation. These two parcels comprise the Fallon Colony. The colony is located one mile northeast of Fallon, and one-fourth mile from the northeast city limit. To the north of the colony is the city dump and on the southeast is the Fallon city cemetery.

The Indians are mostly Paiute and a few Shoshone. Some 12 miles to the east another group of Indians live on their allotments on the Fallon Reservation. They, together with the colony Indians, have organized and have a common constitution and bylaws. They are known as the Paiute-Shoshone Tribe of the Fallon Reservation and Colony.

The Fallon Colony is an established community of 45 Indians. They brought electricity and water to their settlement at their own expense. However, the water came from the old city water system which was condemned, and not used by the city except to provide water for the cemetery. The city, itself, had a new water supply reservoir for its municipal water system. The Indians of the Fallon Colony then applied to the United States Public Health Service for an improved water and sanitation system which was completed during the past fiscal year.

There are 16 homes located on approximately 25 acres of the 40-acre tract. Eleven acres are under subjugation with water deliveries from the Truckee-Carson Irrigation Project. This parcel is under lease to a member of the Fallon Reservation. Approximately four acres are in the Truckee-Carson Irrigation District's irrigation canal that bisects the property. There are 11 homes on the 20-acre parcel.

A circular gravelled surfaced road through the residential area is maintained by the Bureau of Indian Affairs. Individual houses and other buildings are located around this drive. Only two homes and a church are reported to be in good condition. Although they are of low cost frame construction, they are modern with septic tanks and disposal facilities and have had above average maintenance with some lawns and landscaping. Eight of the buildings are in fair condition. Eleven structures are classified as poor. There are also some 10 or 12 shed or shack type buildings, all vacant, or at least only used occasionally, that have no value other than salvage.

The 22 buildings classified from good to poor have a value of $23,000. All of these buildings have been constructed and are maintained by the Indians at their own expense. The only other improvements are minimal fencing along the crop side of the canal and boundary fences between the cropland and adjoining fee land. The land described in the bill is valued at $285 per acre or approximately $17,000. The low quality and questionable nature of the water system contributes nothing to the value of the property.

These tracts are considered to be of some value for sodium and potassium. The thickness and extent of the deposits are not known and drilling would be necessary to establish their value, but it is believed to be quite low. These lands are without value for other minerals, either metalliferous or nonmetalliferous.

About 90 percent of the Indians of the Fallon Colony earn their livelihood working in and around the town of Fallon. If they were required to move, in order to take advantage of the Mutual-Help Housing program, it would mean a considerable hardship to them. In fact, there appears to be no use for this property that would surpass the Indians' need for it, nor is there any other property available for their housing program. Although there is some tribal land remaining on the Fallon Reservation, all of the good land has been allotted and that remaining would not be desirable for a housing project. Neither would the reservation location be suitable because of the distance to the town of Fallon and the lack of transportation for these Indians who work in Fallon.

The Indians of the Fallon Colony have an application before the Housing Assistance Administration for 40 units of Mutual-Help Housing with construction to begin as soon as possible. A necessary requisite to this housing program is that the Indians have vested property rights in the land, which will be accomplished by this legislation. We strongly urge its enactment.

The Office of Management and Budget has advised there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

Sincerely yours,

HARRISON LOESCH,
Assistant Secretary of the Interior.

By Mr. JACKSON (for himself and Mr. HATFIELD):

S. 1116. A bill to require the protection, management, and control of wild, free-roaming horses and burros on public lands. Referred to the Committee on Interior and Insular Affairs.

WILD HORSES LEGISLATION

Mr. JACKSON. Mr. President, on behalf of the senior Senator from Oregon

(Mr. HATFIELD) and myself, I introduce today a bill designed to protect the last of the wild horses and burros of the United States—the living symbols of our historic pioneer spirit and the nobility of freedom. Thousands of Americans of all ages and all sections of this country have come to value these courageous animals as an important part of our national heritage and are deeply concerned for their welfare and preservation. This bill provides protection for these bands of horses and burros which once roamed the West in lavish numbers but are now in peril of total extinction. In calling for their protection as a national heritage, these animals are thus removed from the designation of "feral," a categorical limbo that is neither wild nor domestic, and relieves us of the semantical debates which have plagued protection efforts in the past.

During this century the wild horse and burro population, now scattered throughout 11 Western States, has been reduced from over 2 million to less than 17,000 in number. They have been cruelly captured and slain and their carcasses used in the production of pet food and fertilizer. They have been used for target practice and harassed for "sport" and profit. It is the purpose of my bill to end this senseless slaughter and to provide these descendants of the animals which played such a major role in the exploration and settlement of the Great Plains and the Far West with the refuges and sanctuaries they need and to place these animals under the protection of the Secretary of the Interior.

Hundreds of schoolchildren throughout this country, as well as scientists, conservationists, and humanitarians, plead for and demand Federal protection for all existing bands of wild horses and burros doomed to vanish from our land in less than 10 years without immediate and adequate congressional action to provide for their welfare and safekeeping in a balanced ecological habitat.

My bill requires the Secretary of the Interior to establish and maintain a minimum of 12 refuges with the advice of a board of qualified scientists. Precedent has already been set with the appointment of the Special Wild Horse Advisory Committee for the Pryor Mountain Range, and the committee has functioned most successfully in developing a program that is acceptable to all interests involved. Should these animals overpopulate, their existing habitat, the bill allows the Secretary of the Interior, in agreement with his advisory board, to remove excess animals for sale to private individuals. However, no animals shall be disposed of inhumanely.

Continuing development of the West has forced the wild horses and burros further and further into the most desolate parts of that vast area to escape the increasing pressure of man. They have come into conflict with the livestock industry which quite naturally wishes to protect the forage on Federal land. The bill provides a means of legal protection for private or Government-leased landholders from intrusion on their property by unwanted wild horses and burros. These landholders may call the nearest Federal marshal or appropriate official of the Department of the Interior to have the animals removed. Only these officials are vested with the authority to dispose of them. My bill also permits the Secretary of the Interior to enter into cooperative agreement with landowners and with State and local government agencies to protect, manage, and control these specific animals on public lands. The bill also specifically forbids establishment of wild-horse ranges on land where these animals do not currently live. We are not attempting to diminish forage for ranchers but simply to protect the few wild horses and burros which remain of the 2 million that roamed the West at the turn of the century.

The bill stipulates a fine of not more than $2,000 or imprisonment for not more than a year, or both, for violations of this act.

Time is running out for the vanishing free-roaming horses which inhabit our public land—land which belongs to all the American people—a large segment of whom have responded to the continuing plight of these majestic animals. The voices of many in this country have become loud and increasingly impatient in their demand for strong Federal legislation to protect these wild creatures from certain extinction. I earnestly hope that Congress will act without delay.

I ask unanimous consent to have printed in the RECORD a section-by-section analysis of the bill.

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

ANALYSIS OF BILL

SECTION 1

Section 1 states the various purposes of the Act. Specifically, it states that it is the sense of the Congress that the few remaining free-roaming wild horses and burros be given protection as part of our national heritage. It states that this end shall be accomplished by the designation or establishment by the Secretary of Interior of specific sanctuaries on federal land for these animals.

SECTION 2

Section 2 defines "Secretary", "wild free-roaming horses and burros", "ranges", "band", and "herd".

SECTION 3

Section 3 places all wild free-roaming horses and burros under the jurisdiction of the Secretary of Interior, and directs him to designate, establish, and maintain a minimum of twelve sanctuaries for the protection and preservation of existing bands of wild horses and burros. It also provides means for humane thinning of the herds where necessary, and it specifically prohibits the killing of these animals on the ranges by private individuals.

SECTION 4

Section 4 authorizes the keeping of wild horses and burros on private land or land leased from the Government, if the animals are being protected from the harassment which this bill is designed to alleviate.

SECTION 5

Section 5 authorizes the Secretary of Interior to enter into cooperative agreements with state and local governments and with private land owners, and to issue certain regulations as he deems necessary.

SECTION 6

Section 6 calls for the establishment of an advisory board of non-governmental experts to advise the Secretary of Interior as to carrying out the provisions of this Act.

SECTIONS 7 AND 8

Sections 7 and 8 provide penalties for those who might violate the provisions of this Act or the regulations issued thereunder.

SECTION 9

Section 9 authorizes the appropriation of sums necessary to carry out the provisions of this Act.

SECTION 10

Section 10, which has been included to prevent undue alarm by the livestock industry, specifically limits the Secretary of Interior in the designation and establishment of ranges. He is limited to those areas of the public lands where wild horses and burros presently exist.

SECTION 11

Section 11 provides the periodic reports by the Secretary of the Interior to Congress with respect to the administration of the Act.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 1117. A bill to provide for regulation of public exposure to sonic booms, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce for appropriate reference a bill to provide for regulation of public exposure to sonic booms and to provide that any future production models of American SST's will comply with existing noise standards applicable to new subsonic jets.

This bill is almost identical to S. 4547 which was passed by the Senate on December 2, 1970.

On April 15, 1970, the Department of Transportation filed a notice of proposed rulemaking to ban civil supersonic flight over land. This proposed regulation was published in the Federal Register on April 16, 1970—35 F.R. 6189. In addition to the filing of this proposed amendment to the Federal Aviation Regulations the President of the United States, the Secretary of Transportation, and other representatives of the administration have stated that commercial supersonic flight over land will not be allowed. In spite of these assurances, some critics have contended that the regulation might be changed or revoked when commercial supersonic flight becomes a reality.

To dispel these unjustified fears and to assure the American people that there will be no overland flights in this country by supersonic aircraft at speeds causing a sonic boom which could reach the earth, my bill would adopt the language of the Department of Transportation's proposed regulation as legislation.

The prohibition, by law, of sonic booms caused by civil supersonic aircraft over land will not have any effect on the economic viability of the U.S. civil supersonic transport. The prototype program has proceeded upon the assumption that commercial supersonic flight over land would not be allowed and all marketing and economic projections have been based on this assumption.

Once the two prototypes of the civil supersonic aircraft have been developed and tested, a decision must be made by the manufacturers of the aircraft and the airlines as to whether commercial production of the aircraft is in the na-

tional interest. I am confident that the United States "fly before you buy" prototype program will lead to the development of a supersonic transport which will be a technical, economic, and environmental success. The U.S. supersonic aircraft program has had the benefit of years of careful research and analysis which will result in a product which is far superior on all scores to those now under production in England, France, and Russia.

While I have the greatest confidence in the program and in the capability of the manufacturers to produce a superior aircraft, I feel that the decision of the manufacturers and the airlines to enter into commercial production after the testing of the two prototypes is a decision in which the public has an interest. Because of the public's interest in this decision, the bill would require the Secretary of Transportation to submit to the Congress and to the public a report covering all aspects of the prototype program upon the completion of the prototype development and testing program.

The report shall include a detailed analysis of potential environmental, economic, and international consequences that may result from production or nonproduction of a U.S. civil supersonic aircraft.

The report shall also make available data on all other civilian supersonic aircraft programs—including the Concorde and the TU–144—which are in development or in commercial operation at that time.

The report shall also set forth any recommendations for legislation or international agreements which the Secretary feels are necessary to insure a balanced national transportation policy which is efficient, productive, economically and environmentally sound. The Secretary's recommendations are not to be limited to the U.S. civil supersonic program but shall include recommendations, where appropriate, for any necessary regulation of all civil supersonic aircraft that may have any effect on the United States. I believe that such a report, with legislative recommendations will go far to assure the American people that supersonic aircraft operations will be conducted under conditions which will insure that such operations are compatible with this Nation's environmental standards, that they are economic, and that they will result in important benefits to the Nation's economy, to a balanced national transportation policy, and to the American people.

Mr. President, last year when S. 4547 was being debated on the floor of the Senate, I offered an amendment to it which was adopted which provides even further environmental safeguards to the public from noise problems which could result from commercial operations of U.S. supersonic transports.

I believe the most important feature of this legislation is the incorporation of this amendment. Basically, the amendment of last year, which is incorporated in this bill in nearly identical fashion, requires the Department of Transportation to modify its contracts with the contractors producing the SST prototypes to provide that those contracts will not be satisfactorily completed until the contractors can demonstrate that all production models of the U.S. SST developed from the prototype can comply with the noise level standards which must be met by the new generation of subsonic aircraft soon to go into service such as the McDonnell-Douglas DC–10 and the Lockheed L–1011.

This means that the contractors must prove that the production models of the U.S. SST will be able to meet the same noise standards, measured on takeoff, descent, and at the sidelines, which are being imposed upon new subsonic aircraft. In more readily understandable terms, it will mean that the contractors must demonstrate that production models of the U.S. SST will be quieter than current jets now in service including the Boeing 747 which is at present the quietest of the large turbo jet transports.

Mr. President, in the past several months significant noise reduction breakthroughs have been made in the SST developmental program. While in November the Department and the contractors expressed skepticism about developing SST production models which would meet the new noise standards, recent new technological achievements now make it apparent that the U.S. SST can and will be as quiet an airplane as any being developed today. While in November the Department and the contractors were opposed to the features of this legislation because at that time they did not believe the technology was available to satisfy these noise standards, today the Department and the industry will support this bill because they are confident that the production models of the American SST will be able to meet the requirements imposed by the legislation.

Mr. President on February 8, the Secretary of Transportation, in a statement prepared for a technical symposuim, stated flatly that noise problems associated with the SST could be solved before any commitment would be made for commercial production. I ask at this point in the RECORD a summary of the Secretary's remarks, as released by the Department of Transportation, be printed.

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

STATEMENT FROM SECRETARY OF TRANSPORTATION

Secretary of Transportation John A. Volpe today said he believes the noise problems associated with the U.S. supersonic transport can be resolved before the plane goes into commercial production.

He pledged that the noise problems would be solved before any commitments are made for commercial production.

The Secretary's pledge came as he keynoted the Conference on Aircraft and the Environment, sponsored jointly by the Society of Automotive Engineers and the Department of Transportation.

"I would also like to emphasize that before we make a production commitment we will demonstrate that the capability exists for the commercial SST to achieve noise levels consistent with those required for certification of new four-engine, inter-continental, subsonic transport aircraft. I am sure it can be done. I, for one, have faith in American technology and ingenuity," Secretary Volpe said.

"Let me make it absolutely clear that I will see to it that the production program will not proceed—period—if tests of the prototypes indicate serious damage to the fabric of the natural world, or social problems that we can't treat and assimilate."

The Secretary based his statement on recent testing which has revealed three significant breakthroughs in noise improvement, resulting in a "dramatically improved outlook" on the SST noise posture.

The three developments, as described by the Department's Office of SST Development, are as follows:

Actual ground tests on the prototype engine and detailed flight performance analysis have revealed significantly less effective perceived noise than was estimated initially.

Wing flap tests in the NASA wind tunnel have shown an improvement in lift and a marked reduction in takeoff distance, thereby improving the altitude of the airplane over the community during climbout.

Recent tests of advanced suppressors are encouraging in their acoustic and performance characteristics.

The combination of these features, characteristics and suppressor developments will result in achieving a marked reduction in SST engine noise. Through the aggressive noise research and technology program being conducted by The Boeing Company and General Electric, the capability to achieve sideline noise levels well below those predicted a year ago already has been demonstrated. Airport (sideline) noise levels consistent with those required for new subsonic jets are now a reasonable objective, according to Secretary Volpe.

The noise forecasts as outlined by the Transportation Secretary have been verified as achievable by the SST Noise Advisory Committee, chaired by Dr. Leo Beranek, Chief Scientist of Bolt, Beranek and Newman, Inc., nationally recognized acoustic consulting firm.

By Mr. MOSS:

S. 1119. A bill to authorize the Secretary of the Interior and the Secretary of Agriculture to protect, manage, and control free-roaming horses and burros on public lands. Referred to the Committee on Interior and Insular Affairs.

CONTROL OF FREE-ROAMING HORSES AND BURROS ON PUBLIC LANDS

Mr. MOSS. Mr. President, many individuals in this country are enormously concerned about the protection and management of the many wild horses and burros which roam our Western States. I am one of them. They are part of our natural heritage—a colorful, exhilarating part which I do not wish to lose.

A few of these horses carry traces of the blood strains of the mustangs who escaped from early Spanish explorers. Many more of them are domestic stock who have strayed from ranches and farms, and now run wild with the herds they joined. Not all of them are ownerless, but cannot be identified by their owners, and are claimed and branded from time to time.

Whatever their origin, however, there are probably some 25,000 of them in our 10 Western States, and they are variously considered as marauders who threaten our domestic herds, as swift and colorful accessories of our western scene, or as nuisances who eat forage intended for other livestock.

Last session I introduced a bill which

would have protected—as an endangered species—any of the horses which had a strain of mustang blood in them. More study into the subject since the introduction of that bill has convinced me that my approach was too limited, and that a broader-based bill is needed.

I am, therefore, introducing today, for appropriate reference, a bill to authorize the Secretary of the Interior and the Secretary of Agriculture to protect, manage, and control all free-roaming horses and burros on public lands.

It is a very short bill, and I ask that it be carried in full at the close of this statement. It would simply put under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture all free-roaming horses and burros on public lands they administer, and direct them to establish and maintain ranges for the protection of those considered worthy of preserving as a national heritage.

In so doing, each Secretary would be required to manage the ranges in such a way that an ecological balance is achieved among all fauna and flora and a free-roaming environment for the horses and burros. Management may include measures necessary to provide water and food for the animals.

Furthermore, each Secretary may enter into cooperative agreements with each other, and with other local and State agencies, as well as private landowners to carry out the provisions of the act, and would have the advice of an advisory board in so doing.

Mr. President, I am under no illusion that this bill is the final answer to the problem of our free-roaming horses and burros. I am sure it will not contain all of the provisions some groups want, and will contain provisions other groups cannot approve.

I am anxious and willing to listen to those who share my concern about the welfare of these animals, and also the welfare of the ranchers whose forage they eat and the farmers whose crops they molest, and who are genuinely seeking a satisfactory solution to the problem.

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

S. 1119

A bill to authorize the Secretary of the Interior and the Secretary of Agriculture to protect, manage, and control free-roaming horses and burros on public lands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress that free-roaming horses and burros are living symbols of the historic and pioneer spirit of the West and it is the policy of the Congress that bands of free-roaming horses and burros shall be protected as a national heritage.

SEC. 2. As used in this Act—

(a) "Secretary" means the Secretary of the Interior in connection with Federal lands under his administration and the Secretary of Agriculture in connection with Federal lands under his administration.

(b) "Federal lands" means any lands administered by the Secretary of the Interior through the Bureau of Land Management or by the Secretary of Agriculture through the Forest Service.

(c) "free-roaming horses and burros" refers to all unbranded horses and burros on Federal lands except those to which private owners can establish their titles to the satisfaction of the Secretary.

SEC. 3. All free-roaming horses and burros are hereby declared to be under the exclusive jurisdiction of the Secretary for the purposes of management and protection under the terms of this Act. Each Secretary is hereby authorized and directed to establish and maintain ranges for the protection and preservation of such bands of free-roaming horses and burros as he deems susceptible and worthy of protection as a national heritage. Each Secretary shall manage such ranges and such bands to achieve and maintain a thriving ecological balance among all fauna and flora on the ranges and a free-roaming environment for the horses and burros. Such management shall be subject to the provisions of the Act of September 8, 1959 (18 U.S.C. 47). Such management may include the measures necessary to provide food and water for the horses and burros.

SEC. 4. Each Secretary is authorized to enter into cooperative agreements with each other, State and local government agencies, and other landowners in furtherance of the purposes of the Act.

SEC. 5. Each Secretary is authorized to appoint an advisory board of not more than seven members to advise on any matter relating to free-roaming horses and burros and their management and protection. He shall select as advisors persons who are not employees of the Federal Government and whom he considers to have special knowledge about the protection of horses and burros, management of wildlife, animal husbandry, or natural resource management.

SEC. 6. Each Secretary is authorized to issue regulations necessary to carry out the purposes of this Act.

SEC. 7. Chapter 3 of title 18, United States Code, is amended by adding the following section:

"§ 48. Molestation of free-roaming horses and burros.

Any person who (a) allows a domestic horse to run on ranges with or who takes possession of or molests bands of free-roaming horses or burros identified in accordance with section 3 hereof, or

(b) violates the regulations issued by the Secretary pursuant to this Act, or

(c) processes or permits to be processed, into commercial products, in whole or in part, any free-roaming horse or burro, whether lawfully acquired or not, shall be punished by a fine of not more than $1,000 or imprisonment for not more than one year, or both."

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

S. 1120. A bill to provide for the disposition of the judgment in favor of the Shoshone Tribe or Nation of Indians and the Shoshone-Bannock Tribes in Indian Claims Commission dockets 326–D, 326–E, 326–F, 326–G, 326–H, 366, and 367, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. HANSEN. Mr. President, I introduce on behalf of myself and my Wyoming colleague (Mr. MCGEE), a bill to provide for the disposition of a judgment in favor of the Shoshone Tribe or Nation of Indians and the Shoshone-Bannock Tribes from the Indian Claims Commission.

The judgment is in the name of the original Shoshone Tribe which includes the Shoshone Tribe of the Wind River, the Shoshone-Bannock Tribes and the northwestern band of Shoshone. This legislation would provide for a division among the tribes of the judgment award entered by the Indian Claims Commission from the funds on deposit in the Treasury of the United States to the credit of the Shoshone Tribes, which were appropriated by the act of June 19, 1968.

An intolerable situation exists. It is now March 1971. The Indian Claims Commission entered a final judgment in favor of the Shoshone Tribes on February 3, 1968—over 3 years ago. Congress appropriated money to settle that judgment in June of 1968, and the fund has been on deposit in the U.S. Treasury for almost 3 years.

The difficulty arises in the attempt to divide the judgment among the Wind River, Shoshone-Bannock, and the northwest bands of Shoshone. Every attempt to reach agreement has failed. Negotiations have been underway for about 3 years. In the meantime, the Indians who are the beneficiaries of this judgment are not able to receive one penny of the $15.7 million judgment plus interest which is on deposit in the Treasury.

Mr. President, the Congress of the United States cannot close its eyes to this unfortunate situation. It has a responsibility to these Indian people, and I ask that it recognize this responsibility and do its duty by enacting legislation to distribute the Shoshone judgment fund at the earliest possible date.

Mr. MCGEE. Mr. President, my colleague from Wyoming (Mr. HANSEN) and I introduce today a bill to provide for the method of distribution of an award to the Shoshone Indian Tribe by the Indian Claims Commission.

The award was rendered by the Claims Commission on February 13, 1968, in favor of the Shoshone Indian Tribe, which at the present time consists of three separate bands—the Wind River Tribe of Wyoming, the Fort Hall Shoshone-Bannocks of Idaho, and the Northwestern Band of Utah and Nevada.

The money to satisfy this award has been appropriated by Congress and the sum of approximately $15 million is presently being held in special interest-bearing accounts pending final distribution to the Shoshone Indians. The award of the Indian Claims Commission did not specify the manner in which the money should be divided among the three bands of Shoshones. Although diligent efforts have been made to reach an agreement between the three bands, the negotiations are now at an impasse, and this legislation becomes necessary to provide an equitable means for dividing the appropriated moneys.

The time has long passed when this judgment should have been distributed to the Shoshones who are entitled to the benefits and some of whom are in desperate need of their share of the judgment. The bill which we introduce today provides for a partial distribution of the major portion of the award immediately. Ten percent of the award will be withheld pending a final determination by the Indian Claims Commission as to how the amounts in dispute should be distributed. This approach will allow all of the Shoshones to receive a major portion of their share of the judgment immediately.

The Wyoming Shoshone Business Council has endorsed this proposal, and

the entire congressional delegation from Wyoming supports it. It is my hope that we can obtain early and favorable action on this bill so that a fair and equitable distribution of the moneys can be made to its rightful owners.

By Mr. KENNEDY (for himself, Mr. Moss, and Mr. PELL):

S. 1121. A bill to reform the Federal elective process, and for other purposes. Referred to the Committees on Finance, Commerce, Rules and Administration, and Government Operations, jointly, by unanimous consent.

Mr. KENNEDY. Mr. President, on behalf of Senator Moss, Senator PELL, and myself, I introduce the "Campaign Financing and Lobbying Reform Act of 1971," and I ask unanimous consent that it may be referred jointly to the Committees on Finance, Commerce, Rules and Administration, and Government Operations. I understand that other campaign financing bills previously introduced in this Congress have been similarly assigned. That is why I make the request.

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

Mr. KENNEDY. The purpose of this legislation is to achieve substantial reform in our Federal election and lobbying laws.

The most serious problem in the American political process today is the problem of campaign financing. The skyrocketing cost of election campaigns has produced a situation in which all but the wealthy—or their friends—are prohibited from running for public office.

The potential political candidate of modest means is being driven from the field. Without a source of outside wealth, he faces the Hobson's choice of either a shoestring election campaign or reliance on a few large contributors. If he takes the shoestring route, he faces the prospect of almost certain defeat. If he goes the route of the large contributors, he inevitably creates the sort of ambiguous relationship in which he is obligated—or appears to be obligated—to his wealthy supporters.

Today, at a time when hundreds of millions of dollars are being poured into election campaigns, the issue is especially serious. At a time when all our institutions are under question, the problem of campaign spending has given politics the air of dirty business. It has bred cynicism in our citizens and dropouts from our democracy.

In an era where calls for reform are heard on many fronts, the call for reform of our election laws has gone strangely unheard. To me, however, this is where reform ought to begin, because if we cannot keep our democracy running and responsive, no amount of reform in any other area can succeed.

The most obvious case in point is the Federal law governing campaign contributions and expenditures. As many experts have observed, our current Federal election laws are more loophole than law. Their limits do not limit, and their penalties are empty threats.

The Federal Corrupt Practices Act purports to require disclosure of campaign contributions and expenditures, but the requirement has a double flaw. It does not apply to primaries, and it does not apply to committees operating solely within one State.

The same sort of gaping holes exist in the act's apparent ceiling of $5,000 on individual campaign contributions. The ceiling itself is far too high. Worse, its provisions are loose enough to permit $5,000 gifts to each of several political committees supporting the same candidate. Far from limiting contributions, the act simply encourages the endless artificial proliferation of political committees to receive the contributions. It simply encourages the excessive reliance on large contributors, and the development of ingenious new ways to exploit the loopholes.

There are similar grave defects in other areas of our election laws. For too long, we have ignored the need to develop tax incentives to broaden the political base by encouraging campaign contributions from small donors. We have failed to control mushrooming campaign expenditures for television. And, in the related area of disclosures of lobbying activities, we have tolerated the existence of loopholes in present laws that shield a major part of the lobbying activities that now exist.

The time is ripe for comprehensive reform in each of these areas, and I hope that the legislation I am proposing, described in the following paragraphs, will receive the prompt attention of the Congress.

TAX CREDIT FOR POLITICAL CONTRIBUTIONS

Title I of the bill would establish a tax credit for political contributions. Under this title, a total of up to $50 for a single individual, or $100 for a married couple, would be allowed as a credit against Federal incomes taxes for contributions to political parties or candidates. The credit would be available for contributions to all elections—primaries or general elections—and to candidates at all levels—Federal, State, or local. Equally important, the credit would be for 100 percent of the amount of the contribution up to the stated limit.

The concept of tax credits for political contributions has had a distinguished history over the past decade. In 1962, President Kennedy's Commission on Campaign Costs issued its report, entitled "Financing Presidential Campaigns." One of the major recommendations in the commission's report was the enactment of a tax credit for political contributions. As the report stated:

> The recommended credit is intended to encourage large numbers of small gifts. The bulk of . . . campaign funds available to both parties is now supplied by a relatively small group of contributors, giving sums ranging from a few hundred to several thousands of dollars. . . . We hope that this . . . incentive to small gifts will stimulate the massive giving needed by the parties. If it does not, other forms of governmental subsidy may be inevitable.

Virtually every major study of the political process in recent years has endorsed the concept of the tax credit, and the idea has also been pursued extensively in Congress.

In his message to Congress on "The Political Process in America," in May 1967, President Johnson recommended that Congress undertake an extensive review of the methods of financing election campaigns, by methods such as direct appropriations, tax credits or deductions, treasury vouchers, and various matching grant plans.

Then, in November 1967, after comprehensive hearings and executive sessions by the Senate Finance Committee on numerous proposals, the committee favorably reported H.R. 4890, the "Honest Elections Act of 1967." As recommended by the committee, the bill contained a number of major provisions, including an income tax credit of up to $25 for one-half of the political contributions made by a taxpayer. All but one of the 17 members of the committee supported this provision.

Subsequently, in the 91st Congress, together with Senator JAMES PEARSON of Kansas, I offered a tax credit amendment on the Senate floor during the debate on the Tax Reform Act of 1969. The amendment was narrowly defeated by the margin of 50 to 45, but the vote was complicated by the fact that the amendment had itself been amended on the Senate floor to add provisions for the reporting and disclosure of campaign contributions, so that no full debate on the merits of the tax credit was possible.

In light of this prior history, I am confident that a majority of the full Senate favors a tax credit for political contributions, and I hope that such a provision may become part of our Internal Revenue Code in time for the 1972 election campaign.

The tax credit approach to financing political campaigns has several major advantages over all other methods that have been proposed for financing such campaigns.

First, the tax credit approach will provide a significant incentive for participation in the political process by a large proportion of the electorate. One of the most important goals in recent proposals to reform the political process has been to stimulate greater public participation in election campaigns. I believe that the modest tax credit I have proposed will significantly encourage political parties to solicit contributions from small donors. In recent election years, for example, there have been millions of individual campaign contributors, the overwhelming majority of whom were $1 or $2 contributors. By offering a tax credit for the full amount of contributions by small donors, we will encourage many more individuals to contribute, and will encourage existing small contributors to raise their contributions to a more substantial level.

Second, by encouraging contributions from small donors, the tax credit will help to break down the excessive reliance by candidates on large contributors. As a result, the credit will help to restore public faith in the integrity of the election process. It will help to eliminate the ambiguous relationships created for the successful candidate, in which he is obligated—or at least appears to be obligated—to his large contributors.

Third, the tax credit leaves the decision on the allocation of public funds, through the tax subsidy mechanism, to

the choice of the individual taxpayer himself. This point is the central distinction between the tax credit approach and the various proposals made in recent years for the direct financing of political campaigns. Under the tax credit approach, unlike these other proposals, the Federal Government plays no part in determining which candidates or committees are to receive public funds or the amount of such funds that are to be made available to particular candidates. It is the citizen, and the citizen alone, who makes this determination.

Fourth, the tax credit offers financial assistance to candidates not only at the general election stage, but at the primary stage as well, where such assistance can often be of crucial importance.

Fifth, the tax credit offers assistance to candidates not only at the presidential level, but at the congressional, State, and local level as well. This point is especially important. As Senator Robert Kennedy stated in 1967:

> Presidential candidates do not spring, like Minerva, from the brow of Jove. Men earn consideration for the Presidency by their performance in other public office—most often governor or senator. The expense of nomination to a governorship or a Senate seat—especially in the large states from which most Presidential candidates are drawn—is by itself a substantial barrier to all but men of wealth or their favored candidates. Thus, fair consideration for the Presidency itself requires public support for campaigns for lesser offices at all levels. This support can only come from tax incentives to individual contributions.

Before proposing this amendment, I gave serious consideration to including a tax deduction as an alternative to the tax credit. A tax deduction approach would have many of the advantages of a tax credit, especially with respect to the encouragement of individual choice and participation in the political process. However, a tax deduction would cause substantial inequities and disparities in the benefits afforded to contributors.

Those in the highest tax brackets, at whom the incentive should be least directed, would receive the greatest benefits, whereas taxpayers in the lowest brackets would receive the smallest benefits. Therefore, the proposed legislation contains no provision for a tax deduction.

AMENDMENTS TO THE FEDERAL CRIMINAL CODE

Title II of the bill is designed to revise the Federal elections laws by eliminating the major loopholes of the Corrupt Practices Act. In large part, as is the case with title III, which deals with the reporting and disclosure of campaign contributions, many of the essential features of these provisions were contained in Senator HOWARD CANNON'S S. 1880, the Election Reform Act of 1967, which passed the Senate by the unanimous vote of 87 to 0 in September 1967, only to die in the House of Representatives. Thus, these provisions have already gained wide acceptance in the Senate, thanks to Senator CANNON'S leadership. Our task in the 92d Congress is to build on our past momentum to gain the reforms we need.

The principal provisions of title II are the following:

First, the bill broadens the definition of "election" to include primaries as well as general elections.

Second, the bill broadens the definition of "political committee" to include any committee which supports a candidate for Federal office and which accepts contributions or makes expenditures in excess of $1,000 during a calendar year. In this manner, the bill includes political committees operating solely within one State. One of the most notorious loopholes of present law—conferring exemptions on such single State committees—is closed.

Third, the bill establishes a stringent $1,000 limitation on the total amount that a contributor may give to any single candidate or committee, as well as to multiple committees substantially supporting the same candidate. Thus, this provision closes another notorious loophole in present law, by reducing the ceiling on contributions from $5,000 to $1,000, and by ending the current practice that permits separate $5,000 contributions to each of several committees formed to support the same candidate. The $1,000 limit would also apply to amounts spent by the candidate or his family from his own funds for his campaign.

Taken together, I believe that the tax credit in title I of the bill and the $1,000 contribution ceiling in title II will bring substantial new incentives to our political parties to broaden their base of popular support. Excessive reliance on large contributions will be greatly reduced, and millions of citizens will be encouraged to acquire a new stake in the system. It is not too much to say that these provisions in themselves, if enacted, could lead to a rejuvenation of our political democracy.

REPORTING AND DISCLOSURE OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

Title III establishes another fundamental principle of election reform—a requirement of full reporting and disclosure of campaign contributions and expenditures. Its primary rationale is the rationale of full public disclosure.

As in so many other areas of political life, I believe that sunlight is the best disinfectant, that complete public knowledge of the means by which candidates finance their campaigns will go far to end many of the abuses which occur, or which seem to occur, in the way we elect our public officials.

Title III requires each candidate for Federal office, and each committee which supports a candidate for Federal office and which receives contributions or makes expenditures in excess of $1,000 during a calendar year, to file a detailed report of its receipts and expenditures. In addition, persons other than candidates or political committees who accept contributions or make expenditures in excess of $100 during a calendar year are required to file such reports. Also, complete financial reports are required from committees and organizations which participate in financing presidential nominating conventions.

The administration of the reporting and disclosure requirements is entrusted to the Comptroller General and the General Accounting Office. Other measures already before the Senate have proposed that enforcement of the disclosure requirements should be the responsibility of either the Secretary of the Senate and the Clerk of the House under some proposals, or a bipartisan Federal Elections Commission created solely for this purpose under other proposals.

I believe, however, that the Comptroller General is the most satisfactory officer to whom this responsibility should be entrusted. The Comptroller General has an established reputation for efficiency and high competence of the sort we need in administering the disclosure requirements imposed by title III. As the agent of Congress, the Comptroller General is in an especially suitable position to carry out this function in an even-handed, impartial, and nonpartisan way, free of the charges of abuse and partisan advantage that will inevitably attend the operations of a bipartisan Federal Commission, the Secretary of the Senate, or the Clerk of the House. The Comptroller General has earned the confidence of all of us in Congress, and it is appropriate to entrust him with this important and sensitive responsibility.

POLITICAL BROADCASTING

Title IV of the bill contains a number of provisions to accomplish urgently needed reforms in the area of campaign financing with respect to political broadcasting. The provisions of title IV draw heavily on S. 3637, sponsored by Senator JOHN PASTORE and passed overwhelmingly by the 91st Congress, only to be vetoed by the President.

Title IV is described in detail in the testimony I presented earlier this week before Senator PASTORE'S Subcommittee on Communications, a copy of which I ask unanimous consent to have printed at the conclusion of my remarks, together with a copy of the text of the bill.

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

(See exhibit 1.)

Mr. KENNEDY. In brief, title IV contains three principal provisions:

First, it repeals the equal time provision—section 315 of the Federal Communications Act—for presidential elections, and suspends the provision for the 1972 congressional and statewide elections.

Second, it provides that political candidates may be charged no more than the lowest unit rate for broadcast time.

Third, it places a limit of 7 cents per vote in general elections, and 3½ cents per vote in primary elections, on the amount a candidate may spend for broadcast time.

Taken together, these provisions will eliminate much of the mushrooming abuses we have experienced in recent years because of the escalating cost of radio and television in political campaigns. No election reform legislation worth its name can fail to come to grips with this problem, a problem that lies close to the heart of the ills that plague our political system.

REGULATION OF LOBBYING

Title V of the bill would strengthen the Federal Regulation of Lobbying Act in

three principal respects, each of which closes a major loophole in existing law.

First, coverage of the act is expanded to include individuals or organizations having as a substantial purpose the influencing of legislation.

Second, coverage of the act is expanded to include individuals or organizations expending their own funds to influence legislation.

Third, coverage of the act is expanded to include certain individuals or organizations who seek to influence legislation indirectly—the so-called grassroots lobbyists.

Under present law, as interpreted by the Supreme Court, the Lobbying Act is applicable only to individuals or organizations, one of whose principal purposes is to influence legislation. In the past, many organizations have successfully avoided compliance with the act on the ground that their lobbying activities, while substantial, are not a principal purpose of the organization. In recent years, there have been notable abuses in this area, involving organizations which have mounted enormous lobbying activities in opposition to major legislation, but which have not been required to comply with the provisions of the Lobbying Act, because, they say, lobbying is not one of their principal activities.

In addition, under present law, the act is applicable only to a person who solicits, collects, or receives money or any other thing of value for lobbying activities. In interpreting this language the Supreme Court has held that persons who merely expend their own funds are not covered by the act. *United States* v. *Harriss*, 347 U.S. 612 (1954). In an opinion by Chief Justice Warren, containing an invitation to action by Congress, the Court stated in the Harriss case that if a broader construction of the act is to become law, it "is for Congress to accomplish by further legislation."

Also, in the Harriss case, the Supreme Court interpreted the act as applicable only to lobbying that involves direct communication with Members of Congress on pending or proposed legislation. As a result, many individuals and organizations—the grassroots lobbyists—who seek to influence legislation indirectly, through mass letter campaigns or other methods, are not subject to the act.

It is an anomaly that present law does not cover lobbyists who expend substantial sums in their activities, or who expend their own funds, or who artificially stimulate lobbying activities by others. The existing provisions of the Lobbying Act have been criticized as gaping loopholes through which wealthy individuals and organizations can pour large amounts of influence money.

As Mr. Justice Jackson stated in dissent in the Harriss case:

> More serious evils affecting the public interest are to be found in the way lobbyists spend their money than in the ways they obtain it.

It is time that these major loopholes were closed.

In addition to the three principal provisions outlined above, title V contains several other significant provisions to improve the lobbying laws, all of which were contained in Senator Mike Monroney's legislative reorganization proposals in 1966 and passed by the Senate in 1967, but never enacted into law. This part of title V is as follows:

It will transfer the responsibility for policing the Lobbying Act from the Secretary of the Senate and the Clerk of the House to the Comptroller General.

It will require full disclosure of contingent fee arrangements.

It will equalize the status of broadcasters and the writing press with respect to exemptions and reporting requirements under the Act.

It will repeal section 310(b) of the Act, which prohibits an individual from engaging in lobbying activities within three years of his conviction under the Act; the Supreme Court's decision in the *Harriss* case cast strong doubts on the constitutionality of this provision.

And, where a registrant under the Act is unable to differentiate his lobbying expenses from his other expenses, the proposed legislation will require that he list his total receipts and expenditures and estimate the portion representing lobbying activities.

Each of these provisions is essential to more effective operation of the Lobbying Act. Overall, the various aspects of title V will produce major improvements in the operation of the existing law. The proposals to expand the coverage of the act will eliminate some of the most serious current defects. They will bring within the terms of the act a significant number of individuals and organizations currently engaged in extensive lobbying activities, and will provide important presently unknown information as to the scope and intensity of efforts to influence legislation.

The purpose of the provisions is to eliminate the arbitrary exemptions for lobbyists under present law. The Federal Regulation of Lobbying Act is based on the straightforward rationale that disclosure is the most suitable control over lobbying, that lobbying laws identify pressures, not regulate them. That rationale applies equally to all persons engaged directly or indirectly in substantial lobbying activities, whatever the source of their funds.

Congress and the American people are entitled to know the ways our laws are made. These issues are closely related to the issues involved in election reform, and I hope that any comprehensive reform of our election laws will also include provisions to reform our lobbying laws.

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

EXHIBIT 1

S. 1121

A bill to reform the Federal elective process, 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 "Campaign Financing and Lobbying Reform Act of 1971".

TITLE I—INCOME TAX CREDIT FOR POLITICAL CONTRIBUTIONS

ALLOWANCE OF CREDIT

SEC. 101. Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"SEC. 40. POLITICAL CONTRIBUTIONS.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to so much of the political contributions as does exceed $50, payment of which is made by the taxpayer within the taxable year.

"(b) LIMITATIONS.—

"(1) MARRIED INDIVIDUALS.—In the case of a joint return of a husband and wife under section 6013, the credit allowed by subsection (a) shall not exceed $100. In the case of a separate return of a married individual, the credit allowed by subsection (a) shall not exceed $50.

"(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest, section 37 (relating to retirement income)), and secion 38 (relating to investment in certain depreciable property).

"(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) DEFINITIONS.—For purposes of this section—

"(1) POLITICAL CONTRIBUTION.—The term 'political contribution' means a contribution or gift of money to—

"(A) an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, for use by such individual to further his candidacy for nomination or election to such office;

"(B) any committee, association, or organization (whether or not incorporated) organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of such individual or individuals for nomination or election to such office;

"(C) the national committee of a national political party;

"(D) the State committee of a national political party as designated by the national committee of such party; or

"(E) a local committee of a national political party as designated by the State committee of such party designated under subparagraph (D).

"(2) CANDIDATE.—The term 'candidate' means, with respect to any Federal, State, or local elective public office, an individual who—

"(A) has publicly announced that he is a candidate for nomination or election to such office; and

"(B) meets the qualifications prescribed by law to hold such office.

"(3) NATIONAL POLITICAL PARTY.—The term 'national political party' means—

"(A) in the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of ten or more States, or

"(B) in the case of contributions made during any other taxable year of the taxpayer a political party which met the qualifications described in subparagraph (A) in the

last preceding election of a President and Vice President.

"(4) STATE AND LOCAL.—The term 'State' means the various States and the District of Columbia; and the term 'local' means a political subdivision or part thereof, or two or more political subdivisions or parts thereof, of a State.

"(d) CROSS REFERENCES.—

"For disallowance of credits to estates and trusts, see section 642(a)(3)."

CLERICAL AND TECHNICAL AMENDMENTS

SEC. 102. (a) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof:

"SEC. 41. Political contributions.
"SEC. 42. Overpayments of tax.".

(b) Section 642(a) (relating to credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

"(c) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the credit against tax for political contributions provided by section 41."

EFFECTIVE DATE

SEC. 103. The amendments made by this section shall apply to taxable years ending after December 31, 1971, but only with respect to political contributions payment of which is made after such date.

TITLE II—AMENDMENTS TO THE FEDERAL CRIMINAL CODE

DEFINITIONS

SEC. 201. Section 591 of title 18 of the United States Code is amended to read as follows:

"§ 591. DEFINITIONS

"When used in section 597, 599, 602, 608, and 610 of this title—

"(a) 'election' means (1) a general, special, or primary election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, or (4) a primary election held for the expression of a preference for the nomination of persons for election, to the office of President;

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he (1) has taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) has received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(c) 'Federal office' means the office of President or Vice President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States;

"(d) 'political committee' means any individual, committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) 'contribution' means a gift, subscription, loan, advance, or deposit of money or any thing of value, made for the purpose of influencing the election of any person to Federal office, and includes a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make such a contribution, and also includes a transfer of funds between political committees;

"(f) 'expenditure' includes a purchase, payment, distribution, loan, advance, deposit, or gift of money or any thing of value, made for the purpose of influencing the election of any person to Federal office, and includes a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make an expenditure, and also includes a transfer of funds between political committees;

"(g) 'person' or the term 'whoever' means an individual, partnership, committee, association, corporation, or any other organization or group of persons; and

"(h) 'State' means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States."

PROMISE OF BENEFIT FOR POLITICAL ACTIVITY

SEC. 202. Section 600 of title 18 of the United States Code is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity

"Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or in connection with any primary election held for the selection of delegates to a national nominating convention of a political party, shall be fined not more than $1,000 or imprisoned not more than one year, or both."

LIMITATION OF POLITICAL CONTRIBUTIONS

SEC. 203. Section 608 of title 18 of the United States Code is amended to read as follows:

"§ 608. LIMITATIONS ON POLITICAL CONTRIBUTIONS

"(a) It shall be unlawful for any person, directly or indirectly, to make a contribution or contributions in an aggregate amount exceeding $1,000 during any calendar year, or in connection with any campaign for nomination for election, or election, to any political committee or to two or more political committees substantially supporting the same candidate. This subsection shall not prohibit the transfer of contributions received by a political committee.

"(b) Whoever violates subsection (a) of this section shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"(c) For the purposes of this section, an expenditure by a person from his own funds for his compaign shall be deemed a contribution, and a contribution made by the spouse, a parent, or a minor child of a person shall be deemed a contribution made by such person.

"(d) In all cases of violations of this section by a partnership, committee, association, corporation, or other organization or group of persons, the officers, directors, or managing heads thereof who knowingly and willfully participate in such violation shall be punished as herein provided."

REPEAL OF LIMITATION ON MAXIMUM CONTRIBUTIONS AND EXPENDITURES BY POLITICAL COMMITTEES

SEC. 204. Section 609 of title 18 of the United States Code is repealed.

CONTRIBUTIONS BY GOVERNMENT CONTRACTORS

SEC. 205. Section 611 of title 18 of the United States Code is amended to read as follows:

"§ 611. CONTRIBUTIONS BY GOVERNMENT CONTRACTORS

"Whoever, including a corporation, (1) enters into any contract with the United States or any department or agency thereof either for the rendition of personnel services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, and (2) during the period of negotiation for, or performance under, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"Whoever knowingly solicits any such contribution from any such person for any such purpose during any such period—

"Shall be fined not more than $5,000 or imprisoned not more than five years, or both."

TECHNICAL AMENDMENT

SEC. 206. So much of the sectional analysis at the beginning of chapter 29 of title 18 of the United States Code as relates to sections 609 and 611 is amended to read:

"609. Repealed.
"611. Contributions by Government contractors."

TITLE III—REPORTING AND DISCLOSURE OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

DEFINITIONS

SEC. 301. When used in this title—

(a) "election" means (1) a general, special, or primary election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, or (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he (1) has taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) has received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States;

(d) "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(e) "contribution" means a gift, subscription, loan, advance, or deposit of money or any thing of value, made for the purpose of influencing the election of any person to Federal office, and includes a contract, promise, or agreement, whether or not legally enforceable, to make such a contribution, and also includes a transfer of funds between political committees;

(f) "expenditure" includes a purchase, payment, distribution, loan, advance, deposit, or gift of money or any thing of value, made for the purpose of influencing the election of any person to Federal office, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure, and also includes a transfer of funds between political committees;

(g) "person" means an individual, partnership, committee, association, corporation, or any other organization or group of persons;

(h) "State" means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States; and

(i) "Comptroller General" means the Comptroller General of the United States.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 302. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) 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 amount, the name and address of the person making such contribution, and the date on which received. All funds of a political committee shall be kept separate from other funds.

(c) 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 full name and mailing address of every person making any contribution, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address of every person to whom any expenditure is made, and the date and amount thereof.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee exceeding $100, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Commission in accordance with published regulations.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 303. (a) Each committee, organization, or association which anticipates receiving contributions or making expenditures in an aggregate amount exceeding $1,000 in any calendar year (hereafter referred to in this section as "committee") shall, within ten days after its organization, or, if later, ten days after the date on which it has information which causes it to anticipate it will receive or make contributions or expenditures in such amount, file with the Comptroller General a statement of organization. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Comptroller General at such time as he prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the name, address, and relationship of any organization which constitutes an affiliated or connected organization;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, office sought, and party affiliation of (A) each candidate whom the committee is supporting, or, if the committee is supporting the entire ticket of any party, the name of the party; and (B) any other individual whom the committee is supporting for nomination, or election, to any public office whatever;

(7) a statement whether the committee is a continuing one;

(8) a statement of the disposition of residual funds that will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other repositories used;

(10) a statement whether the committee is required by law to file reports with State or local officers, and if so, the names, addresses, and positions of such State or local officers; and

(11) such other information as the Comptroller General may require.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Comptroller General within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures exceeding $1,000 in the aggregate in any calendar year shall so notify the Comptroller General and file with the Comptroller General a complete report with respect to its funds, including any disposition thereof to date.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 304. (a) If an individual is a candidate during a reporting period, or if a political committee is in existence during a reporting period, then such individual or the treasurer of such committee (as the case may be) shall file a financial report under subsection (c) with respect to such reporting period. Such report shall be filed on the first reporting date following the close of such reporting period.

(b) For purposes of this section:

(1) Reporting periods shall be established by the Comptroller General by regulation. A reporting period shall begin at least five days before each reporting date and shall end at least five days before the next succeeding reporting date.

(2) Each of the following days shall be a reporting date:

(A) The 31st day of January.

(B) The 10th day of March.

(C) The 10th day of June.

(D) The 10th day of September.

In addition to the foregoing reporting dates, (i) in the case of a candidate, or a political committee supporting only such candidate, the 15th day and the fifth day preceding any election in which he is a candidate shall be reporting dates, and (ii) in the case of a political committee supporting more than one candidate, or a person required to make a report under section 305, the Comptroller General shall by regulation prescribe reporting dates with respect to any election in which such committee or person supports a candidate.

(3) A political committee shall be deemed to be in existence during a reporting period if it has filed a statement of organization under section 303(a) before the close of such reporting period (and has not filed a final report under section 303(d) before the beginning of such period). (c) Each report under this section shall disclose:

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fund-raising events), in the aggregate amount or value, within the calendar year, in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all such transfers;

(5) each loan to or from any person in the amount of $100 or more, together with the full names and mailing addresses of the lender and endorsers, if any, and the date and amount of such loan;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fund-raising events; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution or other receipt of $100 or more not otherwise listed under paragraph (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address of each person to whom an expenditure or expenditures have been made by such committee or candidate within the calendar year in the aggregate amount or value in excess of $100 and the amount, date, and purpose of such expenditure;

(10) the full name and mailing address of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the reporting period and the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the Comptroller General may prescribe; and

(13) such other information as the Comptroller General may require.

(d) The reports required to be filed by subsection (a) 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 report only the amount need be carried forward. If no contributions or expenditures have been received or expended during the reporting period, the candidate or the treasurer of the political committee shall file a statement to that effect.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES OR CANDIDATES

SEC. 305. Any person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, aggregating $100 or more within a calendar year shall file with the Comptroller General a statement containing the information required by section 304. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 306. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the Comptroller General in a published regulation.

(c) The Comptroller General may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 304 if such committee (1) primarily supports persons seeking State or local office, (2) does not substantially support candidates, and (3) does not operate in more than one State or on a statewide basis.

(d) The Comptroller General shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 307. Each committee or other organization which—

(a) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party or of an organization described in subsection (b) with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(b) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President, shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Comptroller General a full complete financial statement, in such form and detail as he may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

DUTIES OF THE COMPTROLLER GENERAL

SEC. 308. (a) It shall be the duty of the Comptroller General—

(1) to develop prescribed forms for the making of reports and statements required by this title;

(2) to prepare and publish a manual setting forth recommended uniform methods of bookkeeping and reporting for use by persons required to make reports and statements required by this title;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the reports and statements filed with him under this title available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person;

(5) to preserve such reports and statements for a period of at least 10 years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for at least five years from the date of receipt;

(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as he shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as he shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed a sum in excess of $100;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respects to preceding elections;

(9) to prepare and publish such other reports as he may deem appropriate;

(10) to assure wide dissemination of summaries and reports;

(11) to make, from time to time, audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title;

(12) to report apparent violations of law to the appropriate law enforcement authorities;

(13) to prescribe suitable procedural regulations to carry out the provisions of the title; and

(14) for the purpose of any audit or investigation provided for in paragraph (11) of subsection (a) or in subsection (b) of this section, the provisions of sections 9 and 10 of the Federal Trade Commission Act (15 U.S.C. 49, 50) are hereby made applicable to his jurisdiction, powers, and duties, or any officer designated by him, except that the attendance of a witness may not be required outside of the State where he is found, resides, or transacts business, and the production of evidence may not be required outside the State where such evidence is kept.

(b) Any candidate who believes a violation of this title has occurred may file a complaint with the Comptroller General. If the Comptroller General determines there is substantial reason to believe such a violation has occurred, he shall expeditiously make an investigation, which shall include an investigation of reports and statements filed by the complainant, as well as of the matter complained of. If, on the basis of such investigation and after affording due notice and opportunity for a hearing on the record, he determines such a violation has occurred, he shall issue an order directing the violator to take such action as he determines may be necessary in the public interest to correct the injury occasioned by the violation. Such action may include requiring the violator to make public the fact that a violation has occurred, and the nature thereof, and may also include requiring the violator to make public complete statements, in corrected form, containing information required by this title. The Comptroller General may also take action to correct such an injury by making public the fact that a violation has occurred, and the nature thereof, and may also make public complete statements (prepared by himself and his officers and employees) containing the information required by this title. Any party in interest who is aggrieved by a determination of the Comptroller General under this subsection may, within sixty days after such order is issued, file with the United States Court of Appeals for the circuit in which he resides or in the United States Court of Appeals for the District of Columbia circuit a petition for review of the action of the Comptroller General in issuing the order. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Comptroller General. The Comptroller General thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. The findings of fact by the Comptroller General if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Comptroller General to take further evidence, and the Comptroller General may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The court shall have jurisdiction to affirm the action of the Comptroller General or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. Any action brought under this section shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this section).

(c) Section 5(l) of the Federal Trade Commission Act (15 U.S.C. 45(l)) shall apply to violations of orders of the Comptroller General in the same manner as it applies to violations of orders of the Federal Trade Commission.

STATEMENTS FILED WITH CLERK OF UNITED STATES COURTS

SEC. 309. (a) Each person who is required by this title to file a report or statement with the Comptroller General, shall file a copy of such report or statement with the Comptroller General, shall file a copy of such report or statement with the clerk of the United States district court for the judicial district in which is located the principal office of the political committee or, in the case of a statement filed by a candidate or other person, in which is located such person's residence. The Comptroller General may require the filing of copies of reports and statements required by this title with the clerks of United States district courts other than courts where copies are filed under the preceding sentence where he determines the public interest will be served thereby.

(b) It shall be the duty of the clerks under subsection (a)—

(1) to receive and maintain in an orderly manner all reports and statements required by this title to be filed with such clerks;

(2) to preserve such reports and statements for a period of at least ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for at least five years from the date of receipt;

(3) to make the reports and statements filed with them available for public inspection and copying during regular office hours, commencing as soon as practicable after filing but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the exense of such person; and

(4) to compile and maintain a current list

of all statements, or parts of statements, pertaining to each candidate.

PROHIBITION ON CONTRIBUTIONS IN NAME OF ANOTHER

SEC. 310. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

PENALTY FOR VIOLATIONS

SEC. 311. Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

REPEALING CLAUSE

SEC. 312. The Federal Corrupt Practices Act, 1925, and all other Acts or parts of Acts inconsistent herewith are repealed.

STATE LAWS NOT AFFECTED

SEC. 313. (a) Nothing in this title shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of such title.

(b) The Comptroller General shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

TITLE IV—POLITICAL BROADCASTING

EQUAL TIME AMENDMENTS

SEC. 401. (a) (1) The first sentence of section 315(a) of the Communications Act of 1934 (47 U.S.C. 315) (a)) is amended by inserting before the colon the following: ", except that the foregoing requirement shall not apply to the use of a broadcasting station by a legally qualified candidate for the office of President or Vice President of the United States in a general election".

(2) That part of such section 315(a) which requires any licensee of a broadcast station who permits any person who is a legally qualified candidate for public office to use such station to afford equal opportunities to all other such candidates for the same office to use such station shall not apply with respect to legally-qualified candidates for election during 1972 as—

(A) Senator or Representative in, or Resident Commissioner or Delegate to, the Congress; or

(B) Governor, or any other officer of a State who is elected by all persons qualified to vote in such State. This paragraph shall not be construed as relieving broadcasters from the obligation imposed upon them under such Act to operate in the public interest.

(3) The Federal Communications Commission shall make a report to the Congress, not later than March 1, 1973, with respect to the effect of the provisions of paragraph (2) of this subsection, and any recommendations the Commission may have for legislation as a result of experience under the provisions of such paragraph.

(b) Section 315(b) of such Act (47 U.S.C. 315(b)) is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office shall not exceed the lowest unit charge of the station for the same amount of time in the same time period."

LIMITATIONS ON BROADCAST SPENDING

SEC. 402. Section 315 of the Communications Act of 1934 is further amended by redesignating subsection (c) as subsection (f) and by inserting immediately before such subsection the following new subsections:

"(c) (1) For purposes of this subsection, the term 'major selective office' means the office of President, United States Senator or Representative, Delegate or Resident Commissioner to the Congress, or Governor or Lieutenant Governor of a State.

"(2) (A) No legally qualified candidate in an election (other than a primary election) for a major elective office may spend for the use of broadcasting stations on behalf of his candidacy in such election a total amount in excess of—

"(i) 7 cents multiplied by the number of votes cast for all legally qualified candidates for such office in the last preceding general election for such office; or

"(ii) $20,000, if greater than the amount determined under clause (i) (or if clause (i) is inapplicable).

"(B) In the case of a candidate for United States Senator in a State in which the total number of votes cast for all legally qualified candidates for Senator in the last preceding election for Senator was less than the greatest total number of votes cast for all legally qualified candidates in any election (held after such preceding senatorial election) for a statewide office in such State, the amount determined under subparagraph (A) (i) shall be 7 cents multiplied by such greatest total number of votes for statewide office.

"(3) No legally qualified candidate in a primary election for nomination to a major elective office, other than President, may spend for the use of broadcasting stations on behalf of his candidacy in such election a total amount in excess of 50 per centum of the amount determined under paragraph (2) with respect to the general election for such office.

"(4) Amounts spent for the use of broadcasting stations on behalf of any legally qualified candidate for major elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of broadcasting stations by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this subsection, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

"(5) No station licensee may make any charge for the use of such station by or on behalf of any candidate for major elective office (or for nomination to such office) unless such candidate, or a person specifically authorized by such candidate in writing to do so, certifies to such licensee in writing that the payment of such charge will not violate paragraph (2) or (3), whichever is applicable.

"(d) If the Commission determines that—

"(1) a State by law—

"(A) has provided that a primary or other election for any office of such State (other than Governor or Lieutenant Governor) or of a political subdivision thereof is subject to this subsection, and

"(B) has specified a limitation upon total expenditures for the use of broadcasting stations on behalf of the candidacy of each legally qualified candidate in such election, and

"(2) the amount of such limitation does not exceed the amount which would be determined for such election under subsection (c) had such election been an election for a major elective office, or nomination thereof,

then no station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate in such election unless such candidate, or a person specifically authorized by such candidate in writing to do so, certifies to such licensee in writing that the payment of such charge will not violate such limitation upon total expenditures.

"(e) For the purposes of this section, the term 'broadcasting station' includes a community antenna television system, and the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system."

EFFECTIVE DATE

SEC. 403. (a) The amendment made by subsection (b) of the first section of this title shall take effect on the thirtieth day after the date of its enactment.

(b) (1) The amendments made by section 402 of this title, insofar as they relate to primary elections, shall take effect on January 1, 1972. Except as provided in paragraph (2), the amendments made by section 402, insofar as they relate to general elections, shall apply with respect to amounts paid for broadcast time used after the thirtieth day after the date of enactment of this title.

(2) If the Federal Communications Commission determines that—

(A) on March 5, 1971, a person is a legally qualified candidate for major elective office (or nomination thereto),

(B) there are in effect on such date one or more written agreements with station licensees for the purchase of broadcast time to be used after such thirtieth day on behalf of his candidacy for such office (or nomination thereto), and

(C) such agreements specify amounts to be paid for the purchase of such time to be used after such thirtieth day which, in the aggregate, exceed the limitation imposed by section 315(c)(2) of the Communications Act of 1934 with respect to the general election for such office,

then such amendments shall not apply to any of the candidates for election to such office in an election held before January 1, 1973.

TITLE V—AMENDMENTS TO THE FEDERAL REGULATION OF LOBBYING ACT

DEFINITION OF COMPTROLLER GENERAL

SEC. 501. Section 302(d) of the Federal Regulation of Lobbying Act (2 U.S.C. 261 (d)) is amended to read as follows:

"(d) The term 'Comptroller General' means the Comptroller General of the United States."

MULTIPURPOSE CONTRIBUTIONS AND EXPENDITURES

SEC. 502. (a) The caption of section 305 of the Federal Regulation of Lobbying Act (2 U.S.C. 264) is amended by striking out "CLERK OF HOUSE" and inserting in lieu thereof "COMPTROLLER GENERAL".

(b) Subsection (a) of such section is amended—

(1) by striking out "Clerk" and inserting in lieu thereof "Comptroller General";

(2) by striking out "subparagraph (a) or (b) of"; and

(3) by adding at the end thereof the following new sentence:

"Where contributions are received or expenditures made in part for the purposes designated in section 307 of this title and in part for any other purpose, the statements required to be filed by this subsection shall include only that part of the amount of any such contribution or expenditure which was for the purposes described in such section, except that if the relative proportions cannot be ascertained with reasonable certainty, such statements shall show total receipts and expenditures together with an estimate by the registrant of the part thereof which was for the purposes described in such section, and an estimate of the part thereof which was for other purposes.".

(c) Title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out—

"Sec. 305. Statements to be filed with Clerk of House."

and inserting in lieu thereof—

"Sec. 305. Statements to be filed with Comptroller General."

FIVE-YEAR PRESERVATION OF RECORDS

SEC. 503. (a) Section 306 of the Federal Regulation of Lobbying Act (2 U.S.C. 265) is amended—

(1) by striking out of the caption of such

section "TWO" and inserting in lieu thereof "FIVE";

(2) by striking out "Clerk" each time it appears and inserting in lieu thereof "Comptroller General";

(3) by striking out "of the House of Representatives"; and

(4) by striking out "two" and inserting in lieu thereof "five".

(b) Item 306 of title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out "two" and inserting in lieu thereof "five."

APPLICABILITY; SUBSTANTIAL PURPOSE CONTROLLING

SEC. 504. Section 307 of the Federal Regulation of Lobbying Act (2 U.S.C. 266) is amended to read as follows:

PERSONS TO WHOM APPLICABLE

"SEC. 307. (a) The provisions of this title shall apply to any person (except a political committee as defined in title III of the Campaign Financing and Lobbying Reform Act of 1971, and duly organized State or local committees of a political party), who by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, or receive money or any other thing of value or expends money or any other thing of value exceeding $250 during any calendar year, a substantial part of which is used to aid, or a substantial purpose of which person is to aid, in the accomplishment of any of the following purposes:

"(1) The passage or defeat of any legislation by the Congress of the United States.

"(2) To influence, directly or indirectly, the passage or defeat of any legislation by the Congress of the United States.

"(b) The provisions of this title shall also apply to any person (except a political committee as defined in title III of the Campaign Financing and Lobbying Reform Act of 1971, and duly organized State or local committees of a political party), who by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, expends money or any other thing of value exceeding $1,000 for each endeavor which has as its purpose the passage or defeat, or influencing the passage or defeat, by the use of any means involving direct communication with the Congress of the United States, any legislation by the Congress of the United States."

CONTINGENT FEES; BROADCASTING

SEC. 505. (a) The caption of section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) is amended by striking out "SECRETARY OF THE SENATE AND CLERK OF THE HOUSE" and inserting in lieu thereof "COMPTROLLER GENERAL".

(b) Subsection (a) of section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267(a)) is amended—

(1) by striking out "Clerk of the House of Representatives and the Secretary of the Senate and shall give to those officers" and inserting in lieu thereof "Comptroller General and shall give to that officer,"; and

(2) by striking out "Clerk and Secretary" and inserting in lieu thereof "Comptroller General".

(c) Such subsection is further amended by inserting immediately after the first sentence thereof the following new sentence: "Any person required to register pursuant to this subsection in connection with any activities for which he is to receive a contingent fee shall, before doing anything for which such fee is to be paid, file with the Comptroller General, in such detail as he may require, a description of the event upon the occurrence of which the fee is contingent, and, depending on the arrangement, a statement of the amount of the fee either in terms of a dollar amount or in terms of percentage of recovery. A copy of any such contingent fee contract may be filed with the Comptroller General by any registrant, and shall be so filed at the request of the Comptroller General."

(d) The next-to-last sentence of such subsection is amended by striking out "publications in which he has caused to be published" and inserting in lieu thereof "publications, or any broadcasting stations, in or from which he has caused to be published or broadcast".

(e) Such subsection is further amended—

(1) by inserting "any licensed radio or television broadcasting station or" before "any newspaper or other";

(2) by striking out "newspaper or periodical" and inserting in lieu thereof "broadcasting station, newspaper, or periodical";

(3) by inserting "or broadcasts" before "news items, editorials,"; and

(4) by inserting "broadcasting station," before "newspaper, periodical, or individual,".

(f) Subsection (b) of such section (2 U.S.C. 267(b)) is amended by striking out "Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly," and inserting in lieu thereof "Comptroller General of the United States shall be compiled by him and transmitted to the Speaker of the House of Representatives and the President of the Senate".

(g) Title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out—

"Sec. 308. Registration with Secretary of the Senate and Clerk of the House."

and inserting in lieu thereof—

"Sec. 308. Registration with Comptroller General.".

ADMINISTRATION BY COMPTROLLER GENERAL

SEC. 506. (a) Sections 310 and 311 of the Federal Regulation of Lobbying Act are redesignated as sections 311 and 312, respectively.

(b) That Act is amended by inserting immediately after section 309 thereof the following new section:

"POWERS AND DUTIES OF THE COMPTROLLER GENERAL

"SEC. 310. The Comptroller General as the agent of the Congress shall—

"(1) develop and prescribe methods and forms for the filing of reports and statements required by this title, and promulgate regulations for the administration of this title;

"(2) make available for public inspection all reports and statements filed pursuant to this title;

"(3) ascertain whether any person has failed to file any report or statement as required by this title, or has filed any incomplete or inaccurate report or statement under this title, and notify such person that he is obligated to file such report or statement in compliance with the requirements of this title;

"(4) refer to the Department of Justice for appropriate action any information coming to his attention, through complaints or otherwise, of any failure to register, or the filing of any false, improper, or incomplete registration or information under this title;

"(5) make such studies and transmit to the Congress such recommendations as the Comptroller General may deem to be necessary or appropriate to further the objectives of this title;

"(6) retain for a period of not less than five years each report and statement filed under this title, and during such period, make such reports and statements, or true and correct copies thereof, available as public records open to public inspection; and

"(7) transmit to the Congress annually a full and complete report on the administration of this title."

(c) Title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out—

"Sec. 310. Penalties.

"Sec. 311. Exemption."

and inserting in lieu thereof—

"Sec. 310. Powers and duties of the Comptroller General.

"Sec. 311. Penalties.

"Sec. 312. Exemption.".

VIOLATION OF REGULATIONS

SEC. 507. Section 311 of such Act (2 U.S.C. 269), as redesignated by section 506(a) of this Act, is amended—

(1) by striking out "(a)" in subsection (a) thereof;

(2) by inserting "or any regulation of the Comptroller General issued pursuant to this title," immediately before "shall, upon conviction," in the first sentence thereof; and

(3) by striking out subsection (b) thereof.

TECHNICAL AMENDMENT

SEC. 508. Section 312 of such Act (2 U.S.C. 270), as redesignated by section 506(a) of this Act, is amended by striking out "Federal Corrupt Practices Act" wherever it appears therein and inserting in lieu thereof "title III of the Campaign Financing and Lobbying Reform Act of 1971".

TITLE VI—MISCELLANEOUS

PARTIAL INVALIDITY

SEC. 601. If any provision of this Act, or the application thereof, to any person or circumstances is held invalid, the validity of the remainder of such Act and the application of such provision to other persons and circumstances shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 602. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

EFFECTIVE DATE

SEC. 603. Except as otherwise provided herein, this Act shall take effect on January 1, 1972.

TESTIMONY OF SENATOR EDWARD M. KENNEDY, "POLITICAL BROADCASTING," SENATE SUBCOMMITTEE ON COMMUNICATIONS, MARCH 2, 1971

Mr. Chairman, I am pleased to have the opportunity to testify today before this distinguished subcommittee on the questions of campaign financing and election reform as they relate to the broadcasting media.

I cannot praise too highly Senator Pastore's skillful leadership in bringing these vital issues before the Congress—issues that go to the heart of the political process in America.

No one denies that the decade of the Sixties, launched by the groundbreaking television debates of the 1960 Presidential election campaign, has seen a revolution in the role of broadcasting in American politics, especially the role of television. Yet, until this Subcommittee began to come firmly to grips with this phenomenon, Congress had been largely a bystander, abdicating its constitutional and statutory responsibility.

For too long, we have abandoned our most cherished national asset—our system of political democracy—to the law of the marketplace, the voice of the huckster, and the overwhelming power of the dollar. A Roman circus atmosphere has come to pervade our election system. No one who participated in the 1970 election campaign, no one who saw the slanderous TV spots or newspaper smears that polluted our political landscape, no one who saw the millions of dollars poured into particular races in particular states can be content with what has happended to us. Clearly, our goal must be the most comprehensive possible reform. The timetable must be 1972.

Thanks to the work of Senator Pastore and this Subcommittee, that goal is a realistic

one, and the timetable can be met. The tide of Congressional neglect has begun to turn. The campaign broadcasting reform bill approved so overwhelmingly by the Senate last year, and then so cynically vetoed by the President, is a new highwater mark of our effort to achieve real election reform. If we see further today, it is because we stand on the shoulders of the 91st Congress and the work of this Subcommittee. I commend the Chairman for moving so promptly now to build on the momentum he did so much to develop during the past Congress.

Later this week, I intend to introduce my own version of comprehensive election reform legislation. In many respects, the direction in which we should travel seems relatively clear and straightforward. There is broad agreement, for example, that we must close the gaping loopholes in the Corrupt Practices Act, create new tax incentives for small donors, and accomplish other major reforms that have been widely discussed in the past. Our differences here, although important, are differences in degree, not in kind.

But in the sensitive area of campaign broadcasting, the differences in the various approaches are much more substantial, the passions run deeper, and the special interest groups are much more powerful.

There are at least five crucial questions that must be answered if we are to enact adequate campaign broadcasting reform legislation:

What aspects of the Equal Time Provision should be eased?

What controls should be placed on the rates that political candidates may be charged for broadcast time?

What limits should be placed on the amount candidates may spend for broadcast time?

What limits should be placed on the amount candidates may spend for other media and for all campaign activities?

What types of direct Federal financial assistance, such as free broadcast time, free space in other media, or free mailings, should be given to political candidates?

The reforms I favor give positive answers to some of these questions, and negative answers to others.

First, with respect to the Equal Time Provision—Section 315 of the Federal Communications Act—I believe that the provision should be repealed for Presidential elections, and should be suspended for the 1972 Congressional elections and state-wide elections.

The repeal of the Equal Time Provision for Presidential elections would be a major legislative accomplishment in its own right. It is a reform that is long overdue. For too long, we have allowed the promise of the provision in theory to obscure the reality of its operation in practice.

In its actual operation, the Equal Time Provision should be called the No Time Provision. When originally enacted, it was intended as a measure to *improve* the access of political candidates to radio and television. Instead, its effect has been precisely opposite. Often, it has significantly curtailed the access of candidates to the broadcasting media. Legitimate discussion and debate have been frustrated. The system as a whole has suffered. Indeed, rarely has a Federal law so well intentioned in theory fared so badly in practice.

The repressive effect of the Equal Time Provision is most notorious in the case of Presidential elections, but its operation has been equally insidious in every other election in the nation—Federal, state, and local. The favorable experience with suspension of the provision in the 1960 Presidential election justifies its outright repeal for Presidential elections in the future. However, a more modest approach should be taken toward other elections, where suspension has not yet been tried, and where unknown dangers may exist. For example, particular broadcasting stations are likely to have a more powerful impact on local elections than on national elections. Yet it is in the smallest election districts that the abuses feared by repeal of the Equal Time Provision are most to be feared.

Therefore, I urge the Subcommittee to suspend the provision in the 1972 elections for the Senate, the House of Representatives, and all statewide elections, with a requirement that after the election, the Federal Communications Commission shall submit a report to Congress analyzing the impact of the suspension and making recommendations for the future.

Notwithstanding the repeal or suspension of the Equal Time Provision, it is clear that the viewpoint of all candidates, and especially minority candidates, can receive adequate protection under the FCC's Fairness Doctrine, which requires each broadcasting station to afford a reasonable opportunity for the discussion of conflicting views on public issues. As the Supreme Court held in *Red Lion Broadcasting Co.* v. *FCC,* 395, U.S. 367, decided in 1969, the FCC has broad power to issue regulations to implement the Fairness Doctrine. In the *Red Lion Case* itself, for example, the Court sustained FCC regulations giving an individual a right to reply to a personal attack against him free time to reply to a personal attack against him carried by a broadcasting station. Similarly, it would be reasonable to assume that the Court would sustain FCC regulations giving a specific interpretation to the nebulous Fairness Doctrine in the context of election campaigns.

Indeed, Mr. Chairman, if the *Red Lion Case* is not already a part of the record of these hearings, I ask that it may be included at the end of my testimony, since its interpretation is a central question in the discussion of virtually every issue related to the regulation of political broadcasts.

Second, with respect to the rates that political candidates may be charged for broadcast time, I believe that the approach taken in the bill passed by the 91st Congress and vetoed by the President is the correct one. Political candidates should be charged no more than the lowest going rate for broadcast time. This reform will eliminate all of the cost discrimination to which candidates have been so unfairly subjected in the past. It will give every candidate access to the most favorable terms a broadcaster offers to other purchasers.

In his Veto Message last fall, President Nixon dismissed this reform as "rate-setting"—but it is nothing of the kind. The provision sets no rate for any broadcaster. All it does is insist that political candidates share the same low rates available to anyone else. Surely, it is long past time for the predatory profits that broadcasters have traditionally exacted from political candidates to yield to the public interest.

Third, I believe that a reasonable dollar ceiling should be placed on the amount candidates may spend for broadcast time. The obvious purpose of such a ceiling is to eliminate the possibility that a candidate of modest means will be drowned in a flood of television advertising by his opponent. We know from the 1970 campaign that this danger is real. The demand for reform is therefore urgent.

Fortunately, I believe that we have broad leeway in setting a limit high enough to prevent undue interference with a candidate's presentation of the issues in his campaign, but low enough to prevent television from usurping the campaign. The Senate bill vetoed last fall by the President contained limits of 7¢ per vote for general elections, and 3½¢ per vote for primary elections. In the course of my own election campaign in Massachusetts last year, I lived within these limits and found them to be entirely reasonable, and I commend them to the Subcommittee.

It may well be, however, that a limit workable in Massachusetts might be unworkable in Mississippi, where different conditions prevail in primary and general elections, or in New Jersey, where different conditions prevail with respect to the economics of particular television marketing areas. Nevertheless, by selecting a ceiling high enough to avoid most of these problems, and perhaps by giving the FCC discretion to increase the ceiling in accord with Congressional guidelines in cases of unique economic circumstances, we can accomplish our overall goal of laying to rest the spectre of unlimited television spending.

Fourth, because the case has not been made, I believe that no such ceiling should be imposed on campaign spending for other media, and that no such ceiling should be imposed on overall campaign spending. We deal here with extremely difficult questions of law and policy. At bottom, the legal issue is one of First Amendment freedom, and the policy issue is one of wisdom and practicality. At least at this time, knowing as little as we do, we cannot justify such a crude control.

Indeed, in our present circumstances, I believe that an overall spending ceiling on political campaigns would be unwise, unconstitutional, and unenforceable.

It would be unwise, because the heart of the problem is television spending, and the heart of the remedy should be television spending. No one denies that it is the growth of television which has transformed politics in America. Like a colossus of the ancient world, television stands astride our political system, demanding tribute from every candidate for major public office, incumbent or challenger. Its appetite is insatiable, and its impact is unique.

For this reason, I reject the view of the President in his Veto Message last fall. The President claimed that the bill we passed was unfair, because it applied only to spending for radio and television, not to other forms of campaign spending. According to the President's view, the soaring cost of campaigns would continue under the bill, because money that would have gone for broadcasting time would simply be diverted to other aspects of political campaigns. That view is false, because it assumes an interchangeability of media spending that simply does not exist in American politics.

The recent political landscape of America is strewn with the graves of incumbents and challengers, blitzed into defeat by an unlimited assault of television spending. But I know of no candidate blitzed into defeat by a similar assault of newspaper advertisements, or billboards, or mass mailings or bumper stickers, or hats, or handbills, or lapel buttons. They simply do not have the impact of television, and every politician knows it. No amount of spending on these other media can possibly offset the role of television and the impression it makes on voters.

A limit on spending for other media would also raise extremely serious constitutional questions under the First Amendment. There is a vast difference between a limit on broadcast spending, which leaves candidates and citizens free to communicate their views on the merits of the election through other means, and a limit on all media spending, which completely shuts off candidates and citizens from the expression of their views, once the cutoff level of spending is reached.

To be effective, as in the case of broadcast spending, such a blanket limitation would have to apply to all spending, whether approved by the candidate or not. I believe that every citizen has a right under the First Amendment to be a Thomas Paine, to publish a "Common Sense," to express his views in any way he chooses by printing his own handbill or posters, purchasing his own newspaper advertisement, or by any of the countless other methods of communication open

to him. To shut off this flow in our marketplace of ideas would be an extremely serious step. It is a step that cannot be justified except under the most stringent circumstances, in accord with the standard of "Clear and Present Danger," established long ago by the Supreme Court as the test by which denials of free speech under the First Amendment must be measured. To me, no ceiling on total campaign spending in present circumstances can meet this test.

By contrast, a specific limit on broadcast spending is much more easily justified under the First Amendment and the onstitutional doctrines established by the Supreme Court in a long line of decisions in broadcasting cases, including the *Red Lion Case* to which I earlier referred. The essence of these decisions is that unlike other media, the public owns the airwave. Because the airwaves are limited, the activities of broadcasters may be licensed and regulated in the public interest. No case has held, and no one seriously contends, for example, that the Fairness Doctrine applicable to broadcasters should also apply to newspapers. We have no Equal Space provision for the writing press.

At the same time, however, we must also recognize that the constitutionality of a ceiling on broadcast spending itself is not clear-cut. The common thread running through the leading decisions of the Supreme Court in this area is that restraints on the broadcast media are constitutional so long as they are the sort of "wise restraints that make men free"—that is, so long as the restraints serve the greater purpose of encouraging free speech.

On balance, I believe that the past history and the present circumstances of the broadcasting media allow adequate scope for regulation in the public interest. It is likely, therefore, that a reasonable ceiling on broadcast spending will fall safely on the side of constitutionality under the First Amendment.

Finally, even if an overall ceiling on campaign spending was both sound policy and sound constitutional law, I believe that the limit would be unworkable. There are too many newspapers, too many printing presses, too many button and bumper sticker manufacturers, for any enforcement program to succeed. In addition there will be countless situations involving serious ambiguity as to whether a given campaign message was actually made in support of a given candidate.

To be sure, there are enforcement difficulties in this area involving a ceiling on broadcast spending. But, the difficulties are compounded many times over when the ceiling is expanded to include all media. If we try to impose such a ceiling, the whole regulatory scheme would be likely to fall of its own weight.

Fifth, with respect to Federal subsidies for political candidates, I am opposed to all such methods of direct Federal financial assistance, whether in the form of free broadcast time, specific campaign appropriations, or any of the other so-called "direct" types of assistance that have been proposed for political candidates. As in the case of an overall limitation on campaign spending, direct public financing of political campaigns raises extremely serious practical, political, and constitutional questions.

Unless the access of minor parties to the public funds is restricted in some way, the proposal will artificially encourage or stabilize minor parties, or lead to the proliferation of minor parties formed solely to receive the federal subsidy. Yet, any limitation on participation of minor parties is open to constitutional objections that we would be "locking in" our existing two-party system.

Unless limits are imposed on *private* contributions to candidates receiving the public subsidy, there is a serious danger that the subsidy will become merely an additional layer on top of private funds already being spent. If 7¢ per vote is the right limit on broadcast spending, then it makes no sense to me to give a candidate the equivalent of another 1¢ per vote or so in free broadcast time or public funds.

A direct Federal subsidy will have a potentially disruptive impact on the existing structure of political parties. Traditionally, political parties have been loose combinations of local, state, and national organizations without strong central authority, and the flow of power has generally been from the national to the local organizations. Direct subsidies would tend to reverse the flow. They would concentrate political power in the national party or candidate, and might easily lead to national domination of state and local politics.

The direct subsidy fails to stimulate individual participation in the political process. To the extent that public funds are used to finance campaigns, the stake of individual voters in the process is diminished, and there is less incentive for the political parties to broaden their base of popular and financial support.

Finally, most of the proposals for a direct subsidy offer no assistance to candidates in primary elections, to candidates at the state and local level, or even to Federal candidates other than Presidential candidates. Yet, the need for financial assistance is especially great in primary elections and at the Congressional, state and local levels, where fund raising is extremely difficult, and where the potential influence of large contributors may be far more significant than at the presidential level or in general elections.

The route I prefer in this area is the use of tax credits to encourage political contributions to candidates at all levels—Federal, state, and local—and in all elections—primaries and general elections. A tax credit leaves the allocation of public funds, through the tax subsidy mechanism, to the choice of the individual taxpayer, free of the government's heavy hand. The government plays no role in determining which candidate or political committee is to receive public funds. The government plays no role in determining the amount of public funds to be made available to particular candidates. In this manner, the tax credit avoids each of the major defects of direct subsidies I have cited above. It offers us our best opportunity to broaden the base of our democratic system, and to alleviate the concern over the high cost of campaigning for political office.

The debate over the use of direct subsidies and tax incentives demonstrates one of the central causes of our inability to achieve comprehensive election reform in recent years, in spite of the obvious need. The fact of the matter is that, as in so many other areas, the committee system in Congress works against reform. At the present time, there are simply too many committees in Congress with jurisdiction over one or another aspect of the problem. This committee can confer free broadcasting time, but it is the Finance Committee that deals with tax incentives, the Rules Committee that deals with campaign contributions and disclosure, and the Postal Committee that deals with mail subsidies.

In light of this divided jurisdiction, I hope that we will take special precautions to insure that the momentum for comprehensive reform generated last year by the Chairman's broadcast spending bill is not dissipated. Possibly, for the duration of this Congress, it might be appropriate to establish a special Senate Committee on Election Reform, with appropriate subcommittees representing each of the major areas, to develop comprehensive election reform legislation and submit it to the full Senate.

At the very least, however, I am hopeful that the Chairman of this Subcommittee will give us the same fertile opportunity for reform that he gave us last year. Although the Administration's promised cooperation last fall seems now to have clay feet, I am confident that we can have a public law by the end of the present Congress.

By Mr. PROUTY (for himself, Mr. JAVITS, Mr. JORDAN of Idaho, Mr. GRIFFIN, and Mr. SCOTT):

S. 1123. A bill to extend and amend the Higher Education Act of 1965, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. PROUTY. Mr. President, I am introducing today for the President and my colleagues, Senators JAVITS, GRIFFIN, SCOTT, and JORDAN of Idaho, a bill to extend and amend the Higher Education Act of 1965. This Higher Education Opportunity Act of 1971 contains the administration's recommendations for reform of student financial assistance, as well as a number of other amendments which are necessary to improve Federal support of postsecondary education.

I ask unanimous consent that a copy of the bill, a section-by-section analysis and explanatory materials be printed in the RECORD.

For many years we have supported a whole range of financial aid programs—loans, grants, loan guarantees, and work-study programs, that were designed to assist students with the financing of their education. There was little, if any, overall planning in this area; and as a result, both students and colleges found themselves in a maze of programs with no direction whatsoever on how to find their way through the maze. For the most part, these programs have assisted students from families of all income levels alike. In the Higher Education Opportunity Act of 1971, however, the President has sought to insure that there are sufficient funds available to the children of the Nation's poorest families for higher education through grants and subsidized loans. For the students whose families are better able to assist with their educational financing, he has proposed the creation of the National Student Loan Association to make more money available to these students for loans using a secondary market mechanism.

This NSLA will serve to widen the availability of guaranteed student loans by creating a market for existing loan paper. Banks, schools, and other eligible lenders will then be able to trade in their outstanding loans, receive new money, and make additional loans to students. This provision for liquidity of student loans should help solve the major problem which has kept a large number of the Nation's banks from participating in existing loan programs.

I know that some of my colleagues had some doubts about the amount of aid available to students under the President's proposed reforms when a similar bill was sent up last year. Two changes have been made in this bill which should help to alleviate those concerns. First, for those students from the lowest income families who may be attending very high cost schools the President is proposing a $1,500 cost of educa-

tion loan. This would be a subsidized loan, similar to the current loans made under the National Defense Education Act, and would be on top of all other grants and subsidized loan aid to which the student was entitled. Second, the maximum amount which a student could receive in the form of an unsubsidized guaranteed loan has been increased to $2,500 per academic year and the maximum loan repayment period has been extended from 10 to 20 years. These loans would be available to students from families of all income levels.

As a final point concerning student aid, I would like to note that every student would know before he entered school exactly what minimum level of assistance he is eligible to receive.

It is this concept of establishing a minimum floor of assistance that appeals to me most. For too long a discussion of higher education as a matter of right has been avoided. The question is whether we believe that all students must be given the right to a higher education and, if so, at what level will we support it federally. I welcome the opportunity presented to us with the introduction of this proposal to discuss this matter more fully.

I would also like to point out that the substantial improvement of this bill over the one presented last year is the result of hard work and much consultation with experts in the field and the Congress. The administration has demonstrated an overriding concern for cooperation and compromise of conflicting views. I intend to continue working on this vital matter in the same spirit of cooperation and compromise so that we can have a solution as soon as possible. I say this because even though I am in philosophical agreement with the concepts proposed, I recognize that some of my colleagues are not. While others have alternative ideas about ways the goal of equal educational opportunity can be achieved, I recognize that the legislation finally enacted may not adopt the administration's approach in full.

Much as I will support it initially for the sake of discussion, I am more concerned with the outcome. Schools are already accepting students for next year, but unable to attract those in financial need because they are not sure about the assistance they can offer. It is our responsibility to define a solution as soon as possible so that planning and preparation for the fall semester can proceed. The job will not be an easy one for us. The proposals under discussion are highly technical in nature and have to do with financial operations beyond the committee's usual area of expertise. It is for this reason that I believe we must focus our initial discussions on the goal to be achieved and then concentrate on devising adequate mechanisms.

In addition to the student financial aid reform proposals, this comprehensive bill contains a number of other amendments which I should like to briefly outline.

Title I of the bill extends title I of the Higher Education Act for 2 years.

Title II extends the library assistance programs under title II of the Higher Education Act for 2 years.

Title III extends aid to developing institutions under title III of the HEA for 5 years; in addition, it contains amendments which would make it easier for eligible junior and community colleges to participate in this program.

Title IV contains the student assistance amendments.

Title V extends the Education Professions Development Act for 5 years. It also allows support for preparation of teachers of children on Indian reservations, consolidates title IV NDEA fellowships with part E of the EPDA, and makes various other technical amendments.

Title VI repeals the existing titles VIII, IX, X, and XI of the HEA. None of these programs, added by the HEA Amendments of 1968, has ever been funded, it should be noted.

Title VII standardizes assurances which applicants must make to receive funds under titles II, III, and V.

Title VIII extends the Higher Education Facilities Act for 2 years. It also adds new authority to allow Federal insurance of loans for construction of facilities at nonprofit private institutions of higher education.

Title IX extends title VI of the NDEA for 2 years.

Title X is a new title which would prohibit discrimination on the grounds of sex in any education program or activity which received Federal funds, except where sex is a bona fide ground for differential treatment. It contains adequate provisions for hearings and appeals before termination of funds.

There is one provision in the bill having to do with cancellation of loan forgiveness. As the original sponsor of this measure, I feel it should be continued. Nevertheless, I know that many of my colleagues disagree and feel the circumstance of teacher shortages no longer pertains. For the sake of submitting this matter for discussion, I have consented to retain this provision in the bill at the administration's request.

This is just a brief outline of the major points in this very comprehensive and technical bill. I urge all of my colleagues to read the bill carefully.

I would like to make one final point. The present authority for most of the higher education legislation will expire on June 30 of this year. This is particularly significant with respect to the authorizations for student aid. Appropriations hearings have already begun in the other body on the fiscal year 1972 budget and both colleges and prospective students are making plans for this September. It is absolutely imperative that the Congress act speedily on this measure in order to give all concerned adequate time to intelligently plan for the fall semester. Hopefully, this would mean that hearings will be held and a bill reported and passed by late spring. I urge every Member to give his full support to meet this timetable.

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

S. 1123

A bill to extend and amend the Higher Education Act of 1965, 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 "Higher Education Opportunity Act of 1971".

TITLE I—AMENDMENTS TO TITLE I OF THE HIGHER EDUCATION ACT (COMMUNITY SERVICE AND CONTINUING EDUCATION)

EXTENSION OF PROGRAM

SEC. 101. Section 101 of Title I of the Higher Education Act of 1965 is amended by striking out "and" before "$60,000,000" and by adding ", and such sums as may be necessary for each of the next two fiscal years" immediately following "June 30, 1971".

EFFECTIVE DATE

SEC. 102. The amendments made by section 101 shall be effective July 1, 1971.

TITLE II—AMENDMENTS TO TITLE II OF HIGHER EDUCATION ACT (COLLEGE LIBRARY ASSISTANCE)

EXTENSION OF PROGRAM

SEC. 201. (a) Section 201 of the Higher Education Act of 1965 is amended by striking out "and" before "$90,000,000" and inserting the following after "June 30, 1971,"; "and such sums as may be necessary for each of the next two fiscal years,".

(b) Such section is further amended by inserting the following after "institutions of higher education": "(particularly developing institutions as defined in title III and community colleges)".

INCREASE IN PERCENTAGE OF FUNDS TO BE USED FOR SPECIAL PURPOSE AND SUPPLEMENTAL GRANTS

SEC. 202. (a) Section 202 of such Act is amended—

(1) by striking out "75 per centum" and inserting in lieu thereof "60 per centum"; and

(2) by adding "and" after the semicolon at the end of paragraph (b); by striking out paragraphs (c) and (d); and by inserting in lieu thereof the following:

"(c) meets the requirements of section 811.".

(b) Section 203 of such Act is amended by striking out "75 per centum" and inserting in lieu thereof "50 per centum".

(c) Section 204(a) of such Act is amended—

(1) by striking out "Twenty-five per centum" in paragraph (1) and inserting in lieu thereof "Fifty per centum"; and

(2) by striking out "sixty per centum" in paragraph (2) and inserting in lieu thereof "eighty per centum".

REPEAL OF RESEARCH PROVISION

SEC. 203. Title II of the Higher Education Act of 1965 is amended by striking out section 224.

EXTENSION OF TRAINING PROVISION AND TRANSFER TO EDUCATION PROFESSIONS DEVELOPMENT ACT

SEC. 204. (a) Such title II is further amended by—

(1) by striking out the heading "PART B—LIBRARY TRAINING AND RESEARCH" and inserting in lieu thereof "PART G—LIBRARY TRAINING";

(2) striking out section 225;

(3) transferring sections 221 through 223, with the headings therefor as so amended, to title V of such Act and inserting such sections with such headings immediately after part F of such title; and

(4) redesignating sections 221 through 223, as so transferred, as sections 561 through 563, respectively.

(b) Section 561, as so redesignated, is amended by striking out "and" before "$38,000,000" and inserting "and such sums as may be necessary for each of the next five fiscal years" immediately after "June 30, 1971,".

REPEAL OF LIBRARY OF CONGRESS PROVISION

SEC. 205. Title II of such Act is further amended by striking out part C thereof.

CHANGE OF HEADINGS

SEC. 206. The heading of title II of such Act is amended to read "ACADEMIC LIBRARY ASSISTANCE" and the heading "PART A—COLLEGE LIBRARY RESOURCES" is repealed.

EFFECTIVE DATE

SEC. 207. The amendments made by this title shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE III—AMENDMENTS TO TITLE III OF HIGHER EDUCATION ACT (STRENGTHENING DEVELOPING INSTITUTIONS)

EXTENSION OF PROGRAM

SEC. 301. Section 301(b) of the Higher Education Act of 1965 is amended by striking out "and" before "the sum of $91,000,000" and inserting the following immediately after "June 30, 1971,": "and such sums as may be necessary for each of the next five fiscal years,".

MISCELLANEOUS AMENDMENTS

SEC. 302. (a) Title III of such Act is further amended (A) by inserting "and" at the end of paragraph (1) of section 304(b); (B) by striking out paragraphs (3) and (4) of such section; and (C) by amending paragraph (2) thereof to read as follows:

"(2) meets the requirements of section 011.".

(b) Such title is further amended (A) by inserting "if it is an institution which provides an educational program for which it awards a bachelor's degree" immediately before the semicolon in section 302(d) and (B) by striking out "(other than developing institutions)" in section 306.

EFFECTIVE DATE

SEC. 303. The amendments made by this title shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE IV—AMENDMENTS TO TITLE IV OF HIGHER EDUCATION ACT (STUDENT ASSISTANCE)

PART A—NEW PROGRAMS FOR PROVISION OF FINANCIAL ASSISTANCE TO STUDENTS

SEC. 401. Title IV of the Higher Eucation Act of 1965 is amended in the following respects—

(a) part C (dealing with work-study programs) is repealed;

(b) part B (dealing with student loan insurance) is redesignated as part C;

(c) parts E (containing general provisions) and F (containing amendments to the National Defense Education Act) are redesignated as parts F and G, respectively;

(d) section 463 (dealing with payments for administrative expenses) is repealed and sections 461, 462, 464, and 469 are redesignated as sections 471, 472, 473, and 474, respectively;

(e) section 473, as so redesignated (dealing with maintenance of effort), is amended (A) by striking out "part A or part C" and inserting in lieu thereof "part B", and (B) by striking out "under such parts" and inserting in lieu thereof "under such part"; and

(f) part A (dealing with educational opportunity grants) is amended to read as follows:

"PART A—GENERAL PROVISIONS FOR STUDENT ASSISTANCE

"FINDING AND STATEMENT OF PURPOSE

"SEC. 400. The Congress hereby finds that it is in the national interest to assist in making available the benefits of postsecondary education to all qualified students who for lack of financial means of their own or of their families would be unable to obtain those benefits without such assistance. It is therefore the purpose of this title to provide assistance to students, in the form of grants, loans, and compensations, to the end that no person capable of benefitting from such education will be denied it because of financial inability to meet basic postsecondary education costs.

"GRANTS, WORK-STUDY PAYMENTS, AND SUBSIDIZED LOANS

"SEC. 401. (a) It is the purpose of this part to provide for the establishment of general criteria to be used by eligible institutions in providing the following categories of assistance:

"(1) educational opportunity grants;

"(2) work-study payments; and

"(3) subsidized loans under part C of this title.

"(b) The objective of such criteria shall be to assure that the forms of assistance specified in subsection (a) will be made available to all qualified students in financial need attending eligible institutions and shall be designed to provide a reliable basis for enabling students and potential students of such institutions to ascertain their eligibility for financial assistance.

"BASIC ELIGIBILITY FOR, AND AMOUNT OF, GRANTS, WORK-STUDY PAYMENTS, AND RESOURCE EQUALIZING LOANS

"SEC. 402. (a)(1) The Secretary shall, after consultation with the Advisory Council on Financial Aid to Students established under section 474, promulgate a schedule for each academic year establishing (A) the maximum expected family contribution below which students will be eligible for educational opportunity grants or work-study payments (hereinafter in this part referred to as the 'grant eligibility limit'), and (B) the maximum expected family contribution below which students will be eligible for subsidized loans under part C (hereinafter in this part referred to as the 'loan eligibility limit').

"(2) A student with an expected family contribution, as determined under subsection (d), for an academic year which is less than the grant eligibility limit for such year shall be eligible for a grant (or work-study payments) in accordance with part B and for a loan upon which an interest subsidy is payable in accordance with section 428(a)(2) (hereinafter referred to as a 'subsidized loan'), and a student with an expected family contribution which is less than the loan eligibility limit for an academic year but equal to or more than the grant eligibility limit shall be eligible for a subsidized loan.

"(b)(1) A student meeting the requirements of section 405 and of part B shall be eligible for a grant (or the Federal share of work-study payments) for an academic year in an amount equal to (A) the grant eligibility limit, as determined by the Secretary for that year, less (B) his expected family contribution for such year, as determined by the eligible institution proposing to make such a grant (or such work-study payments).

"(2) A student meeting such requirements shall be eligible for a subsidized loan for such year in an amount equal to (A) the loan eligibility limit as determined by the Secretary for such year, less (B) the sum of (i) the student's expected family contribution for such year, and (ii) the amount of any grant or other payment under part B which he receives for such year.

"(c) A student shall be eligible for an insured student loan under part C in addition to any grant, work-study payment, or subsidized loan described in this part.

"(d)(1) For the purposes of this part, a student's expected family contribution means an amount which a family is reasonably able to contribute toward the cost of a student's postsecondary education for an academic year, as determined pursuant to criteria prescribed by the Secretary after consultation with the Advisory Council on Financial Aid to Students. Such criteria shall provide for the determination of family contributions in a manner which takes into account varying family incomes, numbers of dependents, number of dependents receiving postsecondary education during the academic year for which the determination is made, family assets, and other pertinent factors. Such criteria shall also provide for determining the eligibility for assistance under this part of students who are self-supporting and in doing so shall, insofar as appropriate, take into account the factors described in the preceding sentence.

"(2) The determination of an individual student's family income and other factors described in paragraph (1) shall be made, pursuant to regulations prescribed by the Secretary, by the eligible institution to which he has made an application for assistance under this title and in which he is enrolled or to which he has been admitted.

"(e) Notwithstanding any other provision of this section, the Secretary may by regulation establish criteria for the provision of financial assistance by eligible institutions in amounts greater than would otherwise be the case under subsection (b), where institutions determine that special circumstances pertaining to a student of exceptional financial need would render inequitable the limits imposed by such subsection.

"ALLOCATION OF FUNDS TO ELIGIBLE INSTITUTIONS

"SEC. 403. (a) The Commissioner shall, from time to time, set dates by which eligible institutions must file applications for allocations to such institutions of funds appropriated for carrying out section 402. In the case of any such institution, such allocation shall reflect an estimate of the aggregate amount which would be payable to such institution for the academic year for which such allocation is to be made with respect to educational opportunity grants, work-study payments, and subsidies on loans to be made by such institution and for which students enrolled or accepted for enrollment in such institution are estimated to be eligible for such year.

"(b) If, as determined by the Commissioner on the basis of estimates, the total amount of such allocations for any academic year to be made pursuant to this section would exceed the amount available for such allocations for such year, the Commissioner shall reduce such allocations in a manner most likely to achieve an equitable geographical distribution of such allocations and to preserve to the fullest possible extent payments to students with the lowest expected family contributions.

"ELIGIBILITY OF STUDENTS FOR COST OF EDUCATION LOANS AND ALLOCATION OF LOAN VOLUME TO INSTITUTIONS

"SEC. 404. (a) Any student who—

"(1) meets the requirements of section 405;

"(2) has an expected family contribution of less than the loan eligibility limit, as determined under section 402; and

"(3) needs financial assistance, in addition to such assistance as he may be eligible for under section 402, in order to meet the reasonable and necessary expenses (as determined pursuant to section 407) of attendance for an academic year at an eligible institution;

is eligible for a subsidized loan from such institution in an amount for such year (A) not exceeding the reasonable and necessary expenses for such year (not covered by any assistance for which he is eligible under section 402) which are to be incurred by him in consequence of his attendance at the

ligible institution, as determined by such nstitution in accordance with regulations of he Commissioner, and (B) not exceeding 1500 in addition to such assistance as he nay be eligible for under section 402.

"(b) The Commissioner shall, from time o time, set dates by which eligible insti- utions must file applications for allocations o such institutions of an aggregate dollar mount of loans to be made by such insti- utions to students eligible for subsidized oans under this section. In the case of any uch institution, such allocation shall be nade on the basis of the Commissioner's stimate of the aggregate dollar amount of ubsidized loans for which students enrolled r accepted for enrollment in such institu- ion are eligible under this section, reduced ratably to reflect the amounts available for paying subsidies on such loans.

"RECIPIENTS OF STUDENT FINANCIAL ASSISTANCE

"SEC. 405. (a) An individual may receive assistance in the form of grants, work-study payments, or subsidized loans under this title only if he has been accepted for enrollment as a full-time undergraduate or vocational student at an eligible institution or, in the case of a student already attending such institution, is in good standing and in full-time attendance there as an undergraduate or vocational student.

"(b) Such a student shall receive such assistance only if such institution determines that—

"(1) he shows capability of maintaining good standing in his course of study;

"(2) he meets the criteria for eligibility under which such assistance is to be made available; and

"(3) he would not, but for such assistance, be financially able to pursue a course of study at such institution.

"SUBSTITUTION OF NATIONAL DEFENSE EDUCATION ACT LOANS

"SEC. 406. A loan under title II of the National Defense Education Act of 1958 may be provided by an eligible institution in lieu of a subsidized loan to which a student is eligible under this part.

"LIMITATION

"SEC. 407. The total of any grant, work-study payment, or subsidized loan which a student shall receive for an academic year shall not exceed the reasonable and necessary expenses for such year incurred or to be incurred by him in consequence of his attendance at an eligible institution, as determined by such institution in accordance with regulations of the Secretary.

"ELIGIBLE INSTITUTION

"SEC. 408. As used in this part and part B, the term 'eligible institution' means—

"(a) an institution of higher education as defined in section 435(b);

"(b) a proprietary institution of higher education as defined in section 471(b), or

"(c) a vocational school as defined in section 435(c) which is (A) a public school or institution in any State (other than a school or institution of any agency of the United States), or (B) a nonprofit school or institution in any State.

"ELIGIBILITY FOR ASSISTANCE OF STUDENTS ENROLLED IN INSTITUTIONS ON DATE NEW PROGRAMS BECOME EFFECTIVE

"SEC. 409. Notwithstanding any other provision of this title, a student who, on the date of enactment of the Higher Education Opportunity Act of 1971, is receiving, or (if such date of enactment is not during any academic year with respect to such student) who, during the academic year ending prior to such date, received assistance under part A or C of title IV of this Act or title II of the National Defense Education Act of 1958 (as in effect prior to such date of enactment) shall be eligible for grant, work-study, or subsidized loan assistance pursuant to this title on a basis at least equivalent to the basis upon which he would have received assistance under such parts and such title II had such Higher Education Opportunity Act not been enacted, as determined under regulations prescribed by the Commissioner for carrying out the purpose of this section.

"SEC. 410. There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1972, and for each of the next four fiscal years to enable the Commissioner to make payments on account of the eligibility of students for assistance (A) under section 402 and (B) under section 404. Thereafter, there are authorized to be appropriated such sums as may be necessary to enable the Commissioner to make payments with respect to subsidized loans made to students prior to July 1, 1976, on account of their eligibility therefor under such sections. Sums appropriated under this section shall remain available until expended."

CONFORMING AMENDMENT

SEC. 402. Clause (2) of section 421(b) is amended by inserting "(except with respect to loans made to students eligible therefor under sections 402 and 404)" immediately after "student loans".

SEC. 403. The following is inserted as part B of such title IV:

"PART B—EDUCATIONAL OPPORTUNITY GRANTS AND WORK-STUDY PAYMENTS

"EDUCATIONAL OPPORTUNITY GRANTS

"SEC. 411. (a) An eligible institution, in accordance with its agreement under this part, may award educational opportunity grants to undergraduate or vocational students under which the institution will pay to any such student the amount which such student is eligible to receive for the academic year for which such grant is made. The Commissioner may by regulation prescribe that a portion of the assistance which an eligible institution would otherwise make available in the form of work-study payments under section 412 be made available in the form of educational opportunity grants under this section. Subject to such regulations, eligible institutions may, at their election, make available educational opportunity grants under this section in whole or in part in lieu of work-study payments under section 412.

"(b) Educational opportunity grants may be awarded under this part only for the period required for the completion by the recipient of his undergraduate or vocational course of study. Except as otherwise provided in this subsection, such period shall not exceed four academic years. With respect to a student at an institution of higher education (1) who is pursuing a course of study leading to a first degree and designed by the institution offering it to extend over five academic years, or (2) who is or will be unable to complete a course of study within the maximum period of years specified in the preceding sentence because of a requirement that the student enroll in a noncredit remedial course of study, such period may be extended for not more than one additional academic year. For purposes of the preceding sentence, a 'noncredit remedial course of study' is a course of study for which no credit is given toward an academic degree, and which is designed to increase the ability of the student to engage in an undergraduate course of study leading to such a degree.

"(c) Payments pursuant to an educational opportunity grant awarded under this part may be made only so long as the recipient (1) is maintaining satisfactory progress in the course of study which he is pursuing, according to the regularly prescribed standards and practices of the institution from which he receives such grant, and (2) is devoting essentially full time to that course of study, during the academic year, in attendance at that institution. Failure to be in attendance at the institution during vacation periods or periods of military service, or during other periods during which the Commissioner determines in accordance with regulations that there is good cause for his nonattendance (during which periods he shall receive no payments), shall not be deemed contrary to clause (2) of the preceding sentence.

"WORK-STUDY PROGRAMS

"SEC. 412. (a) An eligible institution, in accordance with its agreement under this part, may pay for the part-time employment of its undergraduate or vocational students, through programs of work-study, in work for the institution itself (except in the case of a proprietary institution of higher education) or work in the public interest for a public or nonprofit private organization under an arrangement between such institution and such organization, but only if such work—

"(1) will not result in the displacement of employed workers or impair existing contracts for services,

"(2) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee, and

"(3) does not involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship.

"(b)(1) No student shall be employed under such programs of work-study for an average of more than fifteen hours per week during a semester, or other term used by the institution in awarding credits, during which classes in which the student is enrolled are in session.

"(2) For purposes of computing the average prescribed by the preceding paragraph, there shall be excluded any period during which the student is on vacation or any period of additional or nonregular enrollment. Employment under a work-study program during any such period of additional or nonregular enrollment in which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner.

"WORK-STUDY BENEFITS IN LIEU OF GRANT ASSISTANCE

"SEC. 413. (a) The Commissioner may by regulation prescribe that a portion of the assistance which an eligible institution would otherwise make available in the form of educational opportunity grants under section 411 be made available in the form of work-study payments pursuant to section 412. Subject to such regulations, eligible institutions may, at their election, make available work-study payments under section 412 in whole or in part in lieu of educational opportunity grants.

"(b) Work-study payments shall not be made in lieu of educational opportunity grants by an institution under this section unless—

"(1) such work-study payments are made on a basis which provides net earnings to the student from the Federal share of such payments for the academic year involved equal to the amount of the grant which he would have received for such year had such election not been made;

"(2) the criteria for making such elections are applied uniformly by such institution and are determined by the Commissioner to be consistent with such standards as he may prescribe under subsection (a).

"(c) A student to whom work-study payments are made available under this section in lieu of grant assistance may elect instead to receive a subsidized loan under part C, or a loan under title II of the National Defense Education Act of 1958, in the amount of the Federal share of such work-study payments. In the event of such election, the

amount allocated to such institution under section 403 shall be adjusted in accordance with regulations of the Commissioner.

"AGREEMENTS WITH INSTITUTIONS

"SEC. 414. (a) As a condition for receiving funds for educational opportunity grants and work-study payments under this part, an eligible institution shall enter into an agreement with the Commissioner, which agreement shall—

"(1) provide that the funds received by the institution under this part shall be used by it in accordance with the provisions of this part and part A;

"(2) provide that the institution shall conduct a program of educational opportunity grants in accordance with section 411;

"(3) provide for the operation by the institution of a program of work-study in accordance with the provisions of sections 412 and 413, and provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not, except as provided in subsection (b), exceed 80 per centum of such compensation;

"(4) include procedures satisfactory to the Commissioner designed to assure that each student of the institution eligible for a subsidized loan (or loan under title II of the National Defense Education Act of 1958) in accordance with section 402 will be enabled to obtain such loan in the amount for which he is eligible, including provision for loans by the institution to students who, because they or their families do not maintain business relationships with eligible lenders or because of their status as initial year undergraduates or for any other reason, are unable to obtain such loans readily from other eligible lenders;

"(5) include, in the case of a proprietary institution of higher education, such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance under this part to students at such institution has not increased, and will not increase, the tuition, fees, or other charges to such students; and

"(6) include such other provisions as the Commissioner deems necessary or appropriate to carry out the purpose of this part.

"(b) The Federal share of work-study payments may exceed 80 per centum of the compensation of students employed in the work-study program if the Commissioner determines, pursuant to regulations establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part. In addition to other circumstances under which the Commissioner may determine that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part, he may do so where (1) payment of the non-Federal share would result in a student receiving funds in excess of the limitation imposed by section 407, or (2) students are employed in (A) the work-study program of an eligible institution not less than 50 per centum of whose students are from low-income families, (B) the counseling or tutoring of the educationally disadvantaged, or (C) any project of community service with respect to which a limitation of the Federal share to 80 per centum would impose unusual hardship on the eligible institution or the public or nonprofit private organization for which such project is performed.

"EXPENSES OF ADMINISTRATION

"SEC. 415. (a) An institution which has entered into an agreement with the Commissioner under this part shall be entitled, for each academic year for which it receives an allocation under section 403, to a payment in lieu of reimbursement for its expenses during such academic year in administering programs assisted under this part. The payment for an academic year (1) shall be payable from such allocation in accordance with regulations of the Commissioner and (2) shall be an amount equal to 3 per centum of the aggregate amount of work-study payments and payments under educational opportunity grants made by such institution during such year under this part, but not to exceed $125,000.

"(b) An agreement under this part may also include provisions authorizing the institution, to the extent and under terms and conditions prescribed by the Commissioner by or pursuant to regulation, to use, out of the sums allocated to it for the purposes of this part, a portion for its administrative expenses (which for this purpose may, among other expenses, include expenses of counseling and guidance, placement, and consulting services) in developing or carrying out a program, described in such agreement, to demonstrate or explore the feasibility or value of methods of cooperative education involving alternative periods of full-time academic study at the institution and periods of full-time public or private employment (whether or not afforded by an organization described in section 411(a)) approved or arranged for by the institution under such program."

EFFECTIVE DATE

SEC. 404. The amendments made by sections 401, 402, and 403 shall be effective with respect to fiscal years beginning after June 30, 1971.

PART B—AMENDMENTS TO STUDENT LOAN INSURACE PROGRAM—INTEREST TERMS TO BORROWERS ELIGIBLE FOR SUBSIDIZED LOANS; SECRETARY TO ESTABLISH MAXIMUM INTEREST RATES; POSITION OF ELIGIBLE INSTITUTION AS ELIGIBLE LENDER STRENGTHENED; NEGOTIABILITY OF STUDENT OBLIGATIONS

SEC. 405. (a)(1) Subsection (a) of section 428 of the Higher Education Act of 1965 is amended to read as follows:

"SEC. 428. (a)(1) Each student who has received a loan, after June 30, 1971, which—

"(A) is insured by the Commissioner under this part,

"(B) is made under a State student loan program meeting criteria prescribed by the Commissioner under this part, or

"(C) is insured under a program of a State or of a nonprofit private institution or organization that has entered into an agreement with the Commissioner under subsection (b) or (c) of this section,

and with respect to which loan an interest subsidy is payable pursuant to part A shall be entitled to have paid on his behalf and for his account to the holder of the loan (except where such holder is the Secretary), at such times and according to such terms and conditions as the Commissioner may prescribe, a portion of the interest on his loan determined under paragraph (2).

"(2) The portion of the interest on a loan which a student borrower is entitled to have paid on his behalf and for his account to the holder of the loan pursuant to paragraph (1) shall be an amount equal to—

"(A) the total amount of the interest on the unpaid principal amount of the loan which accrues prior to the beginning of the repayment period of the loan, or which accrues during a period in which no part of such principal need be paid (whether or not such principal is in fact paid) by reason of a provision described in section 428(b)(1)(L) or in section 427(a)(2)(C); and

"(B) the difference between the per annum rate of interest on the unpaid balance of such loan and three per centum per annum of such unpaid balance during the period (other than any portion of such period in which the total amount of the interest on the unpaid principal amount is payable by the Commissioner pursuant to clause (A)) beginning with the date upon which the repayment period commences and ending ten years after such date, or at the conclusion of the repayment period, whichever is earlier.

"(3) Each holder of a loan insured or insurable by the Commissioner under section 427, or with respect to which payments of interest are required to be made by the Commissioner, shall submit to the Commissioner, at such times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan. The holder of a loan with respect to which payments are required to be made under this subsection shall be deemed to have a contractual right, as against the United States, to receive from the Commissioner the portion of interest determined under paragraph (2).

"(4) No payment may be made under this section with respect to the interest on a loan made from a student loan fund established under title II of the National Defense Education Act of 1958."

(2) Paragraph (1) of subsection (c) of such section is amended to read as follows:

"(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization having a loan insurance program meeting the requirements of subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under such loan insurance program, with respect to losses (resulting from default of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan."

(b) Section 437 is amended to read as follows:

"Sec. 437. If a student borrower who has received a loan described in clause (A), (B), or (C) of section 428(a)(1) (whether or not an interest subsidy is payable pursuant to part A of this title) dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Commissioner), then the Commissioner shall discharge the borrower's liability on the loan by repaying the amount owed on the loan (except where such amount is owed to the Secretary)."

(c)(1) Subsection (b) of section 427 is amended to read:

"(b) For the purposes of clause (2)(D) of subsection (a), and clause (1)(E) of section 428(b), the Secretary, after consultation with the Secretary of the Treasury and the National Student Loan Association, shall prescribe maximum rates of interest to facilitate the operation of this part which shall be not less than a per annum rate equal to the average annual interest rate on all interest-bearing obligations of the United States forming a part of the public debt a computed at the end of the fiscal year preceding the fiscal year for which such rates are prescribed."

(2) Clause (2)(D) of section 427(a) is amended by striking out "and defined by the Secretary (within the limits set forth in subsection (b)) on a national, regional, or other appropriate basis" and inserting in lieu thereof "by the Secretary pursuant to subsection (b)".

(3) Clause (1)(E) of section 428(b) is amended to read:

"(E) authorizes interest on the unpaid balance of the loan at a yearly rate not in excess of the maximum rate of interest prescribed for such loan pursuant to section 427(b) (exclusive of any premium for insurance which may be passed on to the borrower);".

(4) Clause (1) of section 428(d) is amend-

ed by striking out "not in excess of 7 per centum per annum" and inserting in lieu thereof "not in excess of the rate prescribed by the Secretary pursuant to section 427(b)".

(d)(1) Section 423(a) is amended by inserting ", other than with respect to loans by eligible institutions," after "429".

(2) Subsection (d) of section 429 is amended to read as follows:

"(d) Subject to any terms, conditions, or limitations established by regulations of the Commissioner, the rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section, or the rights of any assignee thereof, may be assigned."

INCREASE AND OTHER ADJUSTMENTS IN LOAN CEILINGS

SEC. 406. (a) Section 425 is amended to read as follows:

"SEC. 425. (a) The total of the loans made to a student in any academic year or its equivalent (as determined under regulations of the Commissioner) which may be insured by the Commissioner under this part may not exceed an amount equal to $2,500 reduced by the total amount of loans to the student in such academic year which (1) are made to the student under a State student loan program meeting criteria prescribed by the Commissioner under this part, or (2) are insured under a program of a State or of a nonprofit private institution or organization which has entered into an agreement with the Commissioner under subsection (b) or (c) of section 428. A student may receive loans insured by the Commissioner for not in excess of a period equal to seven academic years reduced by the number of academic years in which the student has received a loan described in the preceding sentence. If a student has a line of credit, only actual payments by the lender to the borrower during any year will be taken into account in determining the total insurable amount for such year.

"(b) Subject to the limitations of subsection (a)—

"(1) the maximum loan to any student insured by the Commissioner in any academic year with respect to which an interest subsidy is payable pursuant to part A shall be determined by the Secretary in accordance with such part; and

"(2) the maximum loan to any student insured by the Commissioner in any academic year, other than a loan described by clause (1), shall not exceed the reasonable and necessary expenses incurred by the student, in such academic year, in consequence of his attendance at an eligible institution; and the amount of such expenses shall be estimated by such eligible institution in accordance with regulations of the Commissioner.

A statement of the maximum loan determined by the Secretary under part A and the estimate of reasonable and necessary expenses, with respect to a student for any academic year, shall be furnished by the eligible institution to the student upon his request. No loan or portion thereof shall be insured by the Commissioner in excess of such maximum or estimate.

"(c) The insurance liability on any loan insured by the Commissioner under this part shall be 100 per centum of the unpaid balance of the principal amount of the loan. Such insurance liability shall not include liability for interest whether or not that interest has been added to the principal amount of the loan except as otherwise expressly provided herein."

(b) Section 428(b)(1) is amended (1) in clause (A) by striking out "$1,500" and inserting "$2,500" in lieu thereof, and by striking out all of that clause that follows "in excess of such annual limit;", (2) in clause (B) by striking out all of that clause that follows "students for" and inserting in lieu thereof "seven academic years of study or their equivalent (as determined under regulations of the Commissioner) reduced by the number of academic years in which the student has received a loan insured by the Commissioner under this part;", and (3) in clause (H) by striking out all of that clause that follows "any student" and inserting in lieu thereof "because of lack of need if an interest subsidy is payable pursuant to part A with regard to any loan to such student;".

DEFERRAL OF INTEREST AND PRINCIPAL PAYMENTS

SEC. 407. (a)(1) Clauses (E), (F), and (G) of section 427(a)(2) are redesignated clauses (F), (G), and (H), respectively, and there is inserted after clause (D) the following new clause:

"(E) authorizes the student borrower, if agreed to by the lender, to defer the payment of periodic installments of principal and interest during any period or periods (not in excess of an aggregate of five years) as the student may, during the repayment period, from time to time specify in advance by written notice to the lender, which deferred interest shall accrue and be added to principal on the date that payment of principal and interest is to resume, and shall thereby increase the insurance liability under this part in the amount of such accrued interest,".

(2) Clause (D) of section 427(a)(2) is amended by striking out so much of that clause as follows "payable in installments" and inserting in lieu thereof "over a period beginning on the date upon which payment of the first installment of principal falls due and ending on the date upon which payment of the last installment of principal falls due, and interest accruing but not payable prior to the date upon which repayment of the first installment of principal falls due shall be added to principal and shall thereby increase the insurance liability under this part in the amount of such accrued interest,".

(3) Clause (C) of section 427(a)(2) is amended by striking out "need not be paid, but interest shall accrue and be paid" and inserting in lieu thereof "and interest need not be paid, but interest shall accrue and be added to principal, and shall thereby increase the insurance liability under this part in the amount of such accrued interest."

(b)(1) Paragraph (1) of section 428(b) is amended (A) by striking out "and" at the end of clause (J) thereof, (B) by striking out the period at the end of clause (K) and inserting "; and" in lieu thereof, and (C) by adding at the end of such paragraph the following new clauses:

"(L) provides that periodic installments of principal and interest need not be paid, but interest shall accrue and be added to principal, and is thereby insured under such program, during any period (i) during which the borrower is pursuing a full-time course of study at an eligible institution, (ii) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, or (iv) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964."

(2) Subsection (e) of section 428 is amended to read as follows:

"(e) The Commissioner shall encourage the inclusion, in any State or nonprofit private student loan insurance program meeting the requirements of subsection (b), of provisions authorizing the student borrower, if agreed to by the lender, to defer the payment of periodic installments of principal and interest during any period or periods (not in excess of an aggregate of five years) as the student may, during the repayment period, from time to time specify in advance by written notice to the lender, which deferred interest shall accrue and be added to principal on the date that payment of principal and interest is to resume, and shall thereby increase the insurance liability of such programs, and the Federal guaranty applicable to such program."

EXTENSION OF PERMISSIBLE REPAYMENT PERIOD

SEC. 408. (a)(1) Clause (B) of section 427(a)(2) is amended to read as follows:

"(B) provides for repayment (except as provided in subsection (c) of the principal amount of the loan in installments over a period of not less than five years (unless sooner repaid) nor more than twenty years beginning nine months after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution except that in the computation of such periods there shall be excluded periods in which interest or principal is not paid pursuant to clause (C) or clause (E), and except, also, that the note or other written agreement evidencing it may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default of the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made,".

(2) Clause (C) of such section is amended by striking out all that follows "1964" and inserting a comma in lieu thereof.

(b)(1) Clause (D) of section 428(b)(1) is amended to read as follows:

"(D) provides for repayment (except as provided by subsection (e) of the principal amounts of loans in installments over a period of not less than five years (unless sooner repaid) nor more than twenty years beginning nine months after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution, except that in the computation of such periods there shall be excluded periods in which interest or principal is not paid pursuant to clause (L) of this paragraph or subsection (e), and except, also, that the note or other written agreement evidencing it may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default of the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made;".

(2) Section 428(b)(1)(C) is amended by striking out clause (ii) thereof, and redesignating clause (iii) as clause (ii).

EXTENSION OF PROGRAM AND REPEAL OF PREVIOUS FEDERAL LOAN INSURANCE CEILING

SEC. 409. Section 424 is amended to read as follows:

"SEC. 424. Except as provided in the next sentence, Federal loan insurance pursuant to this part may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to students prior to July 1, 1976. Thereafter, such insurance may be granted for the purpose of enabling students who have obtained prior loans insured under this part to continue or complete their educational programs; but no insurance may be granted for any loan made or installment paid after June 30, 1980."

REPEAL OF CANCELLATION OF NATIONAL DEFENSE STUDENT LOANS

SEC. 410. Subparagraph (3) of section 205(b) of the National Defense Education Act of 1958 is repealed.

ELIGIBILITY FOR NATIONAL DEFENSE STUDENT LOANS

SEC. 411. Subsection (b) of section 205 of the National Defense Education Act of 1958

is amended by inserting after "course of study" the following: ", and to such priorities in the lending of such funds as the Secretary may from time to time establish pursuant to title IV of the Higher Education Act of 1965".

AUTHORITY TO MAINTAIN STUDENT LOAN FUNDS

SEC. 412. (a) Section 206 of the National Defense Education Act of 1958 is amended by striking out "1975" wherever it appears and inserting in lieu thereof "1980".

EFFECTIVE DATE APPLICABLE TO SECTIONS 405 THROUGH 411

SEC. 413. Sections 405 through 411 of this Act shall be effective with respect to loans made or disbursed to students after June 30, 1971.

PART B—ESTABLISHMENT OF NATIONAL STUDENT LOAN ASSOCIATION

SEC. 420. Part D of title IV of the Higher Education Act of 1965 is amended to read as follows:

"PART D—NATIONAL STUDENT LOAN ASSOCIATION

"DECLARATION OF PURPOSE

"SEC. 441. It is the purpose of this part to establish a private corporation financed by private capital to serve as a secondary market for student loans insured under part C and to provide liquidity for those who make such loans.

"CREATION OF AGENCY

"SEC. 442. (a) There is hereby created a body corporate to be known as the National Student Loan Association (hereinafter in this part referred to as the 'Association'). The Association shall have succession until dissolved by Act of Congress. It shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue and civil actions, to be a resident thereof. Offices may be established by the Association in such other place or places as it deems necessary or appropriate for the conduct of its business.

"(b) The Association, including its franchise, capital, reserves, surplus, mortgages, or other security holdings, and income shall be exempt from all taxation now or hereafter imposed by any State, territory, possession, Commonwealth, or dependency of the United States, or by the District of Columbia, or by any county, municipality, or local taxing authority, except that any real property of the Association shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

"BOARD OF DIRECTORS

"SEC. 443. (a) The Association shall have a Board of Directors consisting of twenty-one persons.

"(b) An interim Board of Directors shall be appointed by the President, one of whom he shall designate as interim Chairman. The interim Board shall consist of twenty-one members, seven of whom shall be representative of eligible lenders under part C other than eligible institutions, seven of eligible institutions (as defined in section 435(a)), and seven of the general public. The interim Board shall arrange for an initial offering of common stock and take whatever other actions are necessary to proceed with the operations of the Association.

"(c) When, in the judgment of the President, sufficient common stock of the Association has been purchased by eligible institutions and banks or other financial institutions, the holders of such stock which are eligible institutions shall elect seven members of the Board of Directors and the holders of such stock which are banks or other financial institutions shall elect seven members of the Board of Directors. The President shall appoint the remaining seven members. The members so elected and appointed shall elect a chairman. The elections referred to in this subsection shall be carried out in such manner as the interim Board may prescribe.

"(d) The interim Board shall thereafter turn over the affairs of the Association to the regular Board so chosen or appointed.

"(e) The directors appointed by the President shall serve at the pleasure of the President and until their successors have been appointed and have qualified. The remaining directors shall each be elected for a term ending on the date of the next annual meeting of the common stockholders of the Association, and until their successors have been elected. Any appointive seat on the Board which becomes vacant shall be filled by appointment of the President. Any elective seat on the Board which becomes vacant after the annual election of the directors shall be filled by the Board, but only for the unexpired portion of the term.

"(f) The Board of Directors shall meet at the call of its chairman. The Board shall determine the general policies which will govern the operations of the Association. The Chairman of the Board shall, with the approval of the Board, select, appoint, and compensate qualified persons to fill the offices provided for in the bylaws, with such executive functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such persons shall be the executive officers of the Association and shall discharge all such executive functions, powers, and duties.

"FUNCTIONS

"SEC. 444. (a) Subject to the provisions of this part and the approval of the Secretary, the Association is authorized to make advances on the security of, or to purchase, service, sell, or otherwise deal in, student loans which are insured under part C.

"(b) Any advance made under subsection (a) of this section shall not exceed 80 per centum of the face amount of the insured loans upon the security of which such advance is made. The proceeds from any advance shall be invested in additional insured student loans.

"COMMON STOCK

"SEC. 445. (a) The Association shall have common stock having a par value of $100 per share.

"(b) Each share of common stock shall be entitled to one vote with rights of cumulative voting at all elections of directors. Voting shall be by classes as described in section 443(c).

"(c) The common stock of the Association shall be transferable, as to the Association, only on the books of the Association. The Secretary shall prescribe the maximum number of shares of common stock the Association may issue and have outstanding at any one time. Shares of such stock which are outstanding may be called for retirement at par at the option of the Association at any time.

"(d) To the extent that net income is earned and realized, dividends may be declared on common stock by the Board of Directors. Such dividends shall be paid to the holders of outstanding shares of common stock, except that no such dividend shall be payable with respect to any share which has been called for redemption past the effective date of such call.

"OBLIGATIONS

"SEC. 446. (a) The Association is authorized with the approval of the Secretary of the Treasury to issue and have outstanding obligations having maturities and bearing such rate or rates of interest as may be determined by the Association with the approval of the Secretary of the Treasury. Such obligations may be redeemable at the option of the Association before maturity in such manner as may be stipulated therein.

"(b) The Secretary is authorized to guarantee payment when due of principal and interest on obligations issued by the Association in an aggregate amount determined by the Secretary in consultation with the Secretary of the Treasury.

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

"GENERAL AUTHORITY

"SEC. 447. The Association shall have authority—

"(a) to sue and be sued, complain and defend, in its corporate name and through its own counsel;

"(b) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

"(c) to adopt, amend, and repeal by its board of directors such bylaws, rules, and regulations as may be necessary for the conduct of its business;

"(d) to conduct its business, carry on its operations, and have offices and exercise the authority granted by this part in any State without regard to any qualification or similar statute in any State;

"(e) to lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with any property, real, personal, or mixed, or any interest therein, wherever situated;

"(f) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the Association;

"(g) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

"(h) to appoint such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, to fix their salaries, to require bonds for them and fix the penalty thereof; and

"(i) to enter into contracts, to execute instruments, to incur liabilities, and to do all things necessary or incidental to the proper management of its affairs and the proper conduct of its business.

"AUDIT

"SEC. 448. The accounts of the Association shall be audited at least annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants or by independent licensed public accountants, licensed on or before December 31, 1970, who are certified or licensed by a regulatory au-

thority of a State or other political subdivision of the United States, except that independent public accountants licensed to practice by such regulatory authority after December 31, 1970, and persons who, although not so certified or licensed, meet, in the opinion of the Secretary, standards of education and experience representative of the highest standards prescribed by the licensing authorities of the several States which provide for the continuing licensing of public accountants and which are prescribed by the Secretary in appropriate regulations may perform such audits until December 31, 1975. A report of each such audit shall be furnished to the Secretary and to the Secretary of the Treasury.

"OBLIGATIONS AS LAWFUL INVESTMENTS, ACCEPTANCE AS SECURITY

"SEC. 449. All obligations issued by the Association shall be lawful investments, and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under authority or control of the United States or of any officer or officers thereof. All stock and obligations issued by the Association pursuant to this part shall be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission, to the same extent as securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States. The Association shall, for the purposes of section 14(b)(2) of the Federal Reserve Act, be deemed to be an agency of the United States.

"PREPARATION OF OBLIGATIONS

"SEC. 450. In order to furnish obligations for delivery by the Association, the Secretary of the Treasury is authorized to prepare such obligations in such form as the Board of Directors may approve, such obligations when prepared to be held in the Treasury subject to delivery upon order by the Association. The engraved plates, dies, bed pieces, and other material executed in connection therewith shall remain in the custody of the Secretary of the Treasury. The Association shall reimburse the Secretary of the Treasury for any expenditures made in the preparation, custody, and delivery of such obligations.

"ANNUAL REPORT

"SEC. 451. The Association shall, as soon as practicable after the end of each fiscal year, transmit to the President and the Congress a report of its operations and activities during each year, including a report of the audit conducted under section 448.

"SEPARABILITY

"SEC. 452. If any provisions of this part or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the part, and the application of such provisions to other persons or circumstances, shall not be affected.

"INTERIM FINANCING ARRANGEMENT FOR STUDENT LOANS

"SEC. 453. (a) Any eligible institution (as defined in section 408) which, subsequent to enactment of this part, makes a loan on which a subsidy is payable under section 428(a), may offer that loan for sale to the Secretary, and, until such time as the Association, in the Secretary's judgment, is able to purchase student loans insured under part C, the Secretary is authorized and directed to purchase any such loan at a price equal to 100 per centum of the unpaid principal thereof and interest thereon at the time of purchase.

"(b) Upon application to him by an eligible institution indicating that such institution is, in the Secretary's judgment, in need of funds with which to make loans on which subsidies are payable under section 428(a), the Secretary shall make an advance of funds to such institution against the future purchase by him of such loans.

"(c) The Secretary may enter into an agreement with any eligible institution from which he has purchased one or more loans pursuant to subsection (a) under which agreement such institution (A) will undertake to perform administrative functions with respect to any loan purchased from it by the Secretary and (B) be reimbursed the cost thereof.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 454. There are authorized to be appropriated such sums as may be necessary to carry out the preceding section.

"TERMINATION OF INTERIM FINANCING ARRANGEMENT

"SEC. 455. At such time as the Association is able to purchase student loans insured under part C, such Association shall purchase from the Secretary student loans which he has acquired under section 453(a). Such loans shall be purchased by such Association upon such terms and conditions as the Board of Directors shall determine. Such Association shall not deal in any other student loans until it has first purchased from the Secretary all loans which he has so acquired.

"PURCHASE OF OBLIGATIONS BY TREASURY

"SEC. 456. The Secretary of the Treasury is authorized to purchase, in his discretion and upon such terms and conditions as he determines, any obligations issued by the Association under section 446(a), and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under such Act are extended to include such purchases. The aggregate principal amount of the Secretary of the Treasury's outstanding holdings of such obligations may not exceed at any time an amount greater than $250,000,000. The Secretary of the Treasury may sell, upon such terms and conditions as he determines, any of the obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such obligations under this section shall be treated as public debt transactions of the United States."

AMENDMENTS RELATING TO FINANCIAL INSTITUTIONS

SEC. 421. (a) The sixth sentence of the seventh paragraph of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by inserting "or obligations of the National Student Loan Association," immediately after "or obligations, participation, or other instruments of or issued by the Federal National Mortgage Association or the Government National Mortgage Association,".

(b) Section 5200 of the Revised Statutes, as amended (12 U.S.C. 84), is amended by adding at the end thereof the following new paragraph:

"(14) Obligations of the National Student Loan Association shall not be subject to any limitation based upon such capital and surplus."

(c) The first paragraph of section 5(c) of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. 1464(c)), is amended by inserting "or in obligations of the National Student Loan Association;" in the second proviso immediately after "any political subdivision thereof."

(d) Clause (E) of paragraph (8) of section 8 of the Federal Credit Union Act (12 U.S.C. 1757) (8)(E) is amended by inserting "or the National Student Loan Association" immediately following "Government National Mortgage Association".

INAPPLICABILITY OF TRUTH IN LENDING ACT

SEC. 422. Section 104 of the Truth in Lending Act (15 U.S.C. 1603) is amended by adding the following new paragraph at the end thereof:

"(5) Loans under title II of the National Defense Education Act of 1958 or loans to which title IV of the Higher Education Act of 1965 is applicable".

EFFECTIVE DATE

SEC. 423. The amendments made by sections 420, 421, and 422 shall be effective with respect to fiscal years beginning after June 30, 1971.

PART C—CONSOLIDATION OF SPECIAL SERVICES PROGRAMS

SEC. 430. Title IV of the Higher Education Act is further amended by inserting after part D the following new part:

"PART E—IDENTIFYING QUALIFIED LOW-INCOME STUDENTS; PREPARED THEM FOR POSTSECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

"SEC. 461. (a) To assist in achieving the objectives of this part the Commissioner is authorized, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), to make grants to, or contracts with, institutions of higher education, including institutions with vocational and career education programs, combinations of such institutions, public and private agencies and organizations (including professional and scholarly associations), and in exceptional cases secondary schools and secondary vocational schools, for planning, developing, or carrying out within the States one or more of the services described in subsection (c), except that no grant may be made to an agency, organization, institution, or school other than a public or nonprofit private one.

"(b) Such services shall be designed to enable youths from low-income backgrounds who have academic potential (but may lack adequate secondary school preparation or be physically handicapped) to enter, continue, or resume a program of postsecondary education.

"(c) Such services are—

"(1) publicizing existing forms of student financial aid;

"(2) identifying youths described in subsection (b) and encouraging them to complete secondary school and to undertake postsecondary education;

"(3) encouraging youths described in subsection (b) who have dropped out of secondary school or college to reenter educational programs, including programs of postsecondary education;

"(4) generating skills and motivation necessary for success in education beyond high school;

"(5) providing counseling, tutorial, or other educational services, including special summer programs, to remedy academic deficiencies;

"(6) providing career guidance, placement, or other student personnel services (including health services);

"(7) identifying, encouraging, and counseling students with a view to their undertaking a program of graduate or professional education; and

"(8) providing other special or supplemental services necessary to achieve the purposes set forth in subsection (b).

"(d) Enrollees who are participating on an essentially full-time basis in one or more services being provided under subsection (c) may be paid stipends, but not in excess of $30 per month except in exceptional cases as determined by the Commissioner.

"(e) There are authorized to be appropriated to carry out this part such sums as may be necessary for the fiscal year ending June 30, 1972, and each of the next four fiscal years."

EFFECTIVE DATE

SEC. 431. The amendments made by section 430 shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE V—AMENDMENTS TO TITLE V OF HIGHER EDUCATION ACT (EDUCATION PROFESSIONS DEVELOPMENT ACT)

PART A—AMENDMENTS TO PART A OF TITLE V

EXTENSION OF NATIONAL ADVISORY COUNCIL ON EDUCATION PROFESSIONS DEVELOPMENT AND PROGRAM FOR ATTRACTING QUALIFIED PERSONNEL TO THE FIELD OF EDUCATION

SEC. 501. (a) Section 502(f) of title V of the Higher Education Act of 1965 (the Education Professions Development Act) is amended by striking out "three" and inserting in lieu thereof "eight".

(b) Section 504(b) of such title is amended by striking out "and" before "the sum of $5,000,000" and inserting the following after "July 1, 1971": ", and such sums as may be necessary for each of the next five fiscal years".

PART B—AMENDMENTS TO SUBPART 1 OF PART B (TEACHER CORPS)

EXTENSON OF PROGRAM

SEC. 510. Section 511(b) of the Higher Education Act of 1965 is amended (1) by striking out "and" before "$100,000,000", and inserting the following after "July 1, 1971"; ", and such sums as may be necessary for each of the next five fiscal years".

PART C—AMENDMENTS TO SUBPART 2 OF PART B

EXTENSION OF PROGRAM

SEC. 520. Section 518(b) of the Higher Education Act of 1965 is amended by striking out "and" before "$65,000,000" and by inserting ", and such sums as may be necessary for each of the next five fiscal years" immediately after "July 1, 1971".

RETRAINING OF TEACHERS AND EMPLOYMENT OF TUTORS AND INSTRUCTIONAL ASSISTANTS

SEC. 521. Section 518(a) of such Act is amended by striking out "and" before "(2)" and by adding the following before the period: ", (3) to employ high school and college students as tutors or instructional assistants for educationally disadvantaged children, (4) to compensate such tutors and instructional assistants at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally-supported work-study programs, and (5) to provide necessary training to teachers to enable them to teach other grades or other subjects in which such agencies have a teacher shortage".

REDUCING MINIMUM ALLOTMENT

SEC. 522. Section 519(a) of such Act is amended by striking out "$100,000" and inserting in lieu thereof "$50,000".

CONFORMING AMENDMENTS AND INCREASE IN AMOUNT AVAILABLE FOR ADMINISTRATION

SEC. 523. (a) Section 520(a)(2) is amended (A) by striking out "and (C)" and inserting in lieu thereof "(C) programs to such agencies to employ high school and college students as tutors or instructional assistance for educationally disadvantaged children, (D) programs of such agencies to compensate such tutors and instructional assistants at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally-supported work-study programs, (E) programs of such agencies to provide necessary training to teachers to enable them to teach other grades or other subjects in which such agencies have a teacher shortage, and (F)", (B) by striking out "3" and inserting in lieu thereof "5", and (C) by inserting before the semicolon: "or, $20,000, whichever is greater."

(b) Section 520(a)(3) is amended by inserting "or for the retraining of teachers" immediately before the semicolon at the end thereof.

ELIMINATING CEILING ON AMOUNT FOR AIDES

SEC. 524. Section 520(a) of such Act is further amended by striking out paragraph (5) and designating paragraphs (6), (7), (8), and (9) as paragraphs (5), (6), (7), and (8), respectively, and by inserting in paragraph (5), as so redesignated, "is teaching, or" immediately after "because he".

PART D—AMENDMENTS TO PART D—IMPROVING TRAINING OPPORTUNITIES FOR NON-HIGHER EDUCATION PERSONNEL

EXTENSION OF PROGRAM

SEC. 530. Section 532 of the Higher Education Act of 1965 is amended by striking out and" before "the sum of $90,000,000" and inserting the following after "July 1, 1971": ", and such sums as may be necessary for each of the next five fiscal years".

SUPPORT OF TUTORS AND INSTRUCTIONAL ASSISTANTS

SEC. 531. Section 531(b) of such Act is amended by changing the period at the end thereof to a semicolon and by adding the following new paragraph:

"(11) program or projects to employ tutors or instructional assistants in preschool, elementary, and secondary school classes, especially for educationally disadvantaged children".

SEC. 532. Section 531(c) of such Act is amended by striking out "or" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting "; or" in lieu thereof, and by adding the following new paragraph:

"(3) compensating tutors and instructional assistants at such rates as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported work-study programs."

DEVELOPING AND STRENGTHENING PROGRAMS FOR THE EDUCATION OF TEACHERS AND RELATED EDUCATIONAL PERSONNEL

SEC. 533. Section 531(b) of such Act is further amended by changing the period at the end thereof to a semicolon, by adding "and" at the end of paragraph 11, and by adding the following new paragraph:

"(12) programs or projects (including cooperative arrangements or consortia between institutions of higher education, junior and community colleges, or between such institutions and State or local educational agencies and nonprofit education associations) for the development, expansion, or improvement of undergraduate programs for preparing educational personnel, including design, development, and evaluation of exemplary undergraduate training programs, introduction of high quality and more effective curricula and curricular materials, and the provision of increased opportunities for practicum teaching experience for prospective teachers in elementary and secondary schools."

SEC. 534. Section 531(c) of such Act, as amended by section 532 of this Act, is further amended by striking out the "or" at the end of paragraph (2) and the period at the end of paragraph (3), by inserting a semicolon and "or" at the end of paragraph (3), and by adding the following new paragraph:

"(4) projects or programs to develop, expand, or improve undergraduate and other programs for training educational personnel."

APPLICATION OF PART D TO INDIAN SCHOOLS

SEC. 535. Section 532 of the Higher Education Act of 1965 is amended by inserting "(a)" after "SEC. 532." and by inserting at the end thereof the following new subsection:

"(b) From the sums appropriated pursuant to subsection (a), the Commissioner may also make payments to the Secretary of the Interior to carry out the policy of this part with respect to persons preparing to serve as teachers of individuals on reservations serviced by elementary and secondary schools for Indian children operated or supported by the Department of the Interior. The terms upon which payments for that purpose may be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the policy of this part."

PART B—CONSOLIDATION OF TITLE IV OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958 WITH PART E OF TITLE V OF THE HIGHER EDUCATION ACT OF 1965 (EDUCATION PROFESSIONS DEVELOPMENT ACT)

EXTENSION OF PROGRAM

SEC. 540. Section 543 of the Higher Education Act of 1965 is amended by striking out "and" before "the sum of $36,000,000" and inserting the following after "July 1, 1971": ", and such sums as may be necessary for each of the next five fiscal years".

BROADENING CLASS OF INSTITUTIONS FOR WHICH PERSONNEL MAY BE TRAINED

SEC. 541. (a) Section 541(a) of such Act is amended by striking out "institutions of higher education" as it appears immediately before the period and inserting in lieu thereof "postsecondary institutions".

(b) Section 541(b) of such Act is amended by striking out "fellowships which are eligible for support under title IV of the National Defense Education Act of 1958, or for".

(c) Section 541(c) is amended by striking out "institutions of higher education" and inserting in lieu thereof "post secondary institutions".

PROVISION FOR INSTITUTIONAL ALLOWANCE

SEC. 542. Section 542 is amended by striking out "Sec. 542." and inserting in lieu thereof "Sec. 542. (a)" and by adding at the end thereof the following new subsection:

"(b) Any arrangement with an institution of higher education under this part that authorizes the payment of stipends pursuant to subsection (a) of this section shall also provide that the Commissioner shall pay to such institution such amount as he may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for each person receiving a stipend pursuant to the arrangement."

SAVINGS PROVISIONS

SEC. 543. Effective July 1, 1971, title IV of the National Defense Education Act of 1958 is repealed, except that in the case of any individual who was awarded a fellowship pursuant to such title for which payments for the first academic year of such fellowship were made or to be made from appropriations for any fiscal year ending before July 1, 1971, payments with respect to such fellowships shall continue to be made for periods after June 30, 1971, from appropriations under Part E of title V of the Higher Education Act of 1965, but under the same terms and conditions and for the same period of time as though such title IV had not been repealed.

PART F—AMENDMENT TO PART F—TRAINING AND DEVELOPMENT OF VOCATIONAL PERSONNEL

EXTENSION OF PROGRAMS

SEC. 550. Section 555 of the Higher Education Act of 1965 is amended by striking out "and" before "the sum of $35,000,000" and inserting the following after "June 30, 1970": ", and such sums as may be necessary for each of the next six fiscal years."

EFFECTIVE DATE

SEC. 551. Except as otherwise expressly provided, the amendments made by this title shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE VI—REPEAL OF TITLES VI, VIII, IX, X, AND XI OF THE HIGHER EDUCATIONAL ACT

SEC. 601. Title VI of the Higher Education Act of 1965, pertaining to improvement of undergraduate instruction, title VIII of such Act, pertaining to networks for knowledge, title X of such Act, pertaining to improve-

ment of graduate programs, and title XI of such Act, pertaining to law school clinical experience programs, are, effective July 1, 1971, repealed.

TITLE VII—AMENDMENTS TO GENERAL PROVISIONS

SEC. 701. (a) Title XII and sections 1201 through 1210 of the Higher Education Act of 1965, and all references thereto, are redesignated as title VIII and sections 801 through 810 of such Act, respectively.

(b) Title VIII of such Act, as redesignated by this Act, is amended by inserting at the end thereof the following new section:

"UNIFORM APPLICATION REQUIREMENTS

"SEC. 811. Any application for assistance under titles II, III, or V submitted to the Commissioner by an institution of higher education or other eligible applicant shall not be approved unless it contains assurances satisfactory to the Commissioner that—

"(1) Federal funds made available under such title for any fiscal year will be so used as to supplement, and to the extent practical, increase the fiscal effort that would, in the absence of such Federal funds, be made by the applicant for purposes which meet the requirements of such title, and in no case supplant such effort;

"(2) such fiscal control and fund accounting procedures have been adopted as may be necessary to assure proper disbursement of and accounting for Federal funds paid under such title;

"(3) procedures have been adopted (A) for the periodic evaluation of the effectiveness of the programs to be supported under such title, and (B) for appropriate dissemination of the results of such evaluation; and

"(4) the applicant (A) will make such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under such title and to determine the extent to which funds provided under that title have been effective in carrying out its purposes (including reports of evaluations), and (B) will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports."

EFFECTIVE DATE

SEC. 702. The amendments made by section 701 shall be effective July 1, 1971.

TITLE VIII—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT

EXTENSION OF PROGRAM

SEC. 801. (a) The first sentence of section 101(b) of the Higher Education Facilities Act of 1963 is amended by striking out "and" before "$936,000,000" and by inserting ", and such sums as may be necessary for each of the next two fiscal years" immediately before the period.

(b) Section 105(b) of such Act is amended by striking out "four" and inserting in lieu thereof "six".

(c) The second sentence of section 201 of such Act is amended by striking out "and" before "the sum of $120,000,000" and by inserting ", and such sums as may be necessary for each of the next two fiscal years" immediately before the period.

(d) The second sentence of section 303(c) of such Act is amended by striking out "and" before "the sum of $400,000,000" and by inserting ", and such sums as may be necessary for each of the next two fiscal years" immediately before the period.

(e) Section 306(c) of such Act is amended by inserting "and on July 1 of each of the next two years" immediately after "July 1, 1970".

(f) Section 408(a) of such Act is amended by striking out "July 1, 1971" and inserting in lieu thereof "July 1, 1973".

NEW PROGRAM OF INSURED LOANS FOR CONSTRUCTION OF NONPROFIT PRIVATE ACADEMIC FACILITIES

SEC. 802. Title III of the Higher Education Facilities Act of 1963 is amended by inserting immediately after section 306 the following:

"ACADEMIC FACILITIES LOAN INSURANCE

"SEC. 307. (a) In order to assist nonprofit private institutions of higher education and nonprofit private higher education building agencies to procure loans for the construction of academic facilities, the Commissioner may insure the payment of interest and principal on such loans if such institutions and agencies meet, with respect to such loans, criteria prescribed by or under section 306 for the making of annual interest grants under such section.

"(b) No loan insurance under subsection (a) may apply to so much of the principal amount of any loan as exceeds 90 per centum of the development cost of the academic facility with respect to which such loan was made.

"RIGHT OF RECOVERY AND INCONTESTABLE NATURE OF INSURANCE

"SEC. 308. (a) The United States shall be entitled to recover from any institution or agency to which loan insurance has been issued under section 307 the amount of any payment made pursuant to that insurance, unless the Commissioner for good cause waives its rights of recovery. Upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payment with respect to which the payment was made.

"(b) Any insurance issued by the Commissioner pursuant to section 307 shall be incontestable in the hands of the institution or agency on whose behalf such insurance is issued, and as to any agency, organization, or individual who makes or contracts to make a loan to such institution or agency in reliance thereon, except for fraud or misrepresentation on the part of such institution or agency or on the part of the agency, organization, or individual who makes or contracts to make such loan.

"CONDITIONS

"SEC. 309. Insurance may be issued by the Commissioner under section 307 only if he determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Commissioner determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States. The Commissioner may charge a premium for such insurance in an amount reasonably determined by him to be necessary to cover administrative expenses and probable losses under sections 307 and 308. Such insurance shall be subject to such further terms and conditions as the Commissioner determines to be necessary."

MAKING REVOLVING LOAN FUND AVAILABLE FOR LOAN INSURANCE

SEC. 803. (a) Section 305 of such Act is amended—

(1) by striking out the heading therefor and inserting "Revolving Loan and Insurance Fund" in lieu thereof;

(2) by inserting "and loan insurance" immediately after "academic facilities loans" in the first sentence thereof; and

(3) by inserting "or loan insurance" immediately following "any loans" in the second sentence thereof.

(b) Section 303(c) of such Act is amended—

(1) by inserting "and may insure loans" immediately after "academic facilities" in the first sentence thereof;

(2) by inserting "and for issuing such insurance" immediately after "such loans" in the third sentence thereof; and

(3) by inserting "and for insurance" immediately after "for loans" in the last sentence thereof.

EFFECTIVE DATE

SEC. 804. The amendments made by sections 801 and 802 shall be effective July 1, 1971, and the amendments made by section 803 shall be effective as if enacted on the date of enactment of section 805 of such Higher Education Facilities Act.

TITLE IX—EXTENSION OF PROGRAM UNDER TITLE VI OF NATIONAL DEFENSE EDUCATION ACT

SEC. 901. Title VI of the National Defense Education Act of 1958 is amended—

(a) in section 601 by striking out "1971" both places it appears and by inserting in lieu thereof "1973"; and

(b) in section 603 by striking out "and" before "$38,500,000" and by inserting "and such sums as may be necessary for each of the next two fiscal years" immediately after "June 30, 1971,".

EFFECTIVE DATE

SEC. 902. The amendments made by section 901 shall be effective July 1, 1971.

TITLE X—NONDISCRIMINATION ON THE GROUND OF SEX IN FEDERALLY ASSISTED EDUCATION PROGRAMS

DISCRIMINATION PROHIBITED

SEC. 1001. (a) No person in the United States shall, on the ground of sex, be discriminated against by a recipient of Federal financial assistance for any education program or activity. The preceding sentence shall not, however, preclude differential treatment based upon sex where sex is a bona fide ground for such differential treatment.

(b) No recipient of Federal financial assistance for an education program or activity shall, because of an individual's sex,

(1) discharge that individual, fail or refuse to hire (except in instances where sex is a bona fide occupational qualification) that individual or otherwise discriminate against him or her with respect to compensation, terms, conditions, or privileges of employment; or

(2) limit, segregate, or classify employees in any way which would deprive or tend to deprive that individual of employment opportunities or otherwise adversely affect his or her status as an employee.

ENFORCEMENT

SEC. 1002. (a) Each Federal department and agency which is empowered to extend Federal financial assistance to any education program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 1001 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President.

(b) Compliance with any requirement adopted pursuant to subsection (a) may be effected (1) by the termination of or refusal to grant or to continue assistance to any recipient as to whom there has been an express finding on the report, after opportunity

for hearing, of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made and such noncompliance has been so found, or (2) by any other means authorized by law: *Provided, however,* That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means.

(c) In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to subsection (a), the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.

JUDICIAL REVIEW

SEC. 1003. Any department or agency action taken pursuant to section 1002 shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 1002, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with chapter 7 of title 5, United States Code, and such action shall not be deemed committed to unreviewable agency discretion with the meaning of the chapter.

PRESERVATION OF EXISTING AUTHORITY

SEC. 1004. Nothing in this title shall add to or detract from any existing authority with respect to any education program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.

DEFINITION

SEC. 1003. For the purposes of this title, the term "education" includes pre-school, elementary, secondary, and postsecondary education.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
February 26, 1971.

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

DEAR MR. SPEAKER: We are transmitting herewith for appropriate consideration a draft bill "To extend and amend the Higher Education Act of 1965, and for other purposes."

In his message on higher education of February 22, the President stated:

"I repeat the commitment which I made in my message of last year: that no qualified student who wants to go to college should be barred by lack of money. The program which I am again submitting this year would benefit approximately one million *more* students than are currently receiving aid. It would assure that Federal funds go first, and in the largest amounts, to the neediest students, in order to place them on an equal footing with students from higher-income families. The budget I submitted in January provides funds for these reforms and stands behind the commitments of this administration. Failure to pass this program would not only deny these benefits to many students, but also would limit their opportunity to make major choices about their lives."

The draft legislation we are submitting today is designed to meet these objectives.

Most of the higher education statutes administered by this Department will expire on June 30 of this year. In order for both students and institutions to be able to plan for the coming academic year, it is imperative that the legislation proposed in this bill be enacted as soon as possible. Thus, we urge that this proposal be given early favorable consideration.

Details of the proposal are described in the enclosed sectional analysis of the draft bill.

We are advised by the Office of Management and Budget that enactment of this proposal would be in accord with the program of the President.

Sincerely,

ELLIOT L. RICHARDSON,
Secretary.

Growth in funding of the grant/work-study programs

[Dollars in millions]

Academic years:	
1970–71	$343
1971–72	575
1972–73	635

Expanding (NDEA) subsidized loans: Dollars available to students

[In millions]

Present program, academic year 1970–71:	
Institutional matching	$27
Revolving fund	105
Federal capital contribution	237
Total available	369
Federal cost	237
Proposed program, academic year 1971–72:	
Cost of education loans	250
Revolving fund	140
Private capital	800
Total available	1,190
Federal cost	85

Number of students benefited

[In millions]

Subsidized programs:	
Academic year 1970–71	1.6
Academic year 1971–72	2.5
Unsubsidized guaranteed Loans:	
Academic year 1970–71	.025
Academic year 1971–72	1.0

About 300,000 additional students from upper income families were aided under the guaranteed loan program.

FAMILY CONTRIBUTION BY INCOME LEVELS AND NUMBER OF CHILDREN IN THE FAMILY

Income levels	Family contribution by number of children (1)	(2)	(3)	(4)	(5)
$3,000	0	0	0	0	0
$4,000	$300	$110	0	0	0
$5,000	530	320	$160	0	0
$6,000	750	540	350	$220	$140
$7,000	990	750	530	390	310
$8,000	1,220	950	710	560	480
$9,000	1,460	1,150	890	720	640
$10,000	1,690	1,350	1,060	890	800
$11,000	1,920	1,540	1,230	1,040	890
$12,000	2,150	1,730	1,400	1,190	1,090

Note: Family contribution, as well as the amount of available resources, would vary as family income is weighted to reflect the number of children in the family, the number of children in college, extraordinary family expenses, and capital assets.

BENEFITS AVAILABLE TO STUDENTS BY THEIR EXPECTED FAMILY CONTRIBUTION

Family contribution	Grant/work-study support	Subsidized loans	Cost of education loans	Total
$0	$1,000	$400	$1,500	$2,900
$200	800	400	1,500	2,900
$400	600	400	1,500	2,90
$600	400	400	1,500	2,90
$800	200	400	1,500	2,90
$1,000	0	400	1,500	2,90
$1,200	0	200	1,500	2,90

Note: These Federal support levels can be supplemented by: 1. Institutional student assistance; 2. Students summer earnings; 3. State and private student assistance; 4. Federally guaranteed loans.

MAJOR OBJECTIVES OF THE PROPOSED PROGRAM

Provide sufficient grant, work, and loan support to allow every low-income student to attend postsecondary education.

Provide additional subsidized aid to help student attending higher cost institutions.

Help institutions of higher education equalize the distribution of federal student aid.

Reduce, refine, and redirect interest subsidies in the guaranteed student loan program.

Tap private capital market for support of student loan program.

Create secondary market mechanism to buy and sell blocks of student loan notes and increase the availability of loan capital.

SECTION-BY-SECTION ANALYSIS: HIGHER EDUCATION OPPORTUNITY ACT OF 1971

TITLE I—AMENDMENTS TO TITLE I OF THE HIGHER EDUCATION ACT (COMMUNITY SERVICE AND CONTINUING EDUCATION)

Section 101. Extension of Program:

Section 101 of the bill amends section 101 of the HEA by extending the authorization for appropriations for two years, through Fiscal Year 1973, at such sums as may be necessary.

Section 102 makes the amendments made by section 101 effective July 1, 1971.

TITLE II—AMENDMENTS TO TITLE II OF THE HIGHER EDUCATION ACT (COLLEGE LIBRARY ASSISTANCE)

Section 201. Extension of Program and Reduction of Percentage to be Used for Basic Grants:

Section 201 amends Title II by—

(1) extending the authorization for appropriations for Part A for two years (through June 30, 1973) at such sums as may be necessary;

(2) inserting "particularly developing institutions as defined in title III and community colleges" after "institutions of higher education" in section 201. This language deals with eligible recipients of grants under Part A and emphasizes the eligibility of these institutions to receive grants under Title II.

Section 202. Increase in Percentage of Funds to be Used for Special Purpose and Supplemental Grants:

Section 202 amends Title II by—

(1) reducing the percentage of funds available for basic grants from 75 percent to 50 percent of funds appropriated under section 201. The 25 percent differential is made available for special purpose grants under section 204;

(2) repealing sections 201(c) and 201(d) pertaining to assurances required in grant applications, and adding a new 201(c) which requires that applications meet the requirements of section 811. (Section 811 is added by the bill and standardizes assurances required for grants under titles II, III, and V); and

(3) increasing the percentage of funds available for grants under 201(a)(2) from 60

percent of funds available under 204(a)(1) to 80 percent of such funds. (The effect of this amendment, together with (1) above, is to increase the amount of funds available from a maximum of 15 percent of the funds appropriated under section 201 to 40 percent of the funds.)

Section 203. Repeal of Research Provision:

Section 203 of the bill repeals section 224 of the HEA relating to research. This section duplicates authority contained in the Cooperative Research Act which can be used to fund similar activities.

Section 204. Extension of Training Provision and Transfer to Education Professions Development Act:

Section 204 in subsection (a) amends Title II by—

(1) redesignating Part B (Library and Training Research) as "Part G—Library Training";

(2) repealing section 225 of the HEA;

(3) and by transferring the remaining sections of the redesignated Part G to Title V of the HEA (the Education Professions Development Act).

Subsection (b) of section 204 extends the authorization for activities under the new Part G for five years, through FY 1976, at such sums as may be necessary.

Section 205. Repeal of Library of Congress Provision:

Section 205 amends Title II of the HEA by repealing Part C which currently authorizes transfer of funds to the Library of Congress. These activities will be funded from Library of Congress appropriations.

Section 206. Change of Headings:

Section 206 amends Title II of the HEA by repealing the current heading of Part A (College Library Resources) and by amending the heading of the entire title to read "Academic Library Assistance."

Section 207. Effective Date:

Section 207 provides that the amendments made in Title II of the bill shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE III—AMENDMENTS TO TITLE III OF THE HIGHER EDUCATION ACT (STRENGTHENING DEVELOPING INSTITUTIONS)

Section 301. Extension of Program:

Section 301 of the bill amends Title III of the HEA by extending the authorization for funds for five years through FY 1976, at such sums as may be necessary.

Section 302. Miscellaneous Amendments:

Subsection (a) of section 301 amends section 304(b) by striking out 304(b) (3) and (4) and by amending 304(b)(2) to read "meets the requirements of section 811." These sections pertain to assurances required in grant applications. Section 811 standardizes these assurances for titles II, III, and V.

Subsection (b) of section 301 amends section 302(d) to provide that only institutions which provide a bachelor's degree must meet the requirements of sections 302(a) and 302 (b) for five years before such institutions may meet the definition of "developing institutions"; and by striking out "(other than developing institutions)" from section 306 to allow professors emeritus from developing institutions to receive grants under this section.

Section 303. Effective Date:

Section 303 provides that the amendments made by Title III of the bill shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE IV—AMENDMENTS TO TITLE IV OF HIGHER EDUCATION ACT (STUDENT ASSISTANCE)

Part A—New programs for provision of financial assistance to students

Section 401 of the bill amends Title IV of the HEA in the following manner:

(1) by repealing Part C (Work-Study Programs);

(2) by redesignating Part B as Part C;

(3) by redesignating Parts E and F as F and G respectively;

(4) by repealing section 463 and redesignating sections 461, 462, 464, and 469 as sections 471, 472, 473, and 474 respectively;

(5) by making conforming amendments in the redesignated section 473, and

(6) by adding a new Part A, General Provisions for Student Assistance.

Section 400 of the new Part A (findings and statement of purpose) states that Congress has found it in the National interest to assist in making available the benefits of postsecondary education to all qualified students who, for lack of financial means of their own or of their families, would be unable to obtain those benefits without such assistance. The section further states that it is the purpose of title IV to provide assistance to students, in the form of grants, loans, and compensation, so that no person capable of benefiting from postsecondary education will be denied it because of financial inability to meet basic postsecondary educational costs.

Section 401 (grants work-study payments, and subsidized loans) states that it is the purpose of Part A to establish general criteria to be used by eligible institutions in providing assistance in the forms of EOG's work-study payments, and subsidized loans under Part C. The objective of these criteria is to insure that these forms of assistance will be made available to qualified students in need attending eligible institutions. Such criteria are to be designed to provide a basis for students and potential students to ascertain their eligibility for financial assistance.

Section 402 (basic eligibility for, and amounts of, grants, work-study payments, and resource equalizing loans) in subsection (a) provides that the Secretary shall determine each year the (A) maximum expected family contribution below which students will be eligible for EOG's and work-study payments ("grant eligibility limit") and (B) the maximum expected family contribution below which students will be eligible for subsidized loans under Part C ("loan eligibility limit"). These determinations are to be made after consultation with the Advisory Council on Financial Aid to Students established by section 474.

A student with an expected family contribution which is less than the grant eligibility limit would be eligible for a grant or work-study payments) in accordance with Part B and for a loan on which an interest subsidy is payable in accordance with section 428(a)(2). A student with an expected family contribution between the loan and grant eligibility limits would be eligible for a subsidized loan only.

Subsection (b) of section 402 provides that a student who meets the requirements of section 405 and of Part B would be eligible for a grant (or the Federal share of work-study payments) equal to the grant eligibility limit less his expected family contribution (as determined by the institution providing the assistance).

Loan amounts would be equal to the loan eligibility limit less the sum of (a) the student's expected family contribution plus (b) the amount of any grant of other payment under Part B which the student receives for the year.

Subsection (c) of section 402 provides that a student shall be eligible for an insured loan under Part C in addition to any assistance described in Part A.

Subsection (d) of section 402 provides that the determination of a student's family income is to be made, pursuant to regulations, by the institution to which he has made an application for assistance and in which he is enrolled or to which he has been admitted.

A student's expected family contribution is defined as an amount which a family is reasonably able to contribute toward the cost of a student's postsecondary education, as determined under criteria of the Secretary. Such criteria are to prescribe schedules for the determination of family contributions which take into account varying family incomes, number of dependents, number of dependents in school, family assets, and other pertinent factors. Such criteria are also to provide for determining eligibility for assistance of students who are self-supporting.

Subsection (e) of section 402 authorizes the Secretary to establish by regulation criteria which would allow institutions to provide financial assistance to a student under Part A in an amount greater than that determined under subsection (b) where the institution finds that special circumstances pertaining to a student of exceptional financial need would render the application of the regular criteria inequitable.

Section 403 (allocation of funds to eligible institutions) would authorize the Commissioner to establish application procedures for allocation of funds appropriated for section 402. The allocation of funds to each eligible institution would reflect an estimate of the total amount of EOG's, work-study payments, and subsidies on loans for which the applying institution would be eligible.

The Commissioner would be authorized to reduce allocations to institutions if institutional estimates exceeded funds available for allocation; however, any such reduction would be made in a manner most likely to achieve an equitable geographical distribution of allocations and to preserve, to the fullest possible extent, payments to students with the lowest expected family contribution.

Section 404 (eligiblity of students for cost of education loans and allocation of loan volume to institutions) would authorize the payment of subsidized loan to any student who:

(a) meets the eligibility requirement of section 405;

(b) has an expected family contribution of less than the loan eligibility limit; and

(c) needs financial assistance, in addition to any aid available to him under section 402, in order to meet the reasonable and necessary expenses at the institution which he is attending.

Such subsidized loans would be for an amount not to exceed the reasonable and necessary expenses of the institution, less any amount received under section 402, but in no case could such a loan be made for an amount greater than $1,500.

Subsection (b) of section 404 establishes the manner in which the aggregate dollar amount of loans is to be set for eligible institutions. The allocation to an institution would be based on the institution's estimate of the dollar amount of loans for which students enrolled or accepted would be eligible, reduced ratably to reflect the amount of funds available for paying subsidies on loans.

Section 405 (recipients of financial assistance) would provide that a student may receive a grant, work-study payments, or a subsidized loan under title IV only if he had been accepted for enrollment as a full-time undergraduate or vocational student at an eligible institution or, in the case of a student already attending such an institution, is in good standing and in full-time attendance there as an undergraduate or vocational student.

In addition, the institution must determine that the student—

(a) shows capability of maintaining good standing in his course of study;

(b) meets the criteria for eligibility under which such assistance is to be made; and

(c) would not, but for such assistance, be financially able to pursue a course of study at such institution.

Section 406 (substitution of NDEA loans) would authorize making a loan under title

II of the NDEA instead of a subsidized loan under Part A.

Section 407 (limitation) would limit the total amount of all funds received by a student under title IV in an academic year to the reasonable and necessary expenses incurred at the eligible institution.

Section 408 (eligible institutions) would define "eligible institutions" as follows for the purposes of Parts A and B:

(a) an institution of higher education as defined in section 435(b);

(b) a proprietary institution of higher education as defined in section 471(b); or

(c) a vocational school as defined in section 435(c) which is (1) a public school or institution in any State (other than a school or institution of any agency of the United States), or (2) a nonprofit school or institution in any State.

Section 409 (eligibility for assistance of students enrolled in institutions on date new programs became effective) would provide that students who are enrolled on the date of enactment of the Higher Education Facilities Act and are receiving assistance under Parts A or C (of Title IV HEA) or Title II NDEA (as in effect prior to the date of enactment) will be eligible for EOG's, work-study payments, or subsidized loans on a basis at least equivalent to that upon which they would have received assistance under such authorities.

If the enactment date falls on a date which is not part of an academic year with respect to a student (e.g. summer vacation) and the student received such assistance during the academic year ending prior to such date, similar protection would apply.

Section 410 (appropriations authorized) would authorize such sums as necessary for Fiscal Year 1972 and the next four fiscal years for payments under sections 402 and 404. Thereafter, such sums as necessary are authorized to enable the Commissioner to make payments with respect to subsidized loans made prior to July 1, 1976. Sums would remain available until expended.

Section 402. Conforming Amendment:

Section 402 of the bill makes a conforming amendment to section 421(b)(2) of the HEA.

Section 403. New Part B:

Section 403 of the bill would insert as Part B of title IV the following:

Part B—Educational opportunity grants and work-study payments

Section 411 (educational opportunity grants) would authorize eligible institutions to award Educational Opportunity Grants to undergraduate or vocational students and would authorize eligible institutions to substitute an EOG in whole or in part in lieu of work-study payments.

Subsection (b) of section 411 would limit the award of Educational Opportunity Grants to a maximum of four academic years, except where:

(1) the course of study is leading to a first degree and is designed to extend for five years, or

(2) the student would be unable to complete the course of study in four years because of a requirement that he enroll in a noncredit remedial course of study.

In either case, an Educational Opportunity Grant may be awarded for one additional year.

"Noncredit remedial course of study" would be defined as a course of study for which no credit is given toward an academic degree, and which is designed to increase the ability of the student to engage in an undergraduate course of study leading to such a degree.

Subsection (c) of section 411 would limit payments of EOG's under Part B to periods during which the recipient:

(1) is maintaining satisfactory progress in his course of study, according to the regularly prescribed standards and practices of the institution from which he receives such grant; and

(2) is devoting essentially full-time to the course of study. Failure to be in attendance during vacation periods or periods of military service shall not be deemed contrary to this provision.

Section 412 (work-study programs) would authorize eligible institutions to pay for the part-time employment of their students through programs of work-study, in work for the institution itself (except for proprietary schools) or work in the public interest in a public or nonprofit private organization if such work:

(1) will not result in displacement of employed workers or impair existing contracts for services;

(2) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee; and

(3) does not involve the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

Subsection (b) of section 412 would limit work-study employment to a maximum of an average of 15 hours per week during a semester during which classes in which the student is enrolled are in session. Periods during which the student is on vacation or any period of additional nonregular enrollment are to be excluded in computing the average. Employment under a work-study program during such periods shall be allowed only to the extent authorized by regulations issued by the Commissioner.

Section 413 (work-study benefits in lieu *of grant assistance*) would provide that the Commissioner may prescribe that a portion of the assistance that an eligible institution would otherwise make available in the form of EOG's may be made available as work-study payments. Subject to regulations, institutions may, at their election, make work-study payments available in whole or in part in lieu of EOG's.

Subsection (b) of section 413 would provide that such substitution may not be made unless—

(1) work-study payments are made on a basis which provides the student with net earnings from the Federal share of such payments equal to the amount of the Educational Opportunity Grants he would have received if such an election had not been made; and

(2) the criteria for making such elections are applied uniformly and are determined by the Commissioner to be consistent with such standards as he may prescribe by regulation.

Subsection (c) of section 413 would authorize a student who has been offered work-study instead of an EOG to elect to receive a subsidized loan under Part C, or a National Defense Student Loan, in the amount of the Federal share of the proffered work-study payments. If the student accepts such a loan, the amount allocated to the institution under section 403 would be adjusted in accordance with regulations of the Commissioner.

Section 414 (agreements with institutions) would prescribe the elements of an agreement which an eligible institution would have to make with the Commissioner in order to receive funds for EOG's or work-study payments. Such agreement would:

(1) provide that the funds received under Part B would be used in accordance with the provisions of Parts A and B;

(2) provide that institutions would conduct a program of Educational Opportunity Grants in accordance with section 411;

(3) provide that the institution will operate a program of work-study in accordance with sections 412 and 413, and that the Federal share of such payments will not exceed 80 percent (except as provided in (b) below).

(4) include procedures satisfactory to the Commissioner to assure that each student eligible for a subsidized loan (or NDSL) in accordance with section 402 will be able to obtain such a loan in the amount for which he is eligible, including provision for loans by the institution to students unable to obtain such loans readily from other eligible lenders;

(5) include, in the case of proprietary schools, assurances that the availability of assistance has not increased, and will not increase, the tuition, fees, and other charges to such students; and

(6) include such other provisions as the Commissioner deems necessary or appropriate.

Subsection (b) of section 414 would authorize a Federal share of work-study payments greater than 80 percent when the Commissioner determines by regulation that such a larger share is required in furtherance of Part B. The following are to be deemed in such furtherance:

(1) the work-study program of an eligible institution in which not less than 50 percent of the students are from low-income families;

(2) programs involving the counseling or tutoring of the educationally disadvantaged; or

(3) any project of community service with respect to which a limitation of 80 percent would impose unusual hardship on the eligible institution or the organization for which such project is performed; or

(4) payment of the non-Federal share would result in a student receiving funds in excess of the limitation imposed by section 407.

Section 415 (expenses of administration) in subsection (a) would authorize an institution which is receiving funds under section 403 to use three percent, or $125,000, whichever is lower, of the aggregate amount of EOG's and work-study payments for payment in lieu of reimbursement for administrative expenses.

Subsection (b) of section 415 would authorize the use of a portion of the sums received for administrative costs of demonstrating, or exploring the feasibility of, a program of cooperative education involving alternate periods of full-time study and full-time work.

Section 404. Effective Date:

Section 404 of the bill would provide that amendments made by sections 401, 402, and 403 of the bill would become effective with respect to fiscal years which begin after June 30, 1971.

Part B—Amendment to student loan insurance program

Section 405. Interest Terms to Borrowers Eligible for Subsidized Loans; Secretary to Establish Maximum Interest Rates; Position of Eligible Institution As Eligible Lender Strengthened; Negotiability of Student Obligations:

Section 405(a)(1) replaces section 428(a) of the HEA (pertaining to Federal payment of interest costs) with a new subsection (a).

In brief, this new subsection provides that any student who receives a loan after June 30, 1971 which is (1) insured by the Commissioner; (2) made under a State loan program meeting criteria prescribed by the Commissioner; or (3) is insured under a State or nonprofit private agency program, shall be entitled to have paid on his behalf, if he is eligible under Part A, an interest subsidy.

The subsidy shall be equal to:

(1) the total amount of interest which accrues prior to the beginning of the loan repayment period or which accrues when no principal payment need be made (military service, Peace Corps, etc); and

(2) the difference between the per annum interest rate on the unpaid balance of the loan and three percent of such unpaid balance for a period of ten years, beginning with the date the loan repayment commences.

Loan holders would be required to file information with the Commissioner to enable him to determine the amount of subsidy payable. Loan holders would be deemed to have a contractual right to receive interest payments authorized under this section.

No payment could be made under section 428 towards a loan made under title II NDEA.

Subsection (b) of section 405 makes a conforming amendment to section 437.

Subsection (c)(1) of section 405 would amend section 427(b) to allow the Secretary to set the maximum rate of interest on guaranteed student loans at a rate not less than the average annual rate on all inerest-bearing obligations of the United States forming a part of the public debt, as computed at the end of the fiscal year preceding the year for which such rates are prescribed. The Secretary is to consult with the Secretary of the Treasury and the National Student Loan Association.

Subsection (c)(2) makes a conforming amendment to 427(a)(2)(D).

Subsection (c)(3) makes a conforming amendment to 428(b)(1)(E).

Subsection (c)(4) makes a conforming amendment to 428(d)(1).

Subsection (d)(1) would amend section 423(a) to provide that the Commissioner shall not issue certificates of insurance under section 429, except with respect to loans by eligible institutions, when he determines that reasonable access to a State or private nonprofit loan insurance program exists. This provision would strengthen the position of eligible institutions as eligible lenders by allowing these institutions to have loans insured by the Commissioner even if they are in an area otherwise covered by a State or nonprofit private loan insurance program.

Subsection (d)(2) would amend section 429(d) to allow assignment of rights arising under insurance evidenced by a certificate of insurance, subject to regulations of the Commissioner.

Section 406. Increase and Other Adjustments in Loan Ceilings:

Section 406(a) of the bill would replace section 425 (pertaining to limitations on individual Federally insured loans and on Federal loan insurance) with a new section 425.

Subsection (a) of the new section 425 would limit the total amount of loans made to any student and eligible for insurance by the Commissioner to $2,500 per academic year less (1) any loan made to the student under a State loan program during such academic year or (2) any insured loan made by a State or nonprofit private agency or organization which has entered into an agreement with the Commissioner under 428(b) or (c). A student would be eligible to receive loans insured by the Commissioner for seven academic years less the number of academic years in which he has received loans described in the previous sentence.

Subsection (b) of the new section 425 would provide that, subject to the limitations in (a), the maximum amount of a loan on which an interest subsidy is payable under Part A shall be determined by the Secretary; and that the maximum amount of a loan to any student insured by the Commissioner is limited to the reasonable and necessary expenses incurred by the student (reasonable and necessary to be determined by institution). A student would be entitled to a statement from the eligible institution which shows the maximum loan and the estimate of reasonable and necessary expenses.

Subsection (c) of the new section 425 would provide that the insurance liability on any loan insured by the Commissioner is to be 100 percent of the unpaid balance of the principal, excluding any interest, except as specified elsewhere.

Subsection (b) of section 406 makes conforming amendments to sections 428(b)(1)(A), (B), and (H) to reflect changes made by the new section 425.

Section 407. Deferral of Interest and Principal Payments:

Section 407(a)(1) would redesignate 427(a)(2)(E), (F) and (G) as (F), (G) and (H) and add a new clause (E) which would authorize a student borrower, with the agreement of the lender, to defer interest and principal payments for a period not to exceed five years. Deferred interest would accrue and be added to the principal on the date that repayment was to begin. Any insurance liability would be increased by the amount of the deferred accrued interest.

Subsections 407(a)(2) and (3) would make conforming amendments to 427(a)(2)(D) and (C) respectively.

Subsection 407(b)(1) would add a new clause(L) to 428(b)(1) which would provide that periodic repayment of interest and principal on loans need not be made, but interest would accrue, while the borrower:

(1) was pursuing a full-time course of study at an eligible institution;

(2) was in the Armed Forces of the United States (for a period not to exceed three years);

(3) was a Peace Corps volunteer (for a period not to exceed three years); or

(4) was a VISTA volunteer (for a period not to exceed three years).

Subsection (2) of section 407(b) would amend section 428(e) of the HEA by replacing it with a new (e) which would authorize the Commissioner to encourage the inclusion, in State or nonprofit private loan insurance programs, of provisions which would allow the borrower, if agreed to by the lender, to defer periodic repayment of interest and principal for a period not to exceed five years. Deferred interest would accrue and be added to the principal on the date that payments were to resume. Insurance liability and Federal guarantees would be increased accordingly.

Section 408. Extension of Permissible Repayment Period:

Section 408(a)(1) would amend section 427(a)(2)(B) of the HEA to change the repayment period of loans. A student would be allowed to take twenty years to repay his loan, rather than the ten currently authorized. Payments would begin nine months after the borrower ceased to carry at least a halftime work load at an eligible institution. Periods of deferment authorized by law would not be counted in determining the twenty year period.

Subsections 408(b)(1) and (2) making conforming amendments to 428(b)(1)(D) and 428(b)(1)(C) respectively.

Section 409. Extension of Program and Repeal of Previous Federal Loan Insurance Ceiling:

Section 409 would replace the current section 424 of the HEA with a new section which would limit Federal insurance of loans to loans made to students prior to July 1, 1976. After this date, such insurance could be granted only on loans made to students who had obtained prior loans. No insurance would be authorized for any loans made or installment paid after June 30, 1980.

Section 410. Repeal of Cancellation of National Defense Students Loans:

Section 410 would amend section 205(b)(3) of the NDEA by repealing such section (providing for cancellation for teaching services and service in the Armed Forces).

Section 411. Eligibility for National Defense Student Loans:

Section 411 would amend section 205(b) of the NDEA by providing that loans made from the NDSL fund shall be subject to such priorities as the Secretary may establish pursuant to title IV of the HEA.

Section 412. Authority to Maintain Student Loan Funds:

Section 412 would amend section 206 of the NDEA to maintain the NDSL fund for an additional five years, through fiscal year 1980.

Section 413. Effective Date Applicable to Sections 405 Through 411:

Section 413 would provide that sections 405–411 would be effective with respect to loans made or disbursed to students after June 30, 1971.

Part B—Establishment of National Student Loan Association

Section 420. New Part D:

Section 420 of the bill would amend Part D of title IV of the HEA (Cooperative education program) replacing it with a new Part D—National Student Loan Association.

Section 441 (Declaration of purpose) of the new Part D would provide that it is the purpose of Part D to establish a private corporation financed by private capital to serve as a secondary market for student loans insured under Part C and to provide liquidity for those who make such loans.

Section 442 (creation of agency) would create a corporation known as the National Student Loan Association to remain in existence until dissolved by Act of Congress. The corporation would be deemed a resident of the District of Columbia for purposes of venue and civil actions.

Subsection (b) of section 442 would provide that the Association is to be exempt from State and local taxes, except that any real property may be taxed as other real property is taxed.

Section 443 (board of directors) in subsection (a) would provide for a 21-member Board of Directors.

Subsection (b) of section 443 would authorize the President to appoint an interim board of 21 members. Seven members would be representative of eligible lenders (other than eligible institutions) under Part C, seven of eligible institutions, and the remaining seven of the general public. The interim Board would arrange for the initial offering of common stock.

Subsection (c) of section 443 would authorize election of a permanent Board whenever, in the judgment of the President, sufficient common stock of the Association had been purchased. Holders of common stock which were eligible institutions would elect seven members, holders which were banks or other financial institutions would elect seven, and the President would appoint the remaining seven. Members elected and appointed would elect a chairman. Thereafter the interim Board would turn over the affairs of the Association to the regular Board.

Subsection (e) of section 443 would provide for terms of office for Board members. Presidential appointees would serve at the pleasure of the President. Other members would be elected for a term ending on the date of the next annual meeting of the common stockholders. Appointive seat vacancies would be filled by the President; elective seat vacancies would be filled by the Board for the remainder of the term.

Subsection (f) of section 443 would provide that the Board shall meet at the call of the Chairman. The Board would determine general policies, while the Chairman, with the approval of the Board, would select, appoint, and compensate staff members authorized in bylaws. Such persons would discharge all executive functions, powers, and duties of the Association.

Section 444 (functions) would authorize the Association to make advances on the security of, or to purchase, service, sell, or otherwise deal in student loans made under Part C. Advances could not exceed 80 percent of the face amount of the loan; proceeds from any such advance would be invested in additional insured student loans.

Section 445 (common stock) would authorize common stock, with a par value of

$100 per share. Each share of stock would have one vote, with rights of cumulative voting at all elections of directors.

Common stock would be transferrable only on the books of the Association. The Secretary would be authorized to prescribe the maximum number of shares to be issued and outstanding at any one time. Shares could be called for retirement at par at the option of the Association at any time.

The Directors would be authorized to declare dividends to the extent of net income earned and realized. Dividends would be paid to the holders of outstanding shares of common stock.

Section 446 (obligations) would authorize the Association, with the approval of the Secretary of the Treasury, to issue obligations having maturities and bearing such rates of interest as may be determined by the Secretary of the Treasury. Obligations would be redeemable before maturity at the option of the Association.

Subsection (b) of section 446 would authorize the Secretary of HEW to guarantee payment when due of principal and interest on such obligations.

Subsection (c) of section 446 would authorize the Secretary of HEW to issue notes or obligations to the Secretary of the Treasury in order to discharge his responsibilities under such guarantees. The Secretary of the Treasury would be authorized and directed to purchase such notes and could further sell any notes or obligations thus purchased. Such sums as necessary would be authorized to be appropriated to the Secretary of HEW to pay the principal and interest payments on such notes.

Section 4477 (general authority) would give the Association authority—

(a) to sue and be sued, complain and defend, in its corporate name and through its own counsel;

(b) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(c) to adopt, amend, and repeal by its board of directors such bylaws, rules, and regulations as may be necessary for the conduct of its business;

(d) to conduct its business, carry on its operations, and have offices and exercise the authority granted by this part in any State without regard to any qualification or similar statute in any State;

(e) to lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with any property, real, personal, or mixed, or any interest therein, wherever situated;

(f) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the Association;

(g) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

(h) to appoint such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, to fix their salaries, to require bonds for them and fix the penalty thereof; and

(i) to enter into contracts, to execute instruments, to incur liabilities, and to do all things necessary or incidental to the proper management of its affairs and the proper conduct of its business.

Section 448 (audit) would require an audit of the Association's activities at least annually. Such audits would be conducted in accordance with generally accepted auditing standards by independent certified public accountants or by independent licensed public accountants, licensed on or before December 31, 1970, who were licensed or certified by a regulatory authority of a State or other political subdivision of the United States. Other persons who, in the opinion of the Secretary of HEW, met the standards of education and experience representative of the highest standards prescribed by the licensing authorities of the States which license CPA's could perform such audits until December 31, 1975. The Secretaries of HEW and the Treasury would receive copies of such audits.

Section 449 (obligations as lawful investments, acceptance as security) would classify all obligations issued by the Association as lawful investments. All stock and obligations issued by the Association would be deemed to be exempt securities within the meaning of the laws administered by the S.E.C. to the same extent as securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States. The Association would be deemed to be an agency of the United States for the purposes of section 14(b)(2) of the Federal Reserve Act.

Section 450 (preparation of obligations) would authorize the Secretary of the Treasury to prepare obligations for the Association. The Association would reimburse Treasury for such expenses.

Section 451 (annual report) would require the Association to transmit an annual report to the President and Congress as soon as practicable after the end of each fiscal year.

Section 452 (separability) provides for the separability of the remainder of Part D if any section is held invalid.

Section 453 (interim financing arrangements for student loans) would authorize the Secretary of HEW to purchase subsidized loans from eligible institutions at 100 percent of unpaid principal and accrued interest until such time as the Association is able to purchase these loans. The Secretary would also be directed to advance funds to eligible institutions against future purchasers of such loans where, in his judgment, such funds are needed for the making of loans.

Finally, the Secretary could enter into agreements with such institutions from which he has purchased such loans under which agreement the institution would continue to perform administrative functions with respect to the loans purchased by the Secretary and be reimbursed for the cost of such services.

Section 454 (authorization of appropriations) would authorize such sums as are necessary to carry out section 453.

Section 455 (termination of interim financing arrangement) would provide that, at such time as the Association is able to purchase student loans insured under Part C, the Association shall purchase from the Secretary those loans which he acquired under section 453(a). These loans would be purchased by the Association on such terms as the Board of Directors determined; and the Association could not deal in any other student loans until all of these loans had been purchased.

Section 456 (purchase of obligations by the Treasury) would authorize the Secretary of the Treasury to purchase obligations issued by the Association under section 466(a). For such purpose he would be authorized to use as a public debt transaction the proceeds from the sale of securities issued under the Second Liberty Bond Act. The aggregate total amount of such purchases would be limited to $250,000,000. The Secretary of the Treasury would be authorized to sell any such obligations purchased; such sales would be treated as public debt transactions of the United States.

Section 421. Amendments Relating to Financial Institutions:

Section 421 makes conforming amendments to 12 U.S.C. 24, 12 U.S.C. 84, 12 U.S.C. 1464(c) and 12 U.S.C. 1757(8)(E) to provide for obligations of the Association.

Section 422. Inapplicability of Truth In Lending Act:

Section 422 would amend section 104 of the Truth In Lending Act (15 U.S.C. 1603) to make such act inapplicable to loans made under title II NDEA and title IV HEA. Insured loans are made on Federally prescribed teams; consequently, the paperwork burden involved for lenders in complying with the Truth In Lending Act is not justified, sinse it does not serve to further protect the student borrower.

Section 423. Effective Date:

Section 423 would make the effective date of sections 420, 421, and 422 of the bill effective with respect to fiscal years beginning after June 30, 1971.

Part C—Consolidation of special services programs

Section 430. New Part E:

Section 430 of the bill amends Title IV of the HEA by adding a new Part E entitled "Identifying Qualified Low-Income Students; Preparing Them for Postsecondary Education; Special Services for Such Students in Institutions of Higher Education".

Section 461 of the new Part E provides for a consolidation of Upward Bound, Talent Search, and Special Services for Disadvantaged Students. These programs are currently authorized under section 408 of the Higher Education Act.

Subsection (a) of section 461 authorizes the Commissioner to make grants to, or contracts with, institutions of higher education, including institutions with vocational and career education programs, combinations of such institutions, public and private agencies and organizations (including professional and scholarly associations), and in exceptional cases secondary schools and secondary vocational schools. Such funds are to be used for planning, developing, or carrying out within States one or more of the activities described in (c) below. No grant may be made to a profit-making organization.

Subsection (b) of section 461 states that services shall be designed to enable youths from low-income backgrounds who have academic potentials (but may lack adequate secondary school preparation or be physically handicapped) to enter, continue or resume a program of postsecondary education.

Subsection (c) of section 461 describes the services referred to, including such activities as:

(1) publicizing existing forms of student financial aid;

(2) identifying youths described in subsection (b) and encouraging them to complete secondary school and to undertake postsecondary education;

(3) encouraging youths who have dropped out of secondary school or college to reenter educational programs, including programs of postsecondary education;

(4) generating skills and motivation necessary for success in education beyond high school;

(5) providing counseling, tutorial, or other educational services, including special summer programs, to remedy academic deficiencies;

(6) providing career guidance, placement, or other student personnel services (including health services);

(7) identifying, encouraging, and counseling students with a view to their undertaking a program of graduate or professional education; and

(8) providing other special or supplemental services necessary to achieve the purposes set forth in subsection (b).

Subsection (d) of section 461 provides that enrollees who are participating on an essentially full-time basis in one or more of the services described in (c) above may be paid stipends, but not in excess of $30 per month, except in exceptional cases as determined by the Commissioner.

Subsection (e) of section 461 authorizes such sums as may be necessary for fiscal year 1972 and each of the four succeeding years to carry out the purposes of Part E.

Section 431. Effective Date:

Section 431 of the bill provides that amendments made by section 430 of the bill shall be effective with respect to fiscal years beginning after June 30, 1971.

TITLE V—AMENDMENTS TO TITLE V OF HIGHER EDUCATION ACT (EDUCATION PROFESSIONS DEVELOPMENT ACT)

Part A—Amendments to part A of title V

Section 501. Extension of National Advisory Council on Education Professions Development and Program for Attracting Qualified Personnel to the Field of Education:

Subsection (a) of section 501 extends the authorization for the National Advisory Council on Education Professions Development for five more years, through fiscal year 1976, at the level of $200 per year.

Subsection (b) of section 501 extends the authorization for programs under Part A (Attracting Qualified Persons to the Field of Education) for five additional years, through fiscal year 1976, at such sums as may be necessary.

Part B—Amendments to subpart I of part B (Teachers Corps)

Section 510. Extension of Program:

Section 510 amends section 511(b) of the Higher Education Act to extend the authorization for the Teacher Corps for five years, through fiscal year 1976, at such sums as may be necessary.

Part C—Amendments to subpart 2 of part B (attracting and qualifying teachers to meet critical teacher shortages)

Section 520. Extension of Programs:

Section 520 amends section 518(b) of the Higher Education Act to extend the program for attracting and qualifying teachers to meet critical teacher shortages for five years, through fiscal year 1976 at such sums as may be necessary.

Section 521. Retraining of Teachers and Employment of Tutors and Instructional Assistants:

Section 521 amends section 518(a) of the Higher Education Act by adding two new programs under the authority for attracting and qualifying teachers to meet critical teacher shortages: (1) programs to employ high school and college students as tutors or instructional assistants for educationally disadvantaged children. (The Commissioner of Education is authorized to determine compensation rates for such persons, consistent with comparable federally-supported work-study programs); and (2) to provide necessary training to teachers to enable them to teach other grades or other subjects in which shortages exist.

Section 522. Reducing Minimum Allotment:

Section 522 would amend section 519(a) of the HEA to reduce the minimum State allotment under subpart 2 from $100,000 to $50,000.

Section 523. Conforming Amendments and Increase in Amount Available for Administration:

Section 523 amends section 520(a)(2) and 520(a)(3) to make conforming amendments (adding the items described in 521 above as eligible items of expenditure in the State plan). It also raises the maximum amount which a State may spend for administration of the State plan from 3 percent of the State's allocation to 5 percent or $20,000, whichever is greater.

Section 524. Eliminating Ceiling on Amount for Aides:

Section 524 amends section 520(a) of the HEA by eliminating paragraph (5) which limits the amount of funds available for hiring and training teacher aides to one-third of funds appropriated for Part B(2) of the Education Professions Development Act. This section also amends paragraph (6) to provide that no person will be denied admission to training programs under subpart 2 because he is teaching or serving as a teacher aide in a private school.

Part D—Amendments to part D—Improving training opportunities for non-higher education personnel

Section 530. Extension of Program:

Section 530 amends section 532 of the Higher Education Act by extending authorization for Part D for five years, through fiscal year 1976, at such sums as may be necessary.

Section 531 and 532. Support of Tutors and Instructional Assistants:

Section 531 amends section 531(b) of the Higher Education Act by adding a new paragraph (11) to the list of eligible programs. Paragraph (11) authorizes programs or projects designed to employ tutors or instructional assistants in preschool, elementary, and secondary school classes, especially for educationally disadvantaged children.

Section 532 amends section 531(c) of the Higher Education Act to allow use of funds to pay tutors and instructional assistants at such rates as the Commissioner may determine to be comparable to compensation rates in Federally-supported work-study programs.

Sections 533 and 534. Developing and Strengthening Programs for the Education of Teachers and Related Educational Personnel:

Section 533 amends section 531(b) by adding a new paragraph (12) to the list of eligible programs. Paragraph (12) describes programs designed to aid undergraduate programs designed to prepare educational personnel. Such programs would include exemplary undergraduate training programs, the introduction of high quality curricula, and provision of increased opportunities for practice teaching experience for prospective elementary and secondary school teachers.

Section 534 amends section 531(c) of the Higher Education Act to allow the use of funds to pay for programs to develop, expand, or improve undergraduate and other programs for training educational personnel.

Section 535. Application of Part D to Indian Schools:

Section 535 amends section 532 of the Higher Education Act to add a new subsection (b) to provide that Part D funds may be used to support the preparation of teachers of children on Indian Reservations serviced by the Bureau of Indian Affairs schools and schools supported by the BIA. Payments are to be made to the Secretary of the Interior to carry out such programs.

Part E—Consolidation of title IV of the National Defense Education Act of 1958 with part E of title V of the Higher Education Act of 1965 (Education Professions Development Act)

Section 540. Extension of Program:

Section 540 amends section 543 of the Higher Education Act by extending the authorization for Part E for five years, through Fiscal Year 1976, at such sums as may be necessary.

Section 541. Broadening Class of Institutions for Which Personnel May be Trained:

Section 541 amends section 541(a) by changing the eligible class of grantees and contractors under Part E from "institutions of higher education" to "postsecondary institutions".

Subsection (b) of section 541 amends section 541(b) of the Higher Education Act by repealing the prohibition against using Part E funds for fellowships which are eligible for support under title IV of the National Defense Education Act of 1958.

Section 542. Provision for Institutional Allowance:

Section 542 amends section 542 of the Higher Education Act by adding a new subsection (b) which provides that the Commissioner of Education may pay eligible institutions which award stipends under section 542(a) an institutional allowance consistent with prevailing practices under comparable federally supported programs, but in no case more than $3,500 per academic year for each person receiving such a stipend.

Section 543. Savings Provision:

Section 543 provides that effective July 1, 1971, title IV of the National Defense Education Act is repealed. In the case of a fellowship awarded under title IV, NDEA, for which initial payment was made or was to be made from appropriations for any fiscal year ending before July 1, 1971, payments are to be made for periods after June 30, 1971, from appropriations for Part E, title V of the HEA, but under the terms and conditions of title IV, NDEA.

Part F—Amendment to part F—training and development of vocational education personnel

Section 550. Extension of Program:

Section 550 amends section 555 of the Higher Education Act by extending authorizations for Part F through fiscal year 1976 at such sums as may be necessary.

Section 551. Effective Date:

Section 551 provides that, except where otherwise expressly provided, amendments made by title V of the bill are to be effective with respect to fiscal years beginning after June 30, 1971.

TITLE VI—REPEAL OF TITLES VI, VIII, IX, X, AND XI OF THE HIGHER EDUCATION ACT

Section 601 repeals Title VI (Improving Undergraduate Instruction), Title VIII (Networks for Knowledge), Title IX (Education for the Public Service), Title X (Improvement of Graduate Programs) and Title XI (Law School Clinical Programs) effective July 1, 1971.

TITLE VII—AMENDMENTS TO GENERAL PROVISIONS

Section 701. Redesignation of Title XII (General Provisions):

Section 701 of the bill redesignates title XII of the Higher Education Act as title VIII and renumbers sections accordingly.

Subsection (b) of section 701 amends title VIII, as redesignated, by inserting a new section 811 providing for uniform application requirements applicable to applications under titles II, III, and V submitted to the Commissioner by an institution of higher education or other eligible applicant. Such an application would be required to contain assurances satisfactory to the Commissioner with respect to maintenance of effort, fiscal control and fund account procedures, evaluation and dissemination procedures, and reporting requirements.

Section 702. Effective Date:

Section 702 makes the amendments made by section 701 effective July 1, 1971.

TITLE VIII—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT

Section 801. Extension of Program:

Section 801 amends the following sections:

(a) Section 101(b) of the Higher Education Facilities Act is amended to extend the authorization for grants for construction of academic facilities under title I through fiscal year 1973 at such sums as may be necessary;

(b) Section 105(b) of the Higher Education Facilities Act is amended to extend the authorization for expenditures under section 105(b) (State plan administration and comprehensive planning) through 1973 at such sums as may be necessary;

(c) Section 201 of the Higher Education Facilities Act is amended to extend the authorizations for grants under title II (Construction of Graduate Academic Facilities) through fiscal year 1973 at such sums as are necessary;

(d) Section 303(c) of the Higher Education Facilities Act is amended to extend authorization for payments into the loan fund under title III (Loans for Construction of Academic Facilities) through fiscal year 1973 at such sums as are necessary;

(e) Section 306(c) of the Higher Education Facilities Act is amended to extend the ceiling for contracts for interest grants at $18,500,000 through fiscal year 1973.

(f) Section 408(a) of the Higher Education Facilities Act is amended to extend the authority of the Commissioner to provide assistance under section 408 (Higher Education Facilities Construction Assistance in Major Disaster Areas) through fiscal year 1973.

Section 802. New Program of Insured Loans for Construction of Nonprofit Private Academic Facilities:

Section 802 amends title III of the Higher Education Facilities Act by inserting after section 306 the following new sections 307–309.

Section 307 (academic facilities loan insurance) of the revised Title III authorizes the Commissioner to insure (up to 90 percent of the principal) the payment of interest and principal on loans made by nonprofit private institutions of higher education and nonprofit private higher education building agencies for the purpose of constructing academic facilities. Such institutions or agencies would have to meet the criteria prescribed by, and under section 306 of the HEFA.

Section 308 (right of recovery and incontestable nature of insurance) in subsection (a) provides that the United States shall be entitled to recover from any institution of higher education or agency to which loan insurance has been issued under section 307 the amount of any payment made pursuant to such insurance, unless the Commissioner waives this right.

Subsection (b) of section 308 states that any insurance issued under section 307 shall be incontestable in the hands of the institution or agency on whose behalf such insurance is issued, and as to any agency, organization, or person who makes or contracts to make a loan to such institution or agency in reliance thereon, except in the case of fraud or misrepresentation.

Section 309 (conditions) provides that the Commissioner may issue insurance under section 307 only if he determines that all aspects of the loan are sufficient to protect the financial interests of the United States and are in accordance with regulations. Such determination shall include a finding that the interest rate on any such loan is reasonable. The Commissioner would be authorized to charge reasonable premiums for such insurance to cover administrative expenses and probable losses under sections 307 and 308. The insurance would be subject to such further terms and conditions as the Commissioner determines to be necessary.

Section 803. Making Revolving Loan Fund Available for Loan Insurance:

Section 803 of the bill makes amendments to section 305 of the HEFA which would allow the use of funds in the HEFA revolving fund to insure loans as well as to make direct loans.

Section 804. Effective Date:

Section 804 makes amendments made by sections 801 and 802 eective July 1, 1971. Amendments made by section 803 are to be effective as if enacted on the date of enactment of section 305 of the HEFA.

TITLE IX—EXTENSION OF PROGRAM UNDER TITLE VI OF THE NATIONAL DEFENSE EDUCATION ACT

Section 901. Extension of Program:

Section 901 amends section 601 by extending the authorization for activities under title VI for two fiscal years, through fiscal year 1973. Section 603 is amended to extend the authorization for appropriations for two fiscal years, through fiscal year 1973, at such sums as may be necessary.

Section 902. Effective Date:

Section 902 makes the amendments made by section 901 effective July 1, 1971.

TITLE X—NONDISCRIMINATION ON THE GROUND OF SEX IN FEDERALLY ASSISTED EDUCATION PROGRAMS

Section 1001. Discrimination Prohibited:

Section 1001 of the bill in subsection (a) provides that no person in the United States shall, on the ground of sex, be discriminated against by a recipient of Federal financial assistance for any educational program or activity. This language does not, however, preclude differential treatment based upon sex where sex is a bona fide ground for such differential treatment.

Subsection (b) of Section 1001 provides that no recipient of Federal financial assistance for an education program or activity shall, because of an individual's sex,

(1) fail or refuse to hire (except in instances where sex is a bona fide occupational qualification) or discharge that individual, or otherwise discriminate against him or her with respect to compensation, terms, conditions, or privileges of employment; or

(2) limit, segregate, or classify employees in any way which would deprive or tend to deprive that individual of employment opportunities or otherwise adversely affect his or her status as an employee.

Section 1002. Enforcement:

Section 1002 in subsection (a) authorizes and directs each Federal department and agency which is empowered to extent Federal financial assistance in any form (other than a contract of insurance or guaranty) to any education program or activity to issue rules, regulations, or orders to effectuate section 1001. No rule, regulation or order is to take effect until approved by the President.

Subsection (b) of section 1002 provides that compliance with any requirement adopted pursuant to subsection (a) may be effected by (1) termination of or refusal to grant to or to continue assistance to any recipient who fails to comply with such requirement (after a hearing and an express finding on the record), such termination or refusal to be limited to the particular political entity or part thereof, or other recipient as to who such finding has been made, or (2) by any other means authorized by law. No action is to be taken until the appropriate person or persons has been notified of the violation and it has been determined that voluntary compliance cannot be secured.

Subsection (c) of section 1002 provides that, in the case of any action to terminate, the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No action is to become effective until thirty days from the filing of such report.

Section 1003. Judicial Review:

Section 1003 provides that any department or agency action taken pursuant to section 1002 shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 1002, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with chapter 7 of title 5, U.S.C., and such action shall not be deemed committed to unreviewable agency discretion within the meaning of the chapter.

Section 1004. Preservation of Existing Authority:

Section 1004 provides that nothing in title X shall add to or detract from any existing authority with respect to any education program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.

Section 1005. Definition:

Section 1005 defines "education" for the purposes of title X as including preshcool, elementary, secondary and postsecondary education.

STUDENT FINANCIAL ASSISTANCE PROGRAMS

FOREWORD

No qualified student who wants to go to college should be barred by lack of money.

This is the opening sentence in President Nixon's 1970 message on higher education. It expresses both the purpose and the theme of the Administration's proposal to improve and expand existing student aid programs.

The President's proposed changes in student financial aid programs would, for the first time in history, guarantee that every qualified student from a low-income family would have sufficient resources to attend college. Under the proposal, grants, work-study payments and subsidized loans will supplement what the families of low income students can afford to contribute to the postsecondary education of their sons and daughters.

The President's proposals will also increase the amount of unsubsidized loan funds available to students at all income levels. This improved access to federally-guaranteed loans will assist millions of undergraduate and graduate students to finance their educations.

PRESENT PROGRAMS: DESCRIPTION AND PROBLEMS

The Office of Education presently administers four major programs for aiding students: Educational Opportunity Grants, the College Work-Study program, National Defense Student Loans and Guaranteed Loans.

The first three programs are mainly funded by the Federal Government and administered by colleges and universities. The amount of funds available to the institution for these programs depends on the total funds appropriated by Congress, State distribution formulas and the approval of regional review panels. Once the college has its various allocations, the student aid office determines what mix of grants, work-study payments and loans is appropriate for each individual eligible student.

Commercial lending institutions, primarily banks, operate the Guaranteed Loan programs. Loans are made to students at a maximum interest rate of 7 percent. The Federal Government guarantees the loans against default, pays the student's interest while he is in college and makes a special payment to banks during tight money conditions.

There are several problems with this system of student aid:

Availablility of funds—Students do not receive all the aid for which they are eligible under the present system. Allocation formulas, matching requirements and insufficient funds limit the aid which institutions can award to individual students. Colleges enrolling large numbers of disadvantaged students are in an especially difficult position because of the matching requirements.

Limited loan funds—Existing loan programs provide an inadequate volume of lendable funds because (a) the National Defense Student Loan program requires capital outlays from the Federal budget which has been under severe fiscal pressures and restraints for the last several years; and (b) students must compete with other borrowers (who often offer more profitable investment opportunities) for the lendable funds of banks under the Guaranteed Loan program. (Low-income students with poor bank connections sometimes find themselves at a particular disadvantage.)

Open-ended expenditures—The Federal Government is obligated to meet its commitment to pay the interest on Guaranteed

Loans while students are in college. As interest rates rise, and as more and more middle and upper income families find it in their interest to take advantage of these subsidies, a larger and larger share of Federal funds for student aid is being diverted away from the most needy students. The system as a whole has a built-in tendency to become less progressive as these subsidies absorb a disproportionate part of any budget increase for student aid.

Uncertainty—A student who wants to go to college cannot tell where he can get aid or how much he can count on in advance of his admission and the particular student aid office determination. Nor can a bank assure the student in advance that it will have funds to lend to him.

Inequitable distribution—Federal funds do not necessarily go to those students who need them most. Moreover, different colleges assess need in different ways. Substantial subsidies go to middle and upper income students, especially under the Guaranteed Loan program.

PROPOSED PROGRAMS: PURPOSES

The Administration's improvements in the existing student aid programs have four major purposes:

To assure the availability of funds to every qualified student.

To assure that Federal funds go first, and in the largest amounts, to the students who need them most.

To provide potential students with as accurate information as possible concerning the aid they can expect.

To assure that all students of equal need are treated alike.

To provide additional financial aid to students attending high cost institutions.

PROPOSED PROGRAM: CONCEPT AND STRUCTURE

The Administration is recommending a coordinated student aid system with two parts: (a) a combination of grants, work-study payments and subsidized loans for full-time undergraduate students with low to middle incomes attending public and nonprofit postsecondary educational institutions as well as proprietary institutions of higher education; and (b) creation of a National Student Loan Association to raise money privately and make it available for all postsecondary students at all income levels.

A. GRANTS, WORK-STUDY PAYMENTS, SUBSIDIZED LOANS

The basic concept is that all students whose families can be expected to make the same contribution should have the same help available for their education from Federal sources. The combination of family contributions plus Federal grants, work-study payments and subsidized loans would be enough to enable any student to meet minimum education expenses. The key determinant is family income (and, thus, family contribution). Students from lower income families would receive more Federal aid than students from higher income families. (Lower income students would also receive a larger proportion of their aid in the form of grants and work-study payments rather than in the form of subsidized loans.) But the total resources available (i.e., family contribution plus Federal aid) to students at different income levels would be made equivalent.

The system would work as follows. Each year the Secretary of HEW, after conferring with the Advisory Council on Financial Aid to Students, would publish a schedule indicating the amount of Federal funds available to students at different income levels. Each student's eligibility for aid would be calculated by determining the expected family contribution toward his educational costs. This determination would take into account such factors as the size of the family, the number of children in college, extraordinary family expenses and capital assets. The deficiency between expected family contribution and the amount of resources the student should have available to him would be met by a combination of grants, work-study payments and subsidized loans.

For example, under the Administration's fiscal 1972 budget proposals, students from families with adjusted family income of $10,000 or less, and with two children, one of whom is in college, would be eligible for Federal funds. The maximum total amount of subsidized aid (grant and work-study plus subsidized loan) available to any one student would be $1,400. The maximum grant available to any one student would be $1,000. In addition to these base amounts, students who (1) meet the eligibility criteria for subsidized aid, and (2) attend schools with annual average cost in excess of $1,400 would be eligible to apply for an additional subsidized "cost of education" loan of up to $1,500. This program would be controlled by schools in a manner similar to the present NDEA loan programs and terms to students would be approximately the same as those governing present NDEA loans. The amounts of aid to be available at different income levels for the two-child family described previously as well as one with five children, two of whom are in school, under the funding levels contemplated by the Administration's proposals are illustrated in Attachment I.

Several other features of the proposal deserve mention:

All aid from State and private student aid programs would be *in addition* to Federal aid, and would permit students eligible for it a wide choice of the type of institution they attend.

A "grandfather" clause would assure that students receiving aid under the present program would receive no less under the new system than they were entitled to under the old one.

Institutions of higher education would preserve the option, within national limits set by the Commissioner of Education, of determining *the mix of grants and work-study payments* appropriate to the individual student.

The National Defense Student Loan Revolving Fund (currently about $140 million) would continue in its present form, except that no new Federal appropriations would be made to the fund. Loans would continue to be made in a manner similar to current NDSL's; however, cancellations for teaching, military service, Peace Corps service, etc. would be eliminated for new loans.

Loans from this fund would go first to students eligible under the "grandfather clause" in the bill; remaining funds would be used to provide subsidized loans under the Higher Education Opportunity Act.

Students attending proprietary institutions of higher education would be made eligible for all benefits.

Finally, these proposals would not alter the valuable features of existing programs.

Educational Opportunity Grants would continue as the basic grant program but without matching requirements.

The College Work-Study program would continue. Colleges would continue to match work-study funds provided by the Federal Government (one dollar for four) but this requirement would be waived for institutions or work programs which it would hamper.

National Defense Student Loan benefits would continue under the same terms and conditions as at present for both of the subsidized loan programs discussed above. However, lendable capital would come from the private money markets rather than the Federal Budget.

B. NATIONAL STUDENT LOAN ASSOCIATION

The purpose of the proposed National Student Loan Association (NSLA) is to increase the amount of resources available for loans (both subsidized and unsubsidized) to all students at all income levels.

NSLA would be a private corporation, chartered and established by the Federal Government. It would raise funds by issuing its own obligations for sale in private capital markets. These obligations would be guaranteed against default by the Government, allowing the NSLA to pay a lower rate of interest.

With the proceeds from its sales, NSLA would buy, sell, or warehouse (buy under the condition that the seller will repurchase, i.e., NSLA "stores" the loans) student loan paper from colleges, banks or other eligible lenders. Typically, a college without funds of its own to invest in student loans would make a loan to a student and then turn immediately to NSLA to sell the student's note. NSLA would pay enough for the note to restore the college's cash position.

NSLA would significantly increase the flow of funds into student loan markets. Both banks and colleges would be encouraged to do more student lending. It is estimated that NSLA may buy up to $2 billion worth of loans in its first year of operation.

The Guaranteed Loan Program would continue to be open to all college students, however high their family incomes. However, some changes would be made in the program. First, the 7 percent interest ceiling would be eliminated. Second, the interest subsidy paid by the Federal Government on student loans to above average income students while they are in college and the special allowance paid to banks would be eliminated. Thus, it would now be an unsubsidized loan program except for students meeting a test of need.

Several other features applicable to both subsidized and unsubsidized loans are of significance:

Banks and other financial institutions would make both kinds of loans.

Loan ceilings would be raised and would apply to the aggregate of both subsidized and unsubsidized loans. A student could borrow up to $2,500 a year for up to seven years.

The length of the maximum permissible loan repayment period would be increased to twenty years from the present ten.

Student borrowers would not have to pay interest while they were still in college. Federal payments would cover interest charges on subsidized loans. On unsubsidized loans, lender would be required to allow the student to defer payments of both interest and principle while the student was in college. The Government would guarantee deferred interest payments along with principle.

The student could prepay his loan at any time without penalty.

Lenders would also be permitted to agree, at the time the loan was made, to allow the student to defer payments and interest up to an aggregate of five additional years. In such cases, the student would be allowed to choose those times during the repayment period when regularly scheduled payments would be especially burdensome. The Federal Government would guarantee interest charges during such periods.

PROPOSED PROGRAM: CONSEQUENCES

It is estimated that in Fiscal Year 1972, the first year of operation of the program:

2½ million students would receive benefits (including unsubsidized loans), an increase of one million over the number of students receiving assistance under present programs.

Approximately $575 million in grants and work-study payments would be available, an increase of $242 million above FY 1971.

About $1.2 billion would be available to make loans under the subsidized loan programs, an increase of $830 million.

PROBLEMS SOLVED AND PURPOSES ACHIEVED

The Administration's student aid proposals overcome the problems and achieve the purposes noted earlier in this paper.

Availability—Every student who qualifies for direct Federal assistance under the schedule established by the Secretary of HEW will receive his Federal funds. NSLA will provide an adequate supply of lendable funds for students who do not qualify for subsidies.

Need—Grants, work-study payments and subsidized loans will be concentrated on those in most need: students from low-income families.

Certainty—The aid schedule published annually by the Secretary of HEW would inform every eligible student of the amount of aid he could expect.

Equity—Students whose families could be expected to make similar contributions would receive equivalent amounts of aid.

AID ELIGIBILITY—BASIC PROGRAM

[Cost of education loans and all other State and private aid would be in addition to these benefits]

TYPICAL RESOURCES FOR A STUDENT FROM A 2-CHILD FAMILY, 1 OF WHOM IS IN COLLEGE

Adjusted family income [1]	Family contribution	Equal opportunity grant/work-study	NDEA-type subsidized loan	Family contribution plus aid	Average summer savings	Total student resources	Cost of education loan [2]
$0-$3,500	0	$1,000	$400	$1,400	$300	$1,700	$1,500
$4,500	$220	780	400	1,400	300	1,700	1,500
$5,500	430	570	400	1,400	300	1,700	1,500
$6,500	640	360	400	1,400	300	1,700	1,500
$7,500	850	150	400	1,400	300	1,700	1,500
$8,500	1,050	0	350	1,400	300	1,700	1,500
$9,500	1,250	0	150	1,400	300	1,700	1,500
$10,000 and above	1,400	0	0	1,400	300	1,700	0

TYPICAL RESOURCES FOR A STUDENT FROM A 5-CHILD FAMILY, 2 OF WHOM ARE IN COLLEGE

Adjusted family income [1]	Family contribution	Equal opportunity grant/work-study	NDEA-type subsidized loan	Family contribution plus aid	Average summer savings	Total student resources	Cost of education loan [2]
$0-$5,500	0	$1,000	$400	$1,400	$300	$1,700	$1,500
$6,500	$110	890	400	1,400	300	1,700	1,500
$7,500	195	805	400	1,400	300	1,700	1,500
$8,500	280	720	400	1,400	300	1,700	1,500
$9,500	360	640	400	1,400	300	1,700	1,500
$10,500	440	560	400	1,400	300	1,700	1,500
$11,500	510	490	400	1,400	300	1,700	1,500
$12,500	580	420	400	1,400	300	1,700	1,500
$13,500	650	350	400	1,400	300	1,700	1,500
$14,500	700	300	400	1,400	300	1,700	1,500

[1] Adjusted family income represents gross family income adjusted to reflect the number of children in the family, the number of children in school, extraordinary family expenses, and capital assets.

[2] Cost of education loans would be available to eligible students who attend schools with average annual costs in excess of $1,400. The availability of these loans to students at various income levels is subject to appropriations for interest subsidy payments.

Note: Expected family contributions at higher income levels will depend importantly on the amount of capital assets available for meeting educational costs, and on other special family circumstances, as well as on family income. Hence, any aid to students from large families at higher income levels will depend on the overall financial situation of the family, and not simply on income.

THE NATIONAL STUDENT LOAN ASSOCIATION

The National Student Loan Association would increase the loan capital available from private sources for students wishing to finance their education.

THE BANKING PROBLEM

The Guaranteed Student Loan Program is in its fifth school year. Thus far, 3¼ million loans totaling nearly $3 billion have been made to students attending 2,000 educational institutions:

Fiscal year	Volume of loans	Number of loans
1966	$77,000,000	48,495
1967	248,000,000	330,088
1968	436,000,000	515,408
1969	687,000,000	787,344
1970	840,000,000	921,896
1971 (1st 5 months)	656,000,000	656,042
Total	2,940,000,000	3,259,273

This rapid growth poses liquidity problems for lenders, despite the general easing in the supply of lendable funds in recent months.

For most borrowing students, repayments begin after graduation. For those who go to graduate school, the military, Peace Corps, or VISTA, more years elapse before repayment starts. As the number of student loans increases, and more of their funds are tied up for long periods, lenders will reduce the amount of new lending to students or require a higher yield on loans.

The National Student Loan Association would relieve this shortage of funds by creating a secondary market for student loans, providing opportunities for the purchase by another party of the originating lender's interest in a loan. The Association would offer to buy federally-guaranteed student loans from the original lenders, thus permitting them to replenish their supply of lendable funds. Perhaps more important, the *possibility* of such sales will induce them to commit a greater share of their loan portfolios to student loans, to accept lower interest rates, or both.

NSLA AND THE PROPOSED STUDENT AID REFORMS

To achieve the President's goal of eliminating financial barriers to minimum cost higher education, two changes have been proposed in the federal student aid programs which depend on the existence of a secondary market.

First, it is proposed to supply the capital needed for NDEA-type loans from the same private sources as for guaranteed loans. The needed expansion of NDEA-type programs would otherwise be difficult, given the inevitable competition for federal budget resources—not least the competition for funds between the NDEA program and the EOG and Work-Study programs, which also need to be expanded to meet the President's objective.

Second, it is proposed to remove interest subsidies on guaranteed loans to students who do not meet a reasonable means test, thus releasing additional budget funds for NDEA subsidies, EOG's and Work-Study payments. Students who no longer qualify for subsidies will nonetheless wish to defer interest payments until after graduation. Such deferrals will reduce the cash-flow of lenders, and create an additional need for the liquidity a secondary market institution can provide.

HOW WOULD THE SECONDARY MARKET WORK?

Two basic secondary market mechanisms have been proposed for the National Student Loan Association to seek the goals of adequate liquidity, low interest charges and efficient loan servicing. The two basic mechanisms are: (1) purchasing; and (2) warehousing.

In a purchasing operation, the Association would offer to buy student loans from schools and banks at a yield consistent with that prevailing in the money markets and experienced servicing costs.

Under the warehousing operation, the Association would offer to advance funds to lending schools and banks up to 80 percent of the face value of the insured loans pledged. The borrower could reinvest these funds only in student loans, and of course, the lending institution would pay interest on its loan from the Association.

WHAT WOULD STUDENTS PAY?

The interest rates payable by students would be related to the rates prevailing in the market.

Students taking out NDEA-type subsidized loans would pay no interest for the period in school and in national service, and 3% for 10 years thereafter. The difference between the students interest payments (0% or 3%) and the market-determined yield on student loans would be paid by the Federal Government.

Students eligible only for unsubsidized loans would have the option of deferring interest while in school, but would pay the full market-determined interest rate beginning after graduation. Interest payments deferred up to that time would be added to principal.

Principal repayments under both subsidized and unsubsidized loans would be deferred until after graduation.

SERVICING

Student loans would be serviced by the original lender under the warehousing arrangement. Under the purchasing alternative, the lending school or bank would usually continue to service its student loans for a fee set by NSLA—probably in the range of 1¼% of the consolidated indebtedness of the student.

FINANCING THE ASSOCIATION

NSLA would raise its initial capital by selling common stock to eligible lenders—commercial banks, savings and loan associations, mutual savings banks, credit unions, and educational institutions. It also could sell preferred stock to parties wishing to support higher education. The Association then would issue its own debt obligations which would be federally guaranteed both as to principal and interest, thus attracting new sources of funds into the student loan program.

PROVISION FOR INTERIM FINANCING

Until the National Student Loan Association is ready for business, interim financing arrangements for NDEA-type student loans would be provided by authorizing the Secretary of HEW to purchase any fed-

CONCLUSION

The Administration's proposals would assure that one of the President's deep convictions is fulfilled:

"Equal educational opportunity, which has long been a goal, must now become a reality for every young person in the United States, whatever his economic circumstances."

erally-guaranteed student loan made by an institution of higher education. This purchase would be made at 100% of the value of the loan.

After such time as the Association is able to capitalize itself and purchase insured student loans, the Association would repurchase from the Secretary all student loans which he has acquired during the interim period. In this way, the Association purchase would "wash out" the initial financing done by HEW.

These special interim financing arrangements would enable colleges to participate immediately in the expanded NDEA-type loan program. The colleges, unlike banks and other lenders, do not generally have the cash resources to wait the six months that would probably be required for NSLA to open for business.

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Until the National Student Loan Association is ready for business, interim financing arrangements for NDEA-type student loans would be provided by authorizing the Secretary of HEW to purchase any federally-guaranteed student loan made by an institution of higher education. This purchase would be made at 100% of the value of the loan.

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HIGHER EDUCATION OPPORTUNITY ACT OF 1971—EXCLUDING STUDENT FINANCIAL AID PROGRAMS

The following is a brief synopsis of the major provisions of the Higher Education Opportunity Act of 1971, excluding the provisions of Title IV relating to student financial assistance.

TITLE I

Title I of the HEOA extends existing community service and continuing education programs under Title I of the Higher Education Act for two years, through June 30, 1973.

TITLE II

Title II extends and amends the library programs contained in Title II of the HEA. At present there are three types of grants made under Title II—basic, supplemental, and special purpose grants. The bill would change the percentage of funds appropriated for Part A which would be available for each of these types of grants. Basic and supplemental grants would be reduced from 75 to 50 percent of the sums appropriated for Part A. The remaining 50 percent would be available for making special purpose grants. Grants under Part A are extended for two years, through June 30, 1973.

The research and demonstration provisions of Part B are repealed since they duplicate authority which already exists under the Cooperative Research Act. The librarian training authority in Part B is moved to a new Part G in Title V of the HEA (the Education Professions Development Act).

Part C, authorizing transfer of funds to the Library of Congress for the Library's use in acquiring valuable materials and in preparing cataloging information, is repealed. These activities will be funded from Library of Congress appropriations.

TITLE III

Title III extends programs for Strengthening Developing Institutions under Title III of the HEA for five years, through June 30, 1976. Technical amendments clarify the requirements for participation of institutions which offer less than the bachelor's degree and provide that Professors Emeritus may come from the developing institutions themselves, as well as from stronger and more recognized colleges and universities.

TITLE IV

Title IV contains amendments to student financial aid programs.

TITLE V

Title V amends and extends programs dealing with the training of educators authorized by the Education Professions Development Act (Title V HEA). The provisions of Title V are:

Part A extends the authorization for the National Advisory Council on Education Professions Development for five years, through June 30, 1976, and also extends for five years the authorization for the program for attracting qualified persons to the field of education.

Part B extends the authorization for the Teacher Corps for five years, through June 30, 1976.

Part C amends the program for attracting and qualifying teachers to alleviate teacher shortages by encouraging high school and college students to serve as tutors or instructional assistants for educationally disadvan-

taged children. The amendments provide for compensation of these persons.

Authority is also added to provide necessary training to teachers to enable them to teach other grades or other subjects in which teacher shortages exist.

The basic program itself is extended for five years, through June 30, 1976. This part also increased the amount available for administration of the State Plan from three percent to five percent or $20,000, whichever is greater, and eliminates the provision requiring that no more than one-third of the funds under this section shall be used for teacher aides.

Finally, the minimum State allotment under B(2) is reduced from $100,000 to $50,000.

Part D extends the authorization for the program of improving training opportunities for personnel serving in programs of education other than higher education for five years, through June 30, 1976, and amends it to provide for projects to encourage persons to serve as tutors in preschool, elementary, and secondary school classes, especially for disadvantaged children. In addition, Part D provides for compensation for these persons.

This part would also provide for programs for the development, expansion, or improvement of undergraduate programs for preparing educational personnel and for practice teaching experiences for prospective teachers in elementary and secondary schools.

Finally, Part D amends the training program by permitting the Commissioner to make payments to the Secretary of the Interior to carry out the program with respect to persons who are preparing to serve as teachers in schools operated on Indian reservations by the Department of Interior.

Part E consolidates the Title IV NDEA fellowship programs with Part E of the Education Professions Development Act and extends Part E for five years, through June 30, 1976. Provisions are included to insure that no student will receive less under the consolidated authority than he is currently receiving.

Part F extends the training program for vocational education personnel through June 30, 1976.

TITLE VI

Title VI repeals the following titles of the HEA: Title VI (Improvement of Undergraduate Instruction); Title VIII (Networks for Knowledge); Title IX (Education for the Public Service); Title X (Improvement of Graduate Programs); and Title XI (Law School Clinical Programs). The proposed National Foundation for Higher Education would have authority to fund similar activities in several of these areas.

TITLE VII

Title VII amends Title XII (general provisions) of the HEA by redesignating it as Title VIII and by adding a new section which would standardize assurances which applicants for aid under Titles II, III, and V must make to the Commissioner. These standardized assurances include maintenance of effort, fiscal control and fund accounting procedures, evaluation and dissemination procedures, and reporting requirements.

TITLE VIII

Title VIII extends the Higher Education Facilities Act through June 30, 1973. In addition, it adds a new program for Federal insurance of loans for the construction of academic facilities at private nonprofit institutions of higher education. Loans may be made either to the institutions or to nonprofit private higher education building agencies.

TITLE IX

Title IX extends Title VI of the National Defense Education Act (language development) for two years, through June 30, 1973.

TITLE X

Title X adds a new title which would prohibit discrimination on the basis of sex in any federally assisted education program, except where sex is a bona fide ground for differential treatment. The title provides that compliance may be effected by termination of grants to any recipient who fails to comply with this requirement. Provisions for adequate hearings, findings and judicial review are also included.

By Mr. WILLIAMS (for himself, Mr. CHURCH, and Mr. RANDOLPH):

S. 1124. A bill to amend the Older Americans Act of 1965 to authorize a special emphasis transportation research and demonstration project program. Referred to the Committee on Labor and Public Welfare.

OLDER AMERICANS TRANSPORTATION SERVICES DEVELOPMENT ACT

Mr. WILLIAMS. Mr. President, I introduce for appropriate reference, a bill to amend the Older Americans Act for authorization of a special emphasis transportation research and demonstration program.

Today transportation inadequacies are intensifying many other pressing problems encountered by the elderly.

Routine tasks for most younger persons—such as going to the doctor, visiting friends or shopping—become formidable obstacles for the aged.

In some cases, transportation difficulties can make these chores insurmountable barriers. Too often they are limited to these choices:

They can pay a neighbor with their limited incomes to take them to badly needed services;

They can walk; or

They can do without.

Many now live under a form of "house arrest," isolated from their family, friends, and community.

As a consequence, large numbers are denied an equal opportunity to work or participate in their localities.

Left behind in congested urban neighborhoods or sparsely populated rural areas, the elderly clearly suffer from a syndrome of deprivation.

Their situation has now reached crisis proportions. And their difficulties are likely to worsen as changing life patterns aggravate their transportation problems.

The era of the neighborhood grocery store, drug store, doctor's office, and movie theater is now a thing of the past in many communities. Instead, there is likely to be a large shopping center at one end of a locality, a medical center at the other end, and recreational facilities at another point.

Most elderly persons do not drive automobiles because of financial, safety, or health reasons. Only about 42 percent are licensed to drive.

Moreover, public transportation is frequently unavailable, inaccessible, or inconvenient.

Transportation by bus or taxi is oftentimes nonexistent, especially in smaller communities.

Where these services are available, prohibitive fares may preclude the elderly.

For most aged persons, transportation is a major expense—accounting for about 9 cents out of every dollar in the average retired couple's budget. It is their third ranking expenditure, after housing and food.

But, the elderly need not live in solitary confinement in their homes. As one authority—Mr. Herman Brotman, Chief of Research and Statistics for the Administration on Aging—has said:

> The picture of the decrepit, doddering oldster is a gross exaggeration. The overwhelming majority of older people can manage in the community if society permits. They would manage even better if society would encourage such activity through the provision of essential services.

During the past Congress, significant legislation was enacted to improve public transit systems. My Public Mass Transportation Assistance Act, signed into law last October, will provide for the first time a long-term Federal commitment essential for new and improved mass transportation facilities.

One provision in the new law authorizes funding for loans and grants so that mass transit systems can be modified to meet the special needs of the elderly and handicapped.

With this approach, the long-term Federal commitment which is vital to the development of new and improved mass transportation facilities can become a reality.

But equally important is the need to examine pricing structure as they affect the elderly and the tying-in of transportation to urgently needed services.

It is for these reasons that I introduced the Older Americans Transportation Services Development Act.

This measure is patterned after S. 4246, which I introduced with bipartisan support near the end of the 91st Congress.

It is my hope that early action can be taken on this proposal.

For the current fiscal year, approximately $2.8 million is allocated for title IV research and demonstration programs under the Older Americans Act. However, this must cover the entire field of aging, including employment opportunities, nutrition, retirement planning, and many other areas.

Only five transportation research and demonstration programs are now funded under title IV, representing about 3 percent of the total amount expended.

But in view of the critical transportation problems encountered by the elderly, much more remains to be done.

My bill would help provide this direction by authorizing a special emphasis transportation research and demonstration program concentrating on:

Economic and service aspects of transportation in urban and rural areas;

Special services in target areas where there are high concentrations of aged persons;

Portal-to-portal transportation services;

Reduced price fares and their impact on the elderly's ridership, well-being and morale; and

Providing better coordinated services rendered by social service agencies.

The recently issued report by the Senate Committee on Aging—entitled "Older Americans and Transportation: A Crisis in Mobility"—has strongly urged enactment of this measure. In addition, the report states:

As a "wedge" or a force for the "webbing" of services, improved transportation for the elderly can also provide impetus for improved services to other age groups.

For the young as well as the old, this undertaking can have important benefits.

For many older Americans, it could provide a means to counteract isolation which can lead to despair, frustration, and even death.

Their children may be benefitted because the elderly would be less dependent upon them for transportation.

And the business community may profit because increased mobility will allow more aged persons to purchase goods and services.

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

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

S. 1124

A bill to amend the Older Americans Act of 1965 to authorize a special emphasis transportation research and demonstration project program

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 "Older Americans Tranportation Services Development Act".

SEC. 2. Title IV of the Older Americans Act of 1965 (42 U.S.C. 3031) is hereby amended by adding at the end thereof the following new section:

"SPECIAL EMPHASIS TRANSPORTATION RESEARCH AND DEMONSTRATION PROJECTS

"SEC. 403. (a) The Secretary is authorized to make grants to any public or nonprofit private agency, organization, or institution and to enter into contracts with any agency, organization, or institution, or with any individual—

"(1) to study the economic and service aspects of transportation for older persons living in urban or rural areas;

"(2) to conduct research and demonstration projects regarding the feasibility of special transportation subsystems for use by older persons or similar groups with similar mobility restrictions;

"(3) to conduct research and demonstration projects on portal to portal service and demand actuated services;

"(4) to conduct research and demonstration projects concerning the impact of pricing structures on the comfort, well-being, and morale of older persons;

"(5) to study transportation and social service delivery interface;

"(6) to conduct research and demonstration projects to coordinate and develop better transportation services rendered by social service agencies; or

"(7) to conduct research and demonstration projects concerning other revelant problems affecting the mobility of older persons.

"(b) There are authorized to be appropriated to carry out this section $1,000,000 for the fiscal year ending June 30, 1972; and $2,000,000 for the fiscal year ending June 30, 1973."

By Mr. WILLIAMS (for himself and Mr. CASE):

S.J. Res. 64. Joint resolution to authorize and request the President to proclaim the week of April 25, 1971, through May 1, 1971, as "National ROTC Bank Week." Referred to the Committee on the Judiciary.

NATIONAL ROTC BAND WEEK

Mr. WILLIAMS. Mr. President, on behalf of my colleague from New Jersey (Mr. CASE) and myself, I would like to introduce legislation today calling for the designation of the week of April 25 through May 1, 1971, as "National ROTC Band Week." Since its founding in 1959, the association has held nine national competitions, and grown to include ROTC bands at 60 colleges in the United States.

The organization is scheduled to hold future competitions at the U.S. Military Academy at West Point and the U.S. Air Force Academy in Colorado Springs, Colo. It has an exciting history and a proud record of furthering the ideals of military musicianship and instilling a fraternal feeling among its member bandsmen. I ask for your support for this resolution declaring the week beginning April 25 and ending with the 10th Annual ROTC Band and Drum and Bugle Corps Competition on May 1, National ROTC Band Week. I ask unanimous consent that this joint resolution and other material be printed in the RECORD at this point.

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

S.J. RES. 64

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the week of April 25, 1971, through May 1, 1971, as "National ROTC Band Week", and calling upon the people of the United States and interested groups and organizations to observe such week with appropriate ceremonies and activities.

NATIONAL HEADQUARTERS,
NATIONAL ROTC BAND ASSOCIATION,
Jersey City, N.J., February 18, 1971.

Hon. HARRISON WILLIAMS, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: The National ROTC Band Association is holding its Tenth Annual National ROTC Band and Drum & Bugle Corps Competition on April 30 and May 1, 1971 in the New York Metropolitan Area. The Association is a nationwide organization of ROTC Bands and Drum & Bugle Corps formed in 1959 to further the ideals of military musicianship and to instill a fraternal feeling among Bandsmen.

Last year, we at National Headquarters requested that the State Governors declare the week prior to last year's Competition as ROTC Band Week in their states. We received thirty favorable replies. We also sent a request to the President asking him to declare National ROTC Band Week. We were informed, however, by Special Assistant to the President, James Keogh, that a Presidential Proclamation designating periods for special observance requires a prior Congressional resolution. We were referred to pursue a proclamation for National ROTC Band Week through our Congressional Representatives. Therefore, we are requesting that you aid us by sponsoring a resolution declaring the week of April 25 to May 1, 1971 to be National ROTC Band Week. Similar letters have been sent to your colleagues from New Jersey. We have also included an outlined history of our Association. If you desire more information, please forward your request to this headquarters.

Sincerely yours,
BERNARD J. KRAUSS,
Cadet Major General, NORTCBA, Commanding.

MAJOR EVENTS IN THE PAST, PRESENT, AND FUTURE

Official establishment of the NROTCBA, August 1959.

First Army ROTC band to join NROTCBA, St. Peter's College ROTC Band, Jersey City, 1 October 1960.

First Drum and Bugle Corps to join NROTCBA, New York University, Bronx, New York, 15 February 1961.

First Air Force ROTC Band to join NROTCBA, Rutgers University, New Brunswick, N.J., 12 January 1962.

First national competition, Camp Kilmer, New Jersey, 19 May 1962.

Second national competition, Camp Kilmer, N.J., and Jersey City, N.J., 19–20 April 1963.

First State proclamation of ROTC Band Week, Governor Richard Hughes, State of New Jersey, this practice continues to this date, 15–21 April 1963.

Third national competition, Jersey City, N.J., and Singer Bowl, World's Fair, New York, 30 April–2 May 1964.

Fourth national competition, Jersey City, N.J., and Singer Bowl, World's Fair, New York, 7–8 May 1965.

Fifth national competition, Philharmonic Hall, Lincoln Center for the Performing Arts, NYC, N.Y. and Fort Wadsworth, Staten Island, New York, 6–7 May 1966.

Sixth national competition, Jersey City, N.J. and Union City, N.J., 5–6 May 1967.

National SOP adopted at sixth convention, May 1967.

Constitution revised, October 1967.

Honorary membership to Senator Edward "Ted" Kennedy, 7 October 1967.

Area reorganization, Junior Division of NROTCBA established, May 1968.

Seventh national competition, Philharmonic Hall, Lincoln Center for the Performing Arts, NYC, N.Y., and Fort Wadsworth, Staten Island, New York, 10–11 May 1968.

Honorary membership to Leonard Berstein, February 1969.

Table of organization and equipment published February 1970, revised SOP published.

Eighth national competition proposed for Jersey City, N.J. and Fort Wadsworth, Staten Island, New York, 24–25 April 1970.

Future competition sites proposed for the United States Military Academy, West Point, New York and the United States Air Force Academy, Colorado.

Proposed honorary membership to the Adjutant General, MG Kenneth G. Wickham, U.S. Army, and "Doc" Severinson of NBC Studios.

ADDITIONAL COSPONSORS OF BILLS

S. 34

At the request of the Senator from Massachusetts (Mr. KENNEDY), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Georgia (Mr. GAMBRELL) were added as cosponsors of S. 34, the Conquest of Cancer Act.

S. 662

At the request of the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. JAVITS), and the Senator from Montana (Mr. MANSFIELD) were added as cosponsors to S. 662, authorizing grants to be made to certain States and Federal institutions to assist such States and institutions in improving their penal and post-adjudicatory programs.

S. 681

At the request of the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from Florida (Mr. GURNEY), the Senator from Montana (Mr. MANSFIELD), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 681, the State Environmental Centers Act of 1971.

S. 869

At the request of the Senator from Connecticut (Mr. RIBICOFF) the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of S. 869 to equalize tax treatment of single persons.

S. 922

At the request of the Senator from Connecticut (Mr. RIBICOFF) the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of S. 922 to provide standards for youth camp safety.

S. 987

Mr. HANSEN. Mr. President, on February 25 I introduced S. 987, generally known as the medi-credit bill. I ask unanimous consent that at the next printing, the name of the Senator from Utah (Mr. BENNETT) be added as a cosponsor.

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

S. 1085

Mr. HANSEN. Mr. President, on March 2 I introduced S. 1085 relating to the labeling of imported meat. Inadvertently, the distinguished Senator from Nebraska (Mr. HRUSKA) was not included in the original list of cosponsors. The distinguished Senator from Alaska (Mr. STEVENS) has asked to be added as a cosponsor of the bill.

Mr. President, I ask unanimous consent that at the next printing of S. 1085, Senators HRUSKA and STEVENS be added as consponsors of the bill.

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

ADDITIONAL COSPONSORS OF JOINT RESOLUTIONS

SENATE JOINT RESOLUTION 8

At the request of the Senator from Montana (Mr. MANSFIELD), the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of Senate Joint Resolution 8, proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

SENATE JOINT RESOLUTION 9

At the request of the Senator from Kentucky (Mr. COOK), the Senator from Maine (Mrs. SMITH), the Senator from Maryland (Mr. MATHIAS), the Senator from Wisconsin (Mr. NELSON), the Senator from Minnesota (Mr. MONDALE), the Senator from Delaware (Mr. BOGGS), the Senator from Illinois (Mr. PERCY), the Senator from Wyoming (Mr. HANSEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Washington (Mr. MAGNUSON), the Senator from Maine (Mr. MUSKIE), the Senator from Nebraska (Mr. CURTIS), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of Senate Joint Resolution 9 proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 4

At the request of the Senator from Florida (Mr. CHILES), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MONDALE), and the Senator from Oklahoma (Mr. HARRIS) were added as cosponsors of Senate Concurrent Resolution 4, expressing the sense of Congress on the expanded use of the model cities program.

SENATE RESOLUTION 66—SUBMISSION OF A RESOLUTION TERMINATING U.S. MILITARY INVOLVEMENT IN INDOCHINA

Mr. HARTKE. Mr. President, I submit a resolution calling for the immediate withdrawal of all American forces from Indochina, conditional only upon their safety and the conclusion of a satisfactory arrangement with North Vietnam for the release of our prisoners of war.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

Mr. HARTKE. Mr. President, 2 weeks ago, the Senate Democratic caucus resolved overwhelmingly that American participation in the Indochina war should end "by a date certain." This date certain has been widely interpreted as being not later than December 31, 1972. I supported that motion, verbally and with my vote, just as last year and again this year I supported and continue to support the McGovern-Hatfield motions to terminate American military involvement in the war by dates earlier and more certain.

Yet, I have never been entirely easy in my mind and conscience about that approach. The dominant, unresolvable question in my mind has been this: If we determine, by law, that all American military participation must end by a certain date, irrespective of the military or political situation then prevailing, if that is the case, what useful and moral national purpose can possibly be served by maintaining American forces in Indochina beyond that date? Would we not simply be condemning to death and mutilation a number of American men trapped in a war which we had already declared to have been drained of every last drop of military, political, and moral purpose?

These questions are not alone mine, but of necessity must be questions for every American.

If, as has been authoritatively estimated, we could safely withdraw all American personnel from Indochina in a month's time, then the difference between immediate withdrawal and withdrawal by the end of the year could mean, at present casualty rates, as many as 2,000 dead and 10,000 severely wounded American servicemen.

If we take the figures which were released this morning, if that would become the weekly toll, the 2,000 dead would more likely approximate 4,000 dead and the 10,000 severely wounded would be more nearly 20,000.

The economic costs—even accepting administration estimates at face value—would be in excess of $9 billion. Nine billion dollars; 2,000 dead; 10,000 severely wounded—that is the price we pay for postponing American withdrawal from Indochina for 9 months beyond the time it could be safely accomplished. And again I must ask, what would we have gained by that delay? What good would we have purchased for that price?

I find those questions, Mr. President, very nearly unanswerable. How much more difficult, how much less susceptible to a decent answer, is the central question concerning President Nixon's Indochina policy—the question, of for example, what good are we purchasing, for ourselves or even for the people of Indochina, by dragging out our withdrawal far beyond the end of this year, when the President himself has said we can and must—he says we must—withdraw eventually?

Yes, I know the answers the President has given; I suppose I can say with many Americans that I know them by heart. But strip away the "can't" phrases, eliminate the shopworn rhetoric of a discredited policy, and we are left only with the proposition that by lingering on we give our client governments in the region "the time and the means to defend themselves."

But the President himself has proudly told us, in his state of the world message, that the South Vietnamese Government now has 1.1 million men under arms with which to confront North Vietnamese invaders numbering approximately 100,000 men. The ratio is 11 South Vietnamese to 1 of the enemy. We are further told that "roughly 80 percent of the total population of South Vietnam is controlled by the Government." Are we, then, to believe that this overwhelming preponderance of population and force is still not enough to insure South Vietnam's ability to resist aggression?

How much will be enough?

Or perhaps it is a matter of training. We have been training South Vietnam's young men for more than a dozen years.

Is that not long enough?

How long is long enough?

Or perhaps the equipment is lacking. Perhaps total domination of the air is not domination enough. Perhaps tens of billions of dollars worth of America's latest and best military hardware is not yet enough.

How much more, then, will be enough?

The President told us last week that Vietnamization is going spendidly. Vietnamization—this interminable prolog to withdrawal—satisfies every statistical measure of progress, and yet it is not splendid enough to allow us to say, "We have done what we came for—to give the Government of South Vietnam time to stand by itself." And we shall not be able to say it next December, nor the December after that, according to the administration, because now we must also "Vietnamize" Laos and Cambodia. For, in Mr. Nixon's words:

If Hanoi were to gain control of Laos and Cambodia, a large portion of the more than 140,000 Communist troops now engaged in these countries would be freed to fight in South Vietnam.

The arithmetic of the dilemma is obvious: 1.1 million South Vietnamese troops cannot successfully defend their country against 100,000 North Vietnamese invaders. If, however, Hanoi could more than double the number of its troops in the South, even 2¼ million ARVN troops would be insufficient for national defense. But South Vietnam, even with our help, could not raise, train, and equip an army of 2¼ million men. Therefore, unless Laos and Cambodia are "Vietnamized," Vietnamization can never succeed. And as President Nixon has said time and time again, we will never abandon our friends. What does this all mean?

In short, we can only assume that the President's "plan to end the war," called Vietnamization, is a subterfuge, a coverup for one or another of two distasteful alternatives. One is unilateral American withdrawal, regardless of the consequences to the existing regimes in Laos, Cambodia, and South Vietnam. The other is an attempt to win the war through military means, behind a smokescreen of deescalatory language designed to conceal preparations for some dramatic new escalation.

If the President's plan is the former—that is, unilateral withdrawal, as I have said and as those who are in disagreement with the administration have said, and with some reason, that the war should be brought to an end—then, as I have said, all the arguments against delaying our withdrawal until the end of this year or next take on added force. For delay of withdrawal would only multiply the numbers of American and Indochinese dead and maimed and the billions of American dollars—all to no purpose other than preserving what Mr. Nixon mistakenly regards as our national credibility, or "honor."

But if, instead, it is a military victory which the President intends to seek—contrary to all experience and all his own promises, and in the face of incalculable danger to the very existence of the United States—if that is what he intends, then, I say, the Congress can have no choice but to use every vestige of its constitutional power to end this war at the earliest possible hour.

For military victory is the same illusory goal that has eluded us for 10 blood-soaked years. We have dropped 10 million tons of bombs on Vietnam—more than on Germany in World War II—and we have not had victory. We have scattered 100,000 tons of defoliants and unimaginable quantities of toxic chemicals to destroy forests and crops, and we have not had victory. We have helped kill 300,000 civilians, made millions into refugees, and have left in the trail of our havoc the maimed bodies of tens of thousands of little children, and we have not had victory. Our own toll of dead from combat and other causes now numbers well over 50,000 Americans—18,000 of whom have died since President Nixon came into office. Our military hospitals are crowded with young men who will never again walk, or see, or regain their sanity. We have poured more than $200 billion into that river of blood, and we still do not have victory.

What will history have to say of our dead and maimed, and of the dead and maimed Vietnamese children and soldiers, and of the dead and maimed Cambodians and Laotians? Will history say that the suffering and the blood, the bitter emotional hurt of soldiers and civilians, the savage disruption of three ancient societies were ennobled by the loftiness of the cause? I do not think so. Whatever our reasons for entering this war, few of us any longer find any nobility in our reasons for continuing it, and it seems doubtful that history will be kinder to us on this score than we are to ourselves.

What will our children say of our neglect of our own festering national problems—of our neglect of our cities and rural areas, of our hospitals and schools, of the poor, the sick, the aged, the minorities—all of them sacrificed to a delusive goal in a despicable war?

Unfortunately, the answer is easy to come by. We need only ask our children. We need only look at their faces. We need only count the numbers of them who are resigning from us into foreign or domestic exile.

Let us ask our children. Let us ask those who may yet have to fight in this war. Let us ask them whether they consider the cause noble. Then let us ask ourselves whether we can dismiss their answers on the grounds that they are merely children. Yes, they are children. They are the children who will do the dying—as the children now, American and Asian, are doing the dying.

It is a wound also—I know this—for a nation like ours to say, after so much blood, that we have been mistaken. Whatever its outcome, whether we end our part in this war now, as soon as logistics permit, or whether we let it drag on, year after year, carrying us and the world closer to doomsday by inches or miles—whatever its outcome, Indochina will be our wound for many years to come. But nations, like men, can learn from wounds. Suffering is a teacher of timeless renown, and America is still a young and resilient land—a land that can heal itself and be stronger than before through the wisdom it gave itself in healing.

The war must end and it must end now. It is for this reason, therefore, that I offer a resolution calling upon the President to withdraw all our forces at the earliest practicable date consistent with their safety, and conditional only upon a satisfactory arrangement with the Government of North Vietnam for release of American prisoners of war.

I am aware, Mr. President, of the arguments that will be leveled against this resolution and the policy it is intended to bring about, and the timidity with which some will approach it. I am aware, too, of the kind of abuse that will likely be heaped upon its sponsors and supporters. Those who might be tempted to substitute invective for argument should bear in mind, however, that we who have opposed American intervention in Indochina over the years have long since grown accustomed to hearing ourselves described as "nervous Nellies," "Reds," "liars," "traitors," and other such mindless obscenities; and I very much doubt that the ultimate judges of this debate—the American people—will be moved except to disgust by such repetitions.

Let me try briefly to anticipate some of the reasoned arguments by honest men that will be advanced against this proposal for immediate American withdrawal from Indochina.

It will be said, first, that to withdraw now instead of waiting for Vietnamization to proceed to the President's still undefined idea of completion would gravely jeopardize the chances for survival of non-Communist governments in the area.

The response to that, as I indicated earlier, is that if 1.1 million South Vietnamese troops, armed with the very best and latest American equipment and enjoying total domination of the skies, cannot provide for their own national defense against an enemy which they outnumber 11 to 1, then Vietnamization is a concept so empty of hope that we had best abandon it before another drop of American blood or another dollar of American treasure is wasted on it.

But what about Cambodia and Laos? we will be asked. Their armies face hostile outside forces but without the advantages of overwhelming numbers and equipment. Would we not then be delivering them into North Vietnamese hands?

The first answer to that is that North Vietnamese troops are in Cambodia and Laos today only in response to the massive American escalation that began in 1965. The Pentagon itself concedes that even in South Vietnam there were only some 400 northern troops at the time we began the bombing in February 1965. There were none in Cambodia and only a few hundred—if that—in Laos. The extension of Hanoi's armed force beyond its own borders came in direct response to our own occupation of the south, and it may be expected to end when our occupation ends—provided, of course, that South Vietnam's armies return to the defense of their own land and stop invading their neighbors.

In any case, we should bear in mind President Nixon's own estimate of only 140,000 North Vietnamese troops in Laos and Cambodia combined, as against a Cambodian Army which now numbers over 200,000 and a Laotian Army of indeterminate size. Let those nations defend themselves, for better or for worse. All that our and Saigon's help has brought them is unimaginable suffering for their own people. Nearly one-fourth of Cambodia's total population are now refugees, as are one out of every nine Laotians. Civilian casualties in each country number in the tens of thousands. If there is a worse fate for those tormented people than American military help, I do not know what it is.

A third argument against the resolution I offer today is that our withdrawal at this point in the conflict would gravely impair America's "credibility" throughout the world. They say that our allies would no longer have confidence in our willingness to defend them against Communist aggression.

In response, it is worth asking which ally we propose to defend against which Communist aggressor. Surely, no one doubts our determination to maintain an impenetrable nuclear umbrella over Western Europe, and no rational person supposes for a moment that the Soviet Union would invite thermonuclear destruction for the dubious advantage of sending its armies crashing into Western Europe or any other NATO land.

And if, for the sake of an argument which I do not for a moment concede, even if our withdrawal from Indochina would damage our credibility in the eyes of our NATO allies—almost all of whom view our Asian conflict with horror and dismay—and none of whom even think of becoming involved with us—but even if that impairment of credibility should occur, which I do not concede, what policy changes should we anticipate as a result? Does the President really mean to suggest that the great, proud, free nations of the West would eventually transform themselves into Soviet satellites? As regards Western Europe, that is the only inference to be drawn from the credibility argument, and it must be rejected with contempt.

But it is not really any prospective victims of Soviet aggression to whom the credibility thesis is meant to apply. Instead, to make any sense of it, we have to confront the looming shadow of mainland China, whom two decades of cold war demonology have attempted to portray as an insatiably aggressive conqueror, deterred till now only the knowledge of America's determination to block its expansion. And if our credibility should wane—so the argument goes—because of a withdrawal from Indochina, Red China neighbors would have no choice but to throw in their lot with the oriental behemoth.

It is worth asking, again, to whom that line of reasoning is meant to apply. Japan? Indonesia? Taiwan? Those who think so should spend the next few years figuring out the logistics which would permit China to dispatch a vast invading army across the ocean. India? Burma? Thailand? No doubt China has the military capability to carry out an invasion of those bordering nations. But the "domino-theorists" have yet to explain what advantage China could possibly derive from adding hostile populations, poorer and less developed than its own, to the enormous weight of domestic problems it currently faces.

In any case, if any nation, East or West, chooses to so misinterpret an American withdrawal from Indochina as to lead it to turn itself over to Russia or China, I think most of us would agree we were well rid of its "friendship."

In fact, of course, far from hurting us in the eyes of the nations whose friendship we most value, withdrawal now from Indochina would serve us better than any other course we could pursue. We would be seen to have recovered at last from a long and terrible illness; we would be seen to have regained at last the courage of our historic convictions. And in this connection, it would be worth recalling that France never stood higher in the sight of the entire world than when it finally found the moral strength to end the killing in Algeria and brought into being "a peace of the brave."

In a roundtable discussion last spring following the Cambodian invasion, a wise and experienced student of international affairs, Prof. Hans Morgenthau, made the point with great clarity. The issue, he said, as between ending the war or continuing it indefinitely, "is not a question of preventing humiliation. We are being humiliated every day as long as this war continues. We are humiliated in the eyes of the world. What is worse and graver is that we humiliate ourselves in our own eyes because we betray the moral principles, the ideals on which this country was founded and which in the past we have at least tried to put into practice."

The issue, then, is neither credibility nor humiliation, but ending, in the safest and most expeditious manner, this slaughter of innocent people and this defilement of America's ideals. And that, precisely, is what my resolution calls upon the President to do—to end the war, and end it now.

The true alternative, as we all well know, is not a gradual winding down of the conflict through some such illusory tactic as Vietnamization. The true alternative is an attempt to terrorize North Vietnam into accepting a Korean-type settlement, with some indeterminate number—perhaps a hundred thousand—of American troops staying on indefinitely as guarantors of the Saigon regime. But this alternative, attractive as it may seem on its face, is terribly and fatally flawed, for it is based upon the assumption that North Vietnam can in fact be terrorized, by the threat of illimitable airpower, into accepting that kind of settlement.

That assumption is contradicted by a thousand years of Vietnam history, through which generation after generation they would not bend their knee to invading foreigners. To subdue them now, in the face of that history, would require on our part an assault of such savagery as to cause us to be exiled from the brotherhood of nations and destroy the last fragile bond that still keeps us together in this country as a people. The risk is much too great, the price we should have to pay for success far too terrible.

"The sins of the fathers shall be visited upon the children even unto the fourth and fifth generations." If we here today remain passive as evils of such magnitude are carried out in the name of America, we shall have condemned ourselves and our posterity to a frightful judgment.

It is no good pretending that we are unaware of the suffering we have permitted our arms to inflict on the innocent, or that we are privy to some moral calculus according to which all the death and mutilation can be counterbalanced by our own political advantage. We know better; every single one of us knows better. For, as a brilliant contemporary writer has said in another context, "no willful blindness can obscure a sight once seen by the reflective eye, and no maneuver of perversity heal the damaged integrity of the will."

The horrors we have already perpetrated in Indochina can never be effaced. But we can yet draw back, we can yet commute the sentence of death and mutilation and exile that has been passed on thousands of our own sons and tens of thousands of Asian men and women and children.

I pray God with all my heart that we will do so, and it is in that spirit that I offer this resolution to end the war.

The resolution (S. Res. 66), which reads as follows, was referred to the Committee on Foreign Relations:

S. RES. 66

Whereas the President's authority to commit United States armed forces to the Indochina conflict, which authority was granted by the Congress in the Tonkin Resolution (Public Law 88-408, 88th Congress), has been withdrawn by the repeal of said resolution;

Whereas the Indochina conflict has cost the United States a heavy toll in blood and treasure and has produced incalculable suffering for the civilian populations of the entire region; and

Whereas a continuation of United States participation in the Indochina conflict will only add to that toll without producing a compensating benefit to the national interest: Now, therefore, be it

Resolved, That the Senate urges the President

(1) to withdraw immediately all United States armed forces from Vietnam, Cambodia, and Laos, considering only the safety of those armed forces;

(2) to terminate immediately all other United States military operations in Indochina from whatever place of origin, except those military operations of a purely defensive character related specifically to the protection of such armed forces during the withdrawal period; and

(3) to make the withdrawal of such armed forces and termination of those military operations contingent upon conclusion of a satisfactory arrangement with the Government of the People's Republic of Vietnam for the speedy release and repatriation of all United States civilian and military personnel now being held by that Government.

Mr. THURMOND. Mr. President, my distinguished colleague from Indiana has submitted a resolution which has emotional appeal in behalf of our brave men who are held prisoners of war, but it will not work. Since when can you make a deal with the Communists? Our country

has already taken many unilateral actions including announced withdrawal plans, but Hanoi has maintained an intransigent and barbaric attitude on the POW problem. Any proposal that seeks to relate the release of prisoners to troop withdrawal has little chance of achieving desired results. It might well prolong the return of our men and accounting for the missing.

Mr. President, we have long maintained that the prisoner issue is humanitarian and should not be related to other aspects of the conflict. This factor was emphasized in the President's October peace proposal wherein he urged the immediate release of prisoners by both sides. The enemy, on the other hand, has taken the opposite position and has sought at every opportunity to link the prisoner issue to the military situation and to the political negotiations for a settlement of the conflict.

Any agreement to link the prisoner and the political issues might well establish a precedent that would make it more difficult to ever satisfactorily resolve the prisoner problem. An offer to connect prisoner release to U.S. troop withdrawals would formally establish their hostage value—a situation the enemy has sought to achieve.

The President has repeatedly offered to negotiate a timetable for the withdrawal of all non-South Vietnamese troops. Faced with the enemy's refusal to enter into such discussions, especially that of withdrawing its own troops, the President has undertaken unilateral withdrawal under the Vietnamization plan. The actual rate of this unilateral U.S. withdrawal has been the fastest possible consistent with maintaining our fundamental national interests. A proposal to link prisoner release to withdrawal reduces flexibility and results in a more rapid withdrawal to the benefit of the enemy. It offers absolutely no assurances of reciprocal action to release prisoners.

Mr. President, the resolution would also tend to foreclose on other options. It is my firm belief that, in the absence of a negotiated settlement, Vietnamization offers the best course toward the achievement of our aims. As Vietnamization progresses, we believe it becomes advantageous for the enemy to agree to a negotiated settlement. The release of prisoners and accounting for the missing is one of the issues that must be resolved before any final settlement. Consequently, the resolution offers nothing new except a unilateral announcement by the Senate to undermine the President. Hanoi would hail the show of weakness.

An offer on our part to withdraw in return for releasing the prisoners offers no assurance of performance by the other side. I can recall more than 3 years ago the enemy's indicated willingness to discuss the release of prisoners if the United States stopped its bombing of North Vietnam. The bombing was stopped, but Hanoi never changed its inhumane attitude toward the prisoner problem.

Mr. President, there is still another aspect to be considered. We should not discount the value of the help given by various intermediary countries which have interceded with the enemy in behalf of our men missing or captured. The efforts of third parties have in my view had some effect and might still provide the catalyst for obtaining some agreement on the release of our men. In all cases, intermediaries have been willing to assist us solely on the basis of humanitarian considerations. Linking the prisoner issue to the political aspects of the conflict would in all probability remove this possible means of achieving the return of our men.

In my judgment, some accusations and misleading remarks made by the distinguished Senator from Indiana will give comfort and aid to the enemy, and they should not go unchallenged. He has charged that the President's Vietnamization plan is a subterfuge. In my view, the withdrawal of 260,000 Americans under the Vietnamization plan is not subterfuge.

He has charged the President of seeking a military victory behind "a smokescreen of deescalatory language." I suggest the distinguished Senator study military strategy. Since when can a nation seek a military victory by withdrawal and failure to use the available military power that should have been used 4 years ago to end the war once and for all?

My distinguished colleague has stated that the United States has "been training South Vietnam's young men for more than a dozen years." If this were true on the scale started 2 years ago, then why did the previous administration ever commit ground troops in Southeast Asia? Again, I suggest the Senator from Indiana acquaint himself with the magnitude of military training of a nation's manpower. This program prior to the current administration was a "drop in the bucket" compared to the success achieved in the last 2 years.

He has charged that the North Vietnamese forces in Laos and Cambodia are "in response to the massive American escalation." I would like to remind the Senator the reverse is true. Hanoi used the Laos and Cambodia routes to infiltrate massive forces into South Vietnam long before the United States started a buildup of combat forces.

Mr. President, my colleague accentuated the negative. He failed to mention that 2 years ago our casualties each month were five times as high as they are now.

He states that 18,000 have died since the President took office. He failed to state that the other 32,000 of the 50,000 figure he uses were casualties before 1968 when the administration failed to use military power as it should have been to end the war and save lives.

My colleague stated that "we have poured more than $200 billion into that river of blood," but he failed to state that 2 years ago, the demands of the Vietnam war cost us approximately $22 billion per year but that cost has now been cut in half.

Mr. President, in my judgment President Nixon has chosen the best available and workable solution to end the war. The withdrawal and Vietnamization plans which are obviously succeeding provide the President with flexible courses of action to pursue in securing the release of American prisoners. This flexibility will be seriously jeopardized if the Senate attempts to restrict the President by congressional pressure, especially without a demonstrated act of prior good faith by Hanoi.

Mr. President, I can see no useful purpose for the resolution. In my view, it is but another instrument of political expediency to divide the country on a very emotional and vital issue. Our country is united in behalf of the safety of our men held prisoners. Now, my colleagues would seek to divide this unity. The President of the United States will continue to do everything in his great power to free the POW's without advance notice of capitulation implied by the resolution. President Nixon wants our men home safe as much or more than any other American, including my distinguished colleague.

Mr. President, I recommend that the resolution be defeated.

SENATE RESOLUTION 67—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING OF REPORT "THE ECONOMICS OF CLEAN AIR" AS A SENATE DOCUMENT

Mr. BYRD of West Virginia (for Mr. RANDOLPH) submitted the following resolution (S. Res. 67); which was referred to the Committee on Rules and Administration:

S. RES 67

Resolved, That the annual report of the Administrator of the Environmental Protection Agency to the Congress of the United States (in compliance with Public Law 90–148, The Clean Air Act as amended) entitled "The Economics of Clean Air", be printed with illustrations as a Senate document.

SEC. 2. There shall be printed two thousand five hundred additional copies of such document for the use of the Committee on Public Works.

SENATE RESOLUTION 68—SUBMISSION OF A RESOLUTION TO ESTABLISH A SPECIAL COMMITTEE ON NATIONAL HEALTH CARE PLANS

Mr. PELL. Mr. President, I rise to submit, for myself and Mr. JAVITS, a resolution to establish a Special Committee on National Health Care Plans.

There has been much discussion in recent years for the need for national changes in the structures of our domestic society. How the Congress considers these changes in many ways determines what these changes will be.

I believe one of the major reasons for the some time incremental and piecemeal approach taken by the Congress in attempting to solve many of our national problems is the jurisdictional structure of the Senate committee system. We attempt to solve the problems of the 1970's through committee jurisdictions which were established for the problems of 25 years ago.

It is for this reason I am most concerned about the methods through which

the Senate will consider the national health care issue in this coming Congress. The health care issue is most complex—it involves esoteric issues of finance, organization, and medical technology. It is an issue which cuts across the jurisdiction of at least six committees of the Senate.

If we were only to examine the question of the Senate's consideration of hospital costs in the last session of Congress, we would find that the Labor and Public Welfare Committee has held hearings on hospitals to authorize money for their construction, the Finance Committee has held hearings on hospitals regarding their reimbursement formulas under medicare, the Judiciary Committee has held hearings on hospital costs to examine antitrust implications, the Joint Economic Committee has held hearings on hospital costs to analyze their impact on the economy, the Post Office and Civil Service Committee has considered hospital costs in terms of their impact on Federal employee health plans, and the Government Operations Committee has considered hospitals in the context of the 23 Federal agencies concerned with health.

The problem of our health care crisis, I believe, demands a systems approach. I believe the problem of health financing, health delivery, and health manpower can be best considered together in a comprehensive manner. Changes in health financing must be balanced by changes in health delivery and health manpower.

I do not believe that the trade-offs in the interrelationships that have to be legislated within the health care system can be realistically accomplished if the Senate considers each aspect of the health care crisis on an incremental basis in different committees.

I am, therefore, proposing the creation, for the duration of this Congress, of a Special Committee on National Health Care Plans.

The special committee I propose will have one sole responsibility—the consideration of health care legislation proposing to completely restructure the Nation's health care system. At present, the key elements of such legislation is handled by the Committee on Finance and the Committee on Labor and Public Welfare.

I would propose that the special committee be given legislative jurisdiction over the President's national health care proposal, the proposals of other Senators like Senator KENNEDY and Senator JAVITS, and my own national health care proposal.

The special committee would undertake a systems analysis of the delivery, financing, planning, and regulation aspects of the overall health care system.

Its legislative analysis would run parallel to the systems study now being conducted by the Department of Health, Education, and Welfare under the requirements of an amendment I introduced in the last session of Congress.

The special committee would consist of 13 members made up of members appointed from the Senate Labor and Public Welfare Committee and the Senate Committee on Finance and other Members of the Senate at large. It would be given until February 1972 to either report legislation or report its recommendations as to the most effective way of reforming our Nation's health care system.

Legislation reported from the special committee could be referred to either the Committee on Labor and Public Welfare or the Committee on Finance for technical changes in conformance with existing laws prepared within the jurisdiction of those committees.

The special committee would be a working committee with only one specific purpose—that is, the legislative consideration of national health finance and delivery bills.

Its role would not limit the existing committees in reporting legislation needed to make incremental changes in different aspects of existing health laws in this session of Congress.

The special committee would be given adequate resources to obtain the services of outside experts needed to assist in the reform of our $70 billion national health care system.

Mr. President, what I am proposing is a comprehensive approach, on a problem-oriented basis, to a most complex problem, the solution of which, I believe, is beyond the individual jurisdiction of any one committee.

I believe that in some cases, such as our national health care crisis, our Nation's problems are so complex that they first demand a restructuring of our own approach toward consideration of the problem before a resolution to the problem is actually drawn.

Therefore, I am suggesting a systems approach on the congressional level to national problem solving.

I ask unanimous consent that the text of my resolution to establish a Special Committee on National Health Care Plans be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD and was referred to the Committee on Labor and Public Welfare, as follows:

S. Res. 68

Resolution to establish a Special Committee on National Health Care Plans

Whereas the inadequacies of providing and financing health care services in the United States are a serious matter of national concern;

Whereas all citizens of the United States are not receiving the level of health care which the country is capable of providing to them;

Whereas the provision of needed health care services to all citizens would involve many interrelated changes in the methods of delivering, financing, planning and regulating the United States' estimated $67 billion health care system;

Whereas many Members of Congress have suggested different ways of reforming the Nation's health care system involving the jurisdiction of more than one committee of the Senate;

Whereas the President has pledged a comprehensive national health care program in which the public and private sectors would join in a new partnership to insure that no American family will be prevented from obtaining basic medical care by inability to pay;

Whereas at least six committees of the Senate have held hearings on different aspects of the health care crisis facing the Nation;

Whereas the comprehensive changes which may be required to improve the Nation's system of health care would involve the jurisdiction of more than one committee of the Senate;

Whereas an orderly reform of our Nation's system of health care requires an integrated legislative and systems approach: Now, therefore, be it

Resolved, That (a) there is established a special committee of the Senate for the duration of the 92nd Congress to be known as the Special Committee on National Health Care Plans (hereafter referred to as the "Committee"). The Committee shall be composed of 13 members appointed by the President of the Senate as follows:

(1) two majority members and one minority member of the Committee on Labor and Public Welfare:

(2) two majority members and one minority member of the Committee on Finance; and

(3) four majority members and three minority members of the Senate (including any Senator who is a member of a committee referred to in clause (1) or (2) of this subsection).

The Committee shall select a chairman from among its members. Any appointment of a Senator to be a member of the Committee shall be in addition to the number of appointments to committees to which that Senator may be entitled under paragraph 6 of Rule XXV of the Standing Rules of the Senate.

(2) The Committee shall only receive, consider, and report bills, resolutions, and germane amendments relating to comprehensive and overall changes in the Nation's health care system or to the development of a national health insurance plan or health services plan to meet the needs of all or the overwhelming majority of the Nation's citizens. Members of the Committee may serve on any committee of conference to the Senate considering any such bill, resolution, or amendment.

Health, Education, and Welfare (required by section 304 (b) of the Public Health Service Act, as added by section 201 of Public Law 91–515) relating to the national health care plans developed by the systems analysis method and to the study of legislative proposals introduced in the Ninety-First Congress concerning national health insurance and health service plans.

(d) The Committee shall report its recommendations to the Senate not later than February 29, 1972. Bills incorporating the recommendations of the Committee which are reported to the Senate may be referred for a period of not longer than three weeks to the Committee on Labor and Public Welfare or to the Committee on Finance for technical changes in conformance to laws prepared within the jurisdiction of those Committees.

SEC. 2. (a) In considering matters pertaining to comprehensive health care in the United States and overall changes in the Nation's system of health care, the Committee is authorized from March 1, 1971, through February 29, 1972, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to hold hearings, (3) to sit and act at any time or place during the sessions, recesses and adjournment periods of the Senate, (4) to employ personnel, (5) to subpena witnesses and documents, (6) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel, information, and facilities of any such department or agency, (7) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, in the same manner

and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946, (8) to interview employees of the Federal, State, and local governments and other individuals, and (9) to take depositions and other testimony.

(b) The minority shall receive fair consideration in the appointment of staff personnel under this resolution. Such personnel assigned to the minority shall be accorded equitable treatment with respect to the fixing of salary rates, the assignment of facilities, and the accessibility of committee records.

SEC. 3. The expenses of the Committee under this resolution for the period from March 1, 1971, through February 29, 1972, shall not exceed $500,000, of which amount not to exceed $200,000 shall be available for the procurement of the services of individual consultants or organizations thereof.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT—AMENDMENTS

AMENDMENT NO. 7

Mr. PROXMIRE submitted amendments intended to be proposed by him to the bill (S. 988) to amend the Federal Food, Drug, and Cosmetic Act to require appropriate identification of imitation dairy products, to modify the identification requirements for oleomargarine or margarine served in public eating places, and for other purposes, which were referred to the Committee on Labor and Public Welfare and ordered to be printed.

AMENDMENT TO THE WATER QUALITY STANDARDS ACT OF 1971—AMENDMENT

AMENDMENT NO. 8

Mr. PROXMIRE. Mr. President, I am today submitting an amendment to the Water Quality Standards Act of 1971 (S. 523). The amendment would permit commercial banks to underwrite water and sewer revenue bonds issued by State and local governments. Under existing law, commercial banks are permitted to underwrite general obligation bonds and revenue bonds issued for housing purposes.

The Water Quality Standards Act of 1971 would authorize a total of $12.5 billion in Federal grants as the Federal share of a $25 billion State and local water and sewer construction program. The issuance of these bonds will severely strain our capital markets, and it is imperative that they be issued at the lowest possible cost in order to reduce interest charges to our State and local governments.

Studies have shown that commercial banks would provide additional competition if they were permitted to underwrite and deal in revenue bonds. For example, the Comptroller of the Currency reports that more than 99 percent of general obligation bonds were awarded through competitive bidding. On the other hand, only 81 percent of revenue bonds were awarded through competitive bidding. Moreover, because commercial banks cannot underwrite revenue bonds, the average number of bids submitted on revenue bonds is substantially lower than those submitted on general obligation bonds. The same study shows that the greater number of bids the lower the finance cost to the issuing municipality.

I have requested Senator MUSKIE, the chairman of the Committee on Air and Water Pollution to consider this amendment during his forthcoming hearings on S. 523. I ask unanimous consent to have printed in the RECORD at this point a copy of my letter to Senator MUSKIE together with the attachments thereto.

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

U.S. SENATE,
Washington, D.C., March 3, 1971.

Hon. EDMUND S. MUSKIE,
Chairman, Subcommittee on Air and Water Pollution, Senate Committee on Public Works, Washington, D.C.

DEAR MR. CHAIRMAN: S. 523 which you introduced on February 2, 1971, would authorize a total of $12.5 billion in Federal grants as the Federal share of a $25 billion state and local water and sewer construction program. I understand that your Subcommittee will hold hearings on this bill as well as the various proposals introduced by Senator Cooper on February 26, 1971, on behalf of the Administration.

You will recall that during the last Congress, an amendment I offered to the Water Quality Improvement Act of 1970 which would assist state and local governments in the financing of water and sewer revenue bonds was accepted by the Senate but was subsequently dropped in Conference. I am still of the opinion that my amendment is needed in order to permit state and local governments to borrow money for water and sewer construction programs at the lowest possible cost. Therefore, I am enclosing a proposed amendment to S. 523 and would appreciate your Subcommittee considering this amendment during the forthcoming hearings. I am simultaneously introducing this amendment on the floor as a printed amendment to S. 523.

I am also enclosing for your information a copy of a letter dated February 3, 1970, from the Under Secretary of the Treasury to Senator Baker endorsing the amendment considered by the previous Congress, as well as a letter from the National League of Cities dated October 17, 1969, endorsing the same amendment. I particularly call to your attention the application by the National League of Cities of a 1967 study showing the cost saving to states and localities if they were to have access to the same capital market that they have for general obligation issues and for housing, university and dormitory revenue bonds.

Under the provision of S. 523, state and local government units would be expected to contribute $12.5 billion over the next five years as their share of the overall construction program. Since a majority of water and sewer municipal bonds are of the revenue type, it could be expected that over $7 billion in water and sewer revenue bonds will be issued during the five year period. The studies by the National League of Cities as well as those of the Comptroller of the Currency would indicate that many, many millions of dollars could be saved if water and sewer revenue bonds were sold in a competitive market.

I note with interest that S. 1015 introduced on February 26, 1971, by Senator Cooper and co-sponsored by 32 other Senators including yourself, would establish an Environmental Financing Authority whose stated purpose is to assist in the financing of state and local water and sewer bonds. The Environmental Financing Authority would be available for those communities which were unable to sell bonds in the marketplace. S. 1015 at Sec. 14 would amend the Banking Act by providing that commercial banks may underwrite and deal in obligations issued by the Environmental Financing Authority. It seems to me that if the capital resources of our commercial banks are requested to be available to finance the Environmental Financing Authority, they should be directly available in the first instance to the state and local government units when they attempt to sell their bond issues.

In view of your Subcommittee's consideration of S. 1015, I would think it would also be appropriate to consider my proposed amendment.

With best wishes, I am

Sincerely,

WILLIAM PROXMIRE,
U.S. Senate.

OCTOBER 17, 1969.

Hon. EDMUND S. MUSKIE,
Committee on Public Works,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUSKIE: The National League of Cities wishes to express its appreciation of your support of the amendment offered by Senator Proxmire October 7 to H.R. 4148. This amendment, Section 110 of Title I of the bill, would afford state and local governments issuing water and sewer revenue bonds greater access to the capital market in the same manner now enjoyed in the issuance of housing, university and dormitory revenue bonds as well as all general obligation bonds. The National League of Cities has supported the concept of permitting banks underwriting of revenue bonds since 1955. We strongly support this amendment and urge you to work for its retention in the final version of H.R. 4148 to be worked out in joint Conference Committee.

The amendment is quite timely, coming as it does in the face of unprecedented high bond interest rates. The effect of the amendment is to permit additional competition for revenue bond underwriting purposes and to broaden the secondary market for these bonds. The net result to states and cities would be to reduce the interest rate paid by bond issuers.

The relationship of the amendment to H.R. 4148 is especially important. In 1968 alone, states and localities issued close to $3 billion in water, sewer and conservation bonds. Comparing this figure to the total volume of $14.4 billion of new issues for that year, it is clear that the purposes for which water and sewer bonds have been issued rank high in terms of both local need and local priority.

Municipalities are the heaviest issuers of these bonds. More and more cities are turning to the issuance of water and sewer revenue bonds as opposed to general obligation securities because of various debt limitations and the already overburdened property tax system. In addition, the projects which these bonds finance are generally financially self-sustaining in that charges levied against users of water and sewer services and so forth may be directly applied to debt service.

A March 1967 study co-sponsored by the underwriting costs of all revenue bonds to National League of Cities, compared the all revenue bonds to all general obligations over the preceding eight-year period. The assumption was made that because these two classes of bonds are close substitutes for one another, a comparison would reveal any economic effect, and the magnitude of that effect, that the absence of participation by commercial banks in underwriting revenue bonds would have. The study revealed that there were an average 3.5 bids submitted for each revenue issue compared to 5 for each general obligation and that there was a difference of $2.92 per $1000 in underwriters spread between the average issues of each

class. This difference cannot be attributed to differences in bond quality since revenue bonds have been found to be generally equal to if not superior to general obligations in quality. Our study also revealed the startling fact that close to 48 percent of all revenue bond sales were negotiated or one bid situations.

To bond issuers, the injection of just one more bidder into the market for bond issues would force the ultimate underwriter to buy at a lower yield and reoffer the bonds at a lower yield and reduce the underwriters spread. We believe this additional bid would lower overall interest rates as much as 11 basis points. Assuming a three billion annual volume of water and sewer bonds and noting that the average life of such bonds is about 14 years, the savings to states and localities would amount to $33 million annually or $528 over the life of one year's bonds.

With costs of all capital projects increasing rapidly, we feel it is vital to take any prudent steps which will help reduce these costs. Particularly cities must continue to face up to the monumental task of cleaning up pollution in our streams, rivers and lakes, a task to cost between $2 and $3 billion alone next year. We feel that it is essential to enact the Senate's amendment to help ease the tremendous financial burden ahead.

Your personal attention and vigorous support of section 110 of H.R. 4148 will be greatly appreciated. I stand ready to provide whatever additional assistance you may require on this matter.

Sincerely,

PETER B. HARKINS,
Legislative Counsel.

THE UNDER SECRETARY
OF THE TREASURY,
Washington, D.C., February 3, 1970.

Hon. HOWARD H. BAKER, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAKER: In response to your request, we are happy to give the views of the Treasury Department on the desirability of including in the Federal Water Pollution Control Act the provision permitting commercial banks to underwrite and deal in certain revenue bonds issued by state and municipal governments for the purpose of financing water and sewer projects. Under present law, commercial banks, while a most important factor in the underwriting and marketing of general municipal obligations are prevented by Federal law from underwriting and dealing in municipal bonds payable only from specific revenues.

In 1968 the Congress adopted an amendment to the Housing and Urban Development Act of 1968, which removed the restriction on bank underwriting for revenue bonds issued for housing, university or dormitory purposes provided that such bonds had sufficient credit quality to be eligible for portfolio investment by national banks. Section 1705(h) of P.L. 90–448. The Comptroller of the Currency advises me that in the comparatively short period of time since the enactment of the 1968 Housing Act in late 1968, national and state-member banks of the Federal Reserve have participated in the underwriting of a number of dormitory issues to the benefit of the colleges and states involved.

The amendment to H.R. 4148 under consideration merely extends exactly the same treatment to water and sewer bonds as was given to the college dormitory bonds in 1968. This Department feels that the public policy arguments made in favor of the 1968 dormitory amendment exist perhaps in even greater magnitude with reference to the water and sewer pollution control projects.

The Treasury Department therefore strongly supports the amendment of the Senate (Section 110 of H.R. 4148, as amended by the Senate) which would permit both national and state-member banks of the Federal Reserve to purchase, underwrite and deal in obligations issued by any state or political subdivision or any agency of a state or political subdivision for water or sewer purposes, provided that such bonds are considered by the Comptroller of the Currency to be of sufficiently high quality so as to be eligible for inclusion in the investment portfolio of a national bank.

The Treasury Department supported in 1967 S. 1306, a much broader bill which would have permitted commercial banks to underwrite all investment-grade revenue bonds of states and political subdivisions regardless of the projected use of proceeds of the bonds. This bill also received the support of the Board of Governors of the Federal Reserve System. S. 1306 was passed by the Senate in November of 1967, but was not acted upon by the House of Representatives.

Perhaps the most extensive discussion of the merits of permitting commercial banks to expand their underwriting of municipal bonds is contained in the Senate hearing and committee reports on S. 1306. The Report of the Senate Committee on Banking and Currency (Rep. No. 713, 90th Congress, First Sess.) reviewed the importance to our hard-pressed municipalities of having as broad a potential market as possible for their obligations. The report at page 5 contains the following as to the effect of increasing the number of possible initial bidders for revenue bonds:

"All studies agree that State and local governments pay a higher rate of interest on revenue bonds than they do on general obligation bonds. Some of this difference can be accounted for by the fact that revenue bonds are of a slightly lower investment quality and slightly longer average maturity. However, when adjustments are made for these factors, a difference of approximately 10 basis points still remains. One basis point is equal to 0.01 percent, thus, 10 basis points would amount to a difference of approximately one-tenth of 1 percent in interest. Although this may appear small, the annual savings to cities and States would amount to more than $50 million a year in 1968 and as much as $100 million a year by 1975 if the entire 10-basis-point difference were eliminated.

"In addition to a higher rate of interest, there is additional evidence of a lack of competition in the revenue bond market. Most general obligation bond issues on which there is bank competition, are subject to competitive bidding. A study by the Comptroller of the Currency shows that over the last 3 years more than 99 percent of general obligation bonds were awarded through competitive bidding. Less than 1 percent were subject to negotiated sales. On the other hand, only 81 percent of revenue bonds were awarded through competitive bidding and 19 percent were awarded through negotiated sales.

"In addition to a higher incidence of negotiated sales, revenue bonds also enjoy fewer bids, even when they are issued through competitive bidding. The study by the Comptroller of the Currency shows that on the average, revenue bonds awarded through competitive bidding received 1.64 fewer bids than those received by general obligation bonds. The study by the Federal Reserve Board found the same discrepancy, even after adjusting for any possible effect of differences in investment quality and maturity."

The Treasury Department favors steps which will aid our states and cities in the fight against pollution of the environment. The position of the Administration was stated by President Nixon in his State of the Union message last Friday when he said "restoring nature to its natural state is a cause beyond party and beyond factions. It has become a common cause of all the people of this country."

In the view of this Department, permitting commercial bank underwriting of water and sewer project bonds would provide important and material assistance in the fight against environmental pollution without raising any problems of banking prudence or safety. The amendment in question like the dormitory amendment in the Housing Act of 1968 limits bank involvement only to those bonds with marketable and other safety features sufficient to make them eligible for portfolio investment by national banks under the regulations of the Comptroller of the Currency. Although the statutory language of Section 110 only mentions national banks, by virtue of Section 9 of the Federal Reserve Act, state member banks will receive the same treatment as national banks. The result will be to provide our hard-pressed cities with much needed assistance in the marketing of their obligations, a matter which has never been more important and pressing than it is today.

Sincerely yours,

CHARLES E. WALKER.

EXPANSION OF THE EXPORT TRADE—AMENDMENT

AMENDMENT NO. 9

Mr. PROXMIRE submitted an amendment, intended to be proposed by him, to the bill (S. 19) to amend the Export-Import Bank Act of 1945 to allow for greater expansion of the export trade of the United States, to exclude Bank receipts and disbursements from the budget of the U.S. Government, and for other purposes, which was referred to the Committee on Banking, Housing and Urban Affairs, and ordered to be printed.

AMENDMENT OF EXPORT-IMPORT BANK ACT OF 1945, AS AMENDED

AMENDMENT NO. 10

Mr. PROXMIRE submitted an amendment, intended to be proposed by him, to the bill (S. 581) to amend the Export-Import Bank Act of 1945, as amended, to allow for greater expansion of the export trade of the United States, to exclude Bank receipts and disbursements from the budget of the U.S. Government, to extend for 3 years the period within which the Bank is authorized to exercise its functions, to increase the Bank's lending authority and its authority to issue, against fractional reserves and against full reserves, insurance and guarantees, to authorize the Bank to issue for purchase by any purchaser its obligations maturing subsequent to June 30, 1976, and for other purposes, which was referred to the Committee on Banking, Housing and Urban Affairs, and ordered to be printed.

NOTICE OF HEARINGS ON CERTAIN PROBLEMS OF FARMERS

Mr. ALLEN. Mr. President, I wish to announce that the Subcommittee on Agricultural Research and General Legislation of the Committee on Agriculture and Forestry will hold hearings on the problems presented to farmers and others by the change from a gross weight to net weight basis for loans for cotton under the price-support program operated by the Commodity Credit Corporation,

as well as other problems facing farmers caused by new regulations promulgated for cotton by the Department of Agriculture in implementing the Agricultural Act of 1970.

These hearings will be held on March 15 and 16, 1971, beginning at 10 a.m. in room 324, Old Senate Office Building. Anyone wishing to testify should notify the committee clerk as soon as possible.

NOTICE OF HEARINGS ON THE CONQUEST OF CANCER ACT

Mr. KENNEDY. Mr. President, I am pleased to note that S. 34, the Conquest of Cancer Act, now has a total of 50 Senate sponsors. The Senate Health Subcommittee will begin hearings on this legislation on Tuesday, March 9, and Wednesday, March 10, 1971, and I look forward to early action by Congress on this measure.

EXTENSION OF NAVIGATION SEASON ON THE GREAT LAKES

Mr. GRIFFIN. Mr. President, for many years there has been much talk about the importance and the need of extending the navigation season in the Great Lakes-St. Lawrence Seaway complex. Until this past winter, there had been little in the way of actual achievement that could be pointed to. However, in addition to authorizing, in the last session of Congress, a study to determine how a 12-month navigation season could be achieved, there were actual and important steps taken during this winter season by private shipping firms to try to keep the seaway and the Great Lakes open for a longer period of time.

During the 1970–1971 shipping season, just concluded, shipping on the Great Lakes was extended in some ports through the month of January. This means that in this year, 9½ months have been available for shipping on the Great Lakes, which is a significant increase from the 1940's, when the Great Lakes were open only 7½ months.

This afternoon, a task force representing the Michigan Chamber of Commerce will be in Washington to brief Great Lakes Senators and their staffs concerning this effort, and make a presentation about the prospects for further extending the navigation season.

I ask unanimous consent that a press release concerning the meeting this afternoon be printed in the RECORD.

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

WASHINGTON, D.C., March 3.—Great Lakes Senators and Congressmen will be briefed by a Michigan delegation Thursday on the first year's results of a study to determine feasibility of year-round shipping on the Great Lakes-St. Lawrence Seaway System, it was announced today.

The Federally-funded study, involving numerous Federal agencies and private shipping firms, is designed to ultimately stimulate economic development in the North American mid-continent and Canada, according to Harry R. Hall, President of the Michigan State Chamber of Commerce.

Shipping on the Great Lakes now is open for 9½ months each year. "Removal of the seasonality of shipping would benefit the region, which accounts for 34% of the gross national product of the United States and Canada, by hundreds of millions of dollars annually," Hall said.

Rep. John Blatnik of Minnesota will preside at a luncheon-meeting for Great Lakes Congressmen in the Rayburn Building at which the report will be given. Sen. Robert Griffin of Michigan will preside at a similar meeting of Great Lakes Senators at 3:00 p.m. in the New Senate Office Building.

Accompanying Hall, whose organization is coordinating the study through its Navigation Extension Winter Season (NEWS) task force, will be John McGoff, task force chairman, who is President of Panax Corporation, East Lansing, Michigan.

In Lansing, Mich., Tuesday, Hall announced results of a State Chamber survey of 1,000 Michigan export manufacturers. He said survey results indicate that year-round shipping would "boost Michigan's economy by $345 million annually and could mean an additional 30,700 jobs."

RECESS

Mr. BYRD of West Virginia. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair, with the understanding that the recess not extend beyond 12 o'clock meridian today.

The motion was agreed to; and (at 11 o'clock and 41 minutes a.m.) the Senate took a recess, subject, to the call of the Chair.

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess, when called to order by the Presiding Officer (Mr. GAMBRELL).

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I be excused from attendance in the Senate tomorrow for the purpose of attending a funeral.

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

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow, following the approval of the Journal, if there is no objection, and the recognition of the two leaders or their designees under the standing order, there be a period for the transaction of routine morning business not to exceed 45 minutes, with statements therein limited to 3 minutes.

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

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

Does the Senator from Florida have any business?

SELECTION OF LAKELAND AND GAINESVILLE, FLA., AS ALL-AMERICA CITIES

Mr. CHILES. Mr. President, each year, out of the thousands of towns and cities in the United States, several all-America cities are selected. This all-America cities program is conducted under the auspices of the National Municipal League in cooperation with Look magazine and the selections are made by a highly qualified panel of judges from various walks of life after exhaustive study of a number of entries.

This morning 11 All-America Cities for 1971 were announced and I am extremely pleased and proud to find that of that number, two are in Florida. What gives me even more pleasure is that one of them, Lakeland, is my hometown while the other, Gainesville, is the home of my alma mater, the University of Florida. I know that in selecting the All-America Cities great emphasis was placed on their identification and solutions to the pressing, complex problems faced by all cities today and it is an outstanding tribute to both Gainesville and Lakeland that their efforts have been recognized and lauded in this way. They are only two of many Florida communities which are doing tremendous work in coping with modern-day, urban problems, but they deserve this special recognition.

I certainly know Lakeland well because I was born there, I was reared and educated there, I have reared my own family there, I developed my law practice there, I have run for public office a number of times there and I have been deeply involved in the community. I know that recent years has brought a quality of community leadership and a communitywide spirit of cooperation that has resulted in far-reaching progress in overall city planning and development, housing, race relations and business development. Lakeland has sought successfully to avoid many of the crises which have been hitting our urban areas by pursuing solutions before the crisis develops. Without getting into specific activities and programs, I believe it is apparent Lakeland has well earned the designation of All-America City.

I believe Gainesville's problems are somewhat more complex than Lakeland's.

The community merges a sizable, long-time agricultural element, a conservative business and residential populace, a large university student body and the accompanying academic segment. The community has experienced severe problems related to the integration of its schools, to the community's growth in concert with the university and to the activities which are regularly associated with university students these days. Again, Gainesville has taken a progressive attitude and done an outstanding job of dealing with these complex difficulties.

I am pleased to be able to commend both Lakeland and Gainesville and to call attention to their accomplishments and distinction here this morning.

ADDITIONAL STATEMENTS

PASSAGE OF S. 70, THE RURAL TELEPHONE BANK BILL

Mr. ALLEN. Mr. President, I should like to comment briefly on S. 70, the rural telephone bank bill, which was passed by the Senate on this past Monday. I am delighted that the Senate temporarily set aside the debate concerning changes in rules of the Senate to pass this legislation, which is designed to create a part Federal, part private lending institution to provide for the capital needs of our Nation's rural telephone systems.

These telephone systems—independent and cooperative—are presently borrowers from the Rural Electrification Administration. REA loans have been their sole source of growth capital. Until recently, the period between loan application and loan approval has not been long, but with the tremendous growth faced by these telephone systems and a need on the part of the Federal Government to tighten its belt, the wait has gotten longer and longer. Today there is a backlog of more than $450 million and in terms of waiting time, this is 4 years.

This bank, therefore, will not only provide our rural telephone companies with a much needed financial shot in the arm, but it will also be a step away from total dependence upon Government financing.

Though the bank will originally be organized as a wholly owned Government corporation, it will revert to private ownership as soon as the Government's initial investment has been repaid.

We in Alabama are very proud of the REA telephone program. In fact, the very first REA telephone loan was made to an Alabama telephone exchange—the Florala Telephone Co., Inc., of Florala, Ala.

This precedent-making loan, made in February 1950, has since proven to be just the first in a successful and viable partnership between our Federal Government and private enterprise. In fact, to date, over $70 million has been lent to Alabama telephone borrowers alone by REA. And not one borrower has defaulted on repayment to the slightest degree.

Mr. President, when that first loan to Florala Telephone Co. was made, only 8.2 percent of Alabama's farms had telephones—and much of that service was on obsolete magneto phones with as many as 16 or 20 persons on a line.

Today, 68 percent of my State's 85,000 farms, rural homes, and rural businesses have telephones and nearly all of it is modern dial service.

This says a great deal for the energy and initiative of our rural telephone companies. But it also points out how much farther we have got to go. For there are still too many services which are on only eight-party lines.

This telephone bank bill will, in the years to come, go a long way toward bringing modern, one-party, low-cost dial service to any rural resident who might wish it.

I cannot speak too highly of our Alabama telephone companies, both cooperative and independent, or of the people who man them.

Mr. President, with the possible exception of electrical power, it is hard to conceive of anything that means more to the happiness, convenience, and economic well-being of rural America than good telephone service. I hope that S. 70 will receive prompt consideration in the other body so that this vitally needed telephone bank can begin its work.

NEED FOR BIPARTISAN SUPPORT FOR AGRICULTURE

Mr. MILLER. Mr. President, on Monday of this week, the distinguished Senator from Kansas (Mr. DOLE) discussed the realities of the farm situation at a meeting of the Midwest Feed Manufacturers Association in St. Louis.

In his talk, he emphasized that all of us—whether from rural-oriented States or urban-dominated States—must be more mindful of than ever before: The need for bipartisan support for agriculture.

If agriculture, in the face of all its growing problems, is to maintain and improve its position in our economy, it needs all the support it can muster from both sides of the aisle. Whether our party affiliation is Republican or Democrat, this is no time to be playing politics with the future of our farmers.

We who represent agricultural constituencies as well as those who have predominantly urban constitutencies, must pursue a bipartisan course in meeting the requirements of the Nation's farmers.

I ask unanimous consent that the text of Senator DOLE'S speech be printed in the RECORD.

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

REMARKS OF SENATOR BOB DOLE

I am pleased to be with you today at this meeting of the Midwest Feed Manufacturers Association. I have met many of you on other occasions. We all have something in common: our service to the farmers of this Nation—you in developing and manufacturing their livestock feed—myself in helping to develop and refine farm legislation to assist them in their operations.

As feed manufacturers, you are constantly improving your formulas, trying to give the farmer a better feed at lower cost.

As a member of the Senate Committee on Agriculture and Forestry and former member of the House Agriculture Committee, my job has similar objectives. Members of both agriculture committees are diligently working to improve farm legislation; trying to implement legislative formulas which will improve the farmer's operations and income, while trying to stay within a budget.

Last Thursday, I spoke to the annual convention of the National Farmers Union in Washington, D.C. My remarks immediately followed those of Democratic National Chairman Lawrence O'Brien. I knew Mr. O'Brien would be partisan in his speech. I was dismayed, however, that he attempted to interject party politics in the universal problems of the American farmer. I do not feel we can afford to allow party lines to divide agricultural issues. There are not enough of us Members of Congress who are really concerned about the future of agriculture. There are fewer than 50 Members of the 435 Members of the House of Representatives who represent districts which have a dominant farm constituency. Most House Members are working to help the urban dweller. This is bipartisan. Democrats and Republicans alike have lost rural representation in Congress.

The declining farm population over the last 20 years has also been bipartisan. The farmers who quit, those who moved to the city, were both Democrats and Republicans.

Let me repeat: bipartisan treatment of our farm population and agri-business is unjust treatment. Efforts to improve the farmer's position must be bipartisan. We need to increase domestic consumption and production, so that he can get better prices. This is the way we can really help the farmer.

Certainly the loss of over 10 million of our farm population during the past 30 years and agricultural supply and production complications cannot be blamed on Richard Nixon and Clifford Hardin.

During the past two years, however, I think we can see a basic recognition of the bipartisan character of agriculture.

In developing the Agricultural Act of 1970, the Secretary of Agriculture and his staff spent untold evening hours working with people on both sides of the aisle to develop a constructive farm program.

This certainly is not the final answer—the point is that once again agriculture's interest is being protected—not by one party—but the bipartisan efforts of the agriculture committees.

I welcome this opportunity to be with you, for we share a common concern. It is concern for American agriculture and for all segments of American life.

With that concern, we also share a common determination. It is a determination to face squarely the problems of the present, and together develop constructive answers for a brighter future.

Let me make one point clear—just as Secretary of Agriculture Clifford Hardin was given the charge by President Nixon to represent the farmers of this country in the councils of government—so will the present chairman of the Republican National Committee fight not only in the Senate but also in the political arena for those interests, along with a comparable effort by dedicated Congressmen like Bob Poage and Herman Talmadge.

Let me say at this point that those interests—the interests of farm people—are the interests of America—just as the strength of a dynamic and progressive agriculture is a source of strength and progress for our nation and the world.

You know and I know that there is a great deal of misunderstanding among our citizens both over the importance and the complexity of farm and rural programs.

If you will permit me one small partisan remark—and I know you suspect that I have one little one tucked away—I can't help but

be dismayed by the attitudes that some city democrats have toward agriculture.

REFUSED TO SERVE

That attitude was manifest this year when Congressman Herman Badillo of New York City refused to serve on the House Agriculture Committee. Congressman Badillo's fellow democrats were unhappy that he did not remain on the agriculture committee, since the committee oversees the major anti-poverty legislation concerning food stamps, commodity distribution and school nutrition. Two years ago, Representative Shirley Chisolm said, "all I'm asking for is something more relevant than agriculture," when it was suggested by democrat colleagues that she serve on the House Agriculture Committee. Food is relevant to every citizen of this nation—and that's what agriculture is all about.

All around us is evidence that the farmers of this nation are doing an outstandingly efficient job of providing the foods and fibers essential to our national well being, plus meeting the important needs of friendly foreign governments. The production efficiencies of our farms and ranchers undergirds the American standard of living—the highest in the world.

The breakthrough in our agricultural technology, while creating some grave and difficult temporary problems, also provides us with an opportunity to help developing nations to help themselves. Our productive capacity is helping us to build a political, economic and social structure oriented toward freedom. It is strengthening the free world—and you are helping make it so.

I am deeply impressed with the basic fact that yours is a growth industry—farmers spent about $7 billion for feed in 1970—some 40 percent higher than in 1960. Our growing population and rising standard of living poses a substantial challenge to the agriculture of tomorrow.

The economists estimate that American farmers will have to increase livestock production by 1.7 percent annually over the next 15 years to meet expected domestic and export needs. Judging by the past, our agriculture can meet these needs in the years ahead, but we cannot assume that the progress of the recent past will necessarily recur. Our agricultural advances hinge on our ability to be more productive per unit of labor.

This depends on research—both public and private. With your help and support, this production need can be met through research. President Nixon understands the importance of research. The President established as one of the fundamental goals of his agricultural policies "more and better research."

The day is long gone when home-grown grain and a little salt and mineral can provide a profitable livestock ration. Research has proven that food for livestock can make more efficient use of grain and forages when properly supplemented and balanced with the necessary proteins, vitamins, and other additives.

Market rations today require considerable nutritional knowledge and some elements are required in micro amounts and must be mixed with precision. But formula feeds have opened a door to new feeding efficiency. They are backed by the reputation of the company producing them. There is no danger of a farmer making a costly ingredients mistake—and these ingredients are thoroughly tested for quality. Many feed companies have experienced nutritionists and vast research facilities, both to develop new rations and to serve as consultants to farm customers.

Those farmers that cannot make a profit cannot stay in business, and only those who stay in business remain customers. A prosperous farmer is the best customer. I do not think you would be satisfied just to sell feed to farmers. You should be wholly dedicated to those programs which help farmers realistically, and there is a mutuality of interest in the problems associated with marketing at profitable levels between the feed ingredient supplier and the producer.

Again, I say a prosperous farmer is the best customer.

There was a great politician who once said, "let's look at the record." Let's take a quick look at some items of accomplishment that farmers and rural residents from across the nation can examine.

FARM INCOME

First of all, the 1961–1968 average realized net farm income was $13.8 billion. The 1969–1970 average—the Nixon years—was $16.0 billion up 16%. You and I know this is still inadequate. It's still not fair, but it's a start. We intend to do even better with new programs.

GRAIN MARKET IMPROVEMENT

I can recall the mid-sixties farmers would dread the day Commodity Credit Corporation was to announce the dumping of some surplus grain. It was a pretty sure bet grain markets would drop 3 cents to 10 cents. I am pleased to say that the minimum legal resale for grains is now 115 percent of loan. CCC is getting that much and more.

Foreign nations know they can depend on the U.S. to deliver the quality grain they want. Local cash prices once again reflect export sales. This is a healthy trend. On top of this, the wheat farmer still receives his marketing certificate for 100% of parity on his domestic production and for feed grains will receive a production payment. Farmers sell their wheat and average the marketing certificate income, a blend price is the result.

Let's look at the blend price on wheat the past three years. In 1968 it was $1.79 per bushel. In 1969, it was $1.89 and in 1970 it was $2.11 per bushel. If the administration is successful in maintaining and expanding world markets for U.S. grains, we can forsee a further increase in this blend price in 1971.

HUNGER AND FOOD

Let us discuss another factor of our American scene. The question of hunger and malnutrition in the United States.

In May, 1969, President Nixon delivered a memorable "Hunger Message," in which he said, "That hunger and malnutrition should persist in a land such as ours is embarrassing and intolerable." Since that date, the United States has moved forward in overcoming these problems.

While there are some whose hunger for headlines exceeds their thirst for facts, I feel you should have an exposure to facts of record since 1969:

A tripling in the number of people benefitted by the food stamp program, from 3.2 million to 9.5 million.

More than a five-fold increase per month in the value of food stamp bonus coupons, from $22 million to the current monthly value of $128.5 million.

An increase from 3.8 million to 6 million in the total of needy children receiving free or reduced-price meals at school. Some 800,000 additional youngsters benefit from special food service and school breakfast programs. Total participation in the school lunch program approaches 24 million.

A widening geographic search to expand food assistance. In May of 1969, 436 of the country's more than 3,000 counties and independent cities lacked a family food program for poor people; the total has now been reduced to 10.

A near doubling of the total coverage of family food assistance programs, from 6.8 million persons to 13.2 million today.

This is a proud record for all America, for we are well on the way to attaining the President's goal—to banish hunger from this land for all time.

Never before had the leader of a great nation set such a goal as a matter of national policy. Never before in the history of mankind had a nation committed itself to cope with hunger and malnutrition on such a vast and unprecedented scale. Never before have farm families benefitted from so many new and better customers. This program is of major benefit indirectly to feed manufacturers.

But, one more comment. The food stamp program now includes nearly 10 million people throughout the nation. It now incorporates a key element of the President's family assistance program, that is, the "workfare" provision. It includes a specific requirement that those who are able to work should be willing to work if they want to receive the helping hand of their fellow citizens and taxpayers who finance the food stamp program.

FARM EXPORTS

Just a week ago, the USDA issued a press release with the heading "1970 farm product exports hit record $7.2 billion." This was 22 percent above 1969. All of us should rejoice that American farmers cracked the $7 billion barrier for the first time in history—and like the man said, "You ain't seen nothin' yet," because we are on our way to a $10 billion annual export goal.

You and I know it is most important that we expand our agricultural exports. In considering farm policy, one must be sensitive to the fact that export outlets for feed grains, wheat, cotton, and soybeans, including the products, provide an important share of the market. And we have to be most concerned with the need to maintain and expand these outlets.

Our programs must look to overseas markets, and we must be prepared to compete for maximum utilization of our products throughout the world.

If U.S. farm exports are to reach our $10 billion goals by the next decade—a necessary objective—they must move competitively in the markets of the world. It will be our policy to do everything feasible in our discussions with foreign governments to stimulate export markets for U.S. farm families. We are not satisfied with the results of the Kennedy round of trade negotiations. We know now that in that round agriculture was treated as a poor relative.

FUTURE OUTLOOK

Now, let's take a quick look into the crystal ball and see what agricultural legislation is pending in coming months.

First, the sugar bill expires this year. The present program regulates sugar imports and assures domestic producers about 60% of the total market. A decreasing schedule of payments is made to the producer, based on the amount of his production. The act is in effect self-financing. Hearings are expected to be conducted in the near future and congressional consideration of this legislation is expected early in 1971.

Second, pesticide legislation is to be considered. I needn't remind you of the importance of this legislation. There are two factors that must be considered in this legislation:

(1) They are dangerous. They will kill or injure if not handled and applied properly.

(2) They are vital to agriculture. These chemicals have in some cases, replaced the "hired" man . . . in fact, several hired hands if you were to attempt to farm without the valuable "tools" of pesticides and herbicides.

Proposed legislation by this administration would classify these chemicals and restrict the use of the chemicals. Hearings will be held on this legislation in the near future in the Senate. They are already underway in the House. Closely related to this environmental problem is agricultural pollution which is being considered in the public works committee of the Senate of which I am a member. Through the use of sedimentation and other techniques, the abatement of water pollution

from animal feedlots can be effectively controlled. The real problem in controlling the amount of runoff rain water that mother nature chooses to drop in the feedlot area. Hearings will be held on this problem soon.

RURAL DEVELOPMENT

Third, rural development is a term used throughout the nation today. Some people would have you believe it is the answer to all the ills of the city. Some proponents visualize literally moving thousands of our urban dwellers back to the rural communities. I've seen the mess some of the urban renewal projects have created—and we don't need to copy that mess in rural America.

As you know, President Nixon and Secretary of Agriculture Clifford Hardin are meeting in Des Moines, Iowa today to discuss plans for rural development. And I feel sure we can look forward to pertinent statements from the White House on agriculture in the near future. After all, the fact the President named a man from a small town of 6,500 in western Kansas as national Republican chairman is a good indication he is concerned with helping agriculture and rural development.

There have been many thoughts, comments and plans for rural development. The President's comments today will provide some guidance in bringing together these diverse efforts. Many of his comments will be based on reports from federal agencies as required in title IX of the Agricultural Act of 1970.

Title IX of the Agricultural Act of 1970 requires federal agencies to appraise existing rural programs and assure residents of rural areas the same federal service and privileges the urban dweller enjoys.

The rural telephone bank bill was favorably reported by the Senate Agriculture Committee last week. This legislation has been pending in the past four Congresses, but the Nixon administration is the first to advocate and support it. I both hope for and anticipate prompt passage of this constructive measure. It will assure rural America the means to establish comparable telephone service as is available in urban areas.

A rural development bank to make financial and technical assistance available for the establishment or expansion of rural private or public enterprises has also been introduced. Considerable research is underway on other rural development legislation, including a comprehensive revision and expansion of the farm credit system.

To conclude, I would like to draw attention to some areas where I see agreement between—agriculture and the Republican Party.

(1) Realized net farm income which averaged $16 billion during the 1969–1970 period was 16% higher than the 1961–1968 average.

(2) The past CCC stocks have been reduced and that grain sold at levels which stabilized prices.

(3) Agricultural chemicals are essential "tools" for farmers, and this administration is working to preserve their continued safe and appropriate use.

(4) Farmers like a chance to be independent and to make as many decisions on their farms as possible. This administration helped Congress pass legislation which, for the first time in a decade, permits farmers to plan more of whatever crop makes him the most money.

(5) Export sales help stabilize domestic prices for grain and this administration has actively pursued expansion of farm exports.

(6) We all feel an obligation and a desire to feed the poor and hungry through commodity distribution, school feeding programs, and the food stamp program. These programs are being expanded as rapidly as possible without losing control of their administration.

(7) I think we all agree with the way Louis Armstrong put it on a recent television interview as he recalled an admonition of his father, "We ought to help the poor, needy people . . . but not the poor, lazy". If a man is not handicapped and can work, he should be willing to work to earn food stamps or welfare payments.

(8) Dairy farmers have derived satisfaction from administration actions, and this administration has not recommended that housewives use the "low priced spread."

(9) Certainly we all agree the low 16.7 percent of disposable income the American consumer pays for food is the biggest bargain in the world.

So let's keep tabs—deeds speak louder than words. From this list and those items we see as possible legislation in the future, we are sure that a bright future is ahead for the American farmer under Republican administrations.

ADMINISTRATION POLICY IN SOUTHEAST ASIA

Mr. FULBRIGHT. Mr. President, Mr. Peregrine Worsthorne has written for the Washington Post of February 28, 1971, a perceptive article about the policy of the present administration in Southeast Asia. The article is apparently based upon interviews with the President and Dr. Kissinger, and reveals a policy more consistent with present actions of our Government than many people realized.

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:

[From the Washington Post, Feb. 28, 1971]

MR. NIXON IS PLAYING TO WIN IN ASIA

(By Peregrine Worsthorne)

President Eisenhower, it will be recalled, put an end to the Korean war on terms that seemed to justify all the blood and treasure that America had spent on its prosecution. A similar achievement is beginning to look possible for President Nixon in Vietnam.

Just as America succeeded in guaranteeing a non-Communist, independent South korea, divided at the 38th parallel, free of northern infiltration and subversion, so now America seems poised on the brink of succeeding in its long struggle to do the same for South Vietnam.

No wonder a mood of infectious optimism pervades the White House today. Putting an end to the Korean war was the great achievement of the Eisenhower presidency.

Nixon hitherto has enjoyed no such reputation. For him to pull off such a triumph, in even more difficult circumstances, would be doubly incredible, establishing him in the eyes of the American people, and more important, perhaps, in his own eyes, as the veritable "son of Ike."

To don the mantle of his great mentor has always been Mr. Nixon's wildest ambition. Hitherto it has been a Walter Mitty dream, as inconceivable as that Anthony Eden should succeed in rising to the stature of Winston Churchill. (When Eden did try such an experiment, at Suez, it ended in fiasco.)

But the chances of Mr. Nixon now realizing his great dream are by no means negligible. It really is beginning to look as if, thanks to him, America may be about to achieve its purpose in South Vietnam. If the Laos operation succeeds, the scene could be set for an eventual settlement on a Korean pattern—a divided Vietnam with the South able to survive for the foreseeable future.

The skeptics, of course, still refuse to take this prospect seriously. They point to earlier so-called turning points in the war which past administration spokesmen heralded as likely to the decisive only to have their hopes cruelly shattered by unpredicted North Vietnamese initiatives. One such critic showed me a whole host of optimistic background briefing transcripts during the Johnson period which turned out in the event to be tragically misleading.

Perhaps, then, Mr. Nixon's present hopes will soon prove to be as insubstantial as Johnson's and Henry Kissinger, the present White House grey eminence, a no more reliable guide to the future than his predecessor, Walt Rostow, who was always heralding victory as just around the corner.

CAUSE FOR OPTIMISM

All one can say is that after long talks with both the President and Kissinger, this reporter is persuaded that it is more reasonable today to be optimistic than pessimistic. The administration can mount formidable arguments for concluding that the Laos operation this year, following and running parallel with the operation begun last year in Cambodia, is in process of disarming the North Vietnamese potentiality for offensive action to the point where the South can safely be regarded as invulnerable.

The critics in Congress, and in the newspaper offices, with whom I also talked at length, are not able to challenge these conclusions with rational counter-arguments. All they can say is that the North Vietnamese have so often done "the impossible" in the past that nobody can be certain that they will not do so again.

In other words, the critics do not any longer seek to argue with the administration on the level of rational debate. They fall back on blind defeatism, on mindless gloom. They simply refuse to believe in victory almost on principle, not rationally but instinctively, not because the facts do not suggest a satisfactory outcome, but because they do not wish to study the facts.

In the early stages of the Second World War the inclination in Britain was to believe in victory in spite of all the overwhelming rational calculations which pointed inexorably toward defeat. Victory was not a reasonable assumption; it was a matter of faith. Among the Nixon administration's critics today the reverse is true. Defeat has become a matter of faith, to be believed in despite all the accumulating evidence to the contrary.

Queen Victoria, during the Boer War, had a notice put up in Buckingham Palace saying, "There will be no defeatist talk permitted in this house." One almost got the impression, visiting administration critics in Washington, that their attitude to any talk of victory in Vietnam is exactly the reverse, that they regard optimism as somehow unpatriotic, not to say subversive, even sinful, as well, of course, as illiberal and reactionary.

All this is perfectly understandable. America went into the Vietnam war utterly convinced that an advanced industrial Great Power was bound to be able to impose its will on a small, ramshackle, tin-pot society like North Vietnam. There was initially no true understanding of the realities involved in fighting a guerrilla war. American omnipotence was simply assumed as an article of faith.

As a result of a decade of cruel disillusion, this absurd, unjustified underestimation of North Vietnamese potentialities gave way to an equally far-fetched counter-conclusion. Having begun by scorning the North Vietnamese, the Americans came to defy them. Irrational assumptions of American omnipotence gave way to equally irrational assumptions of American impotence.

The manifestly crushable tin-pot, ramshackle state of North Vietnam became transformed into an indestructible race of supermen against whom advanced technology was totally powerless. All the contempt which initially had governed the American ap-

proach to North Vietnam was transferred to South Vietnam. Having grotesquely patronized and despised their Asian enemy, American opinion began grotesquely to patronize and despise their Asian ally. Just as at the outset of the American involvement it seemed inconceivable that American aid could not guarantee Saigon victory, so as the years passed it became accepted as equally axiomatic that American aid could not possibly avoid Saigon's defeat.

KISSINGER'S CONVERSION

Henry Kissinger is engagingly frank on this point. He admits that on first coming into the White House his assumption was that the Nixon policy of combining American withdrawal with rapid Vietnamization was in effect little more than a face-saving formula. The Vietnamization program was seen as a bluff designed to build up a slightly more favorable negotiating position from which to reach a settlement that would in effect be a North Vietnamese victory, only delayed long enough to save America's face. The last two years, however, have drastically altered his judgment. Vietnamization has succeeded beyond his wildest expectations.

It will be as difficult and painful for the Americans to rediscover their faith in South Vietnam in the 1970s as it was difficult and painful for them to lose it in the 1960s, and as difficult and painful for them to lose their awe for North Vietnam as it was for them to develop it.

Kissinger believes it to be the task of the realist today to prick the defeatist bubble. He is no longer worried by the possibility of the North Vietnamese pulling off some catastrophic surprise. Much more dangerous and possible in the long run, in his view, is the possibility of the South Vietnamese doing something untoward. One almost got the impression from Kissinger that he is more worried today that the South Vietnamese will invade the North than vice versa.

He would be the first to admit, of course, that the present Laos operation would make this kind of talk look very foolish. If the South Vietnamese, who are for the first time on their own, were to suffer a major defeat, the whole program of Vietnamization would have been shot to tatters. In this sense it is a major gamble. But it is a gamble which would only have been taken if the administration was overwhelmingly confident in its successful outcome.

The point that needs to be grasped is that so long as Vietnamization was regarded simply as a bluff, it would have been inconceivable to risk having it called until after the American withdrawals were virtually complete. The Americans, in the mood of even a year ago, were anxious to avoid giving the North Vietnamese any opportunity to disprove the fiction of Vietnamization, since to preserve it intact was absolutely necessary to justify the policy of withdrawal. They were determined to guard the South Vietnamese from any danger of humiliation until withdrawal was virtually completed.

As it is, however, the Americans have consciously and purposefully courted having the bluff called, confident that the North Vietnamese dare not and cannot do so. They really do believe that, given American air support and supplies, the South Vietnamese can win the war by their own efforts.

BUYING IKE'S IDEA

Whether this faith is justified only time will tell. But that it exists at all in the higher reaches of the administration is a fantastic phenomenon. For make no mistake, we are back, in effect, to the very mood in which America first became involved in Vietnam, back to 1960 if not 1954, when Eisenhower assumed that American interests in Asia could be pursued by encouraging "good Asians" to fight "bad Asians," with the aid only of American air and sea power.

A year ago such an idea would have been mocked, even by this administration, as utterly anachronistic, and wholly exploded by the Vietnam experience of the last 10 years. Now, however, the thinking is very different. The Eisenhower idea is no longer thought of as being out of date today but as having been premature then. When Eisenhower first propounded it in the 1950s it was an idea whose time had not yet come. But today it is an idea whose time has come.

Twenty years ago Southeast Asia was a vacuum, with no indigenous political and military forces capable of filling it, apart from the Communists. Now, however, Southeast Asia is ready for the Eisenhower doctrine, with non-Communist Japan about to overtake China as the dynamic giant of the area, and China itself no longer regarded as the inevitable wave of the future. The new spirit of South Vietnam, in short, is seen as part of a far wider resurgence of non-Communist Asian political and military strength in the context of which American influence can be constructively exerted without the need for large-scale ground troop involvements.

The obvious danger is that the Communists may refuse to be deterred or to give up, and that forces supplied and supported by the United States could be fighting throughout Indochina for many years to come. One can only assume that the administration is confident that nothing of this kind is going to happen, and that even if it does, it will not interfere with the announced withdrawals of American ground troops. In other words, air escalation is assumed to be politically safe, so long as ground force deescalation continues as planned. This again is a formidable gamble, based on an equally optimistic assessment of what is happening in America.

Nobody in the administration seems to doubt the overwhelming opposition of the American people to any continuing large-scale ground force involvement in the war. The agony of the past 10 years has induced an absolute insistence on the troops being brought home.

But this, they say, is not the only consequence of the past few years. Just as important, although much less appreciated, is the determination by the majority of the American public never again to tolerate the kind of anarchic protest that brought about President Johnson's abdication. In other words, Vietnam has not only induced an antiwar feeling; it has also induced an equally strong anti-antiwar feeling.

As one White House aide put it: "It may well be true that Nixon could not get away with escalating the war. But it would be just as much political suicide for the Democrats to try to re-escalate the protest movement against the war. For if there is one thing the Americans are more sick of today than fighting in the jungles abroad, it is fighting in the street and campuses at home."

This I believe to be profoundly true, and of the greatest political significance. For if President Nixon is circumscribed in terms of the violence he can unleash in Vietnam without catastrophically losing support, so are the Democrats circumscribed in terms of the violence they can unleash at home without also catastrophically losing support. The President is compelled by political necessity to operate "pacifically" in Vietnam. But so are his critics at home compelled to operate "pacifically" in their opposition.

NO HAWKS, NO DOVES

The experience of the past few years, in short, has clipped the wings of hawks and doves, limited the manner in which the Vietnam war can be prosecuted, but also the manner in which it can be opposed. Wild actions abroad are now politically taboo. But so are wild words at home.

Both the administration and its critics are forced by political necessity to play it cool—a role for which Mr. Nixon sees himself ideally cast, much more so than any Democratic contender yet in sight. In this respect the President seems to see himself as protected by the fate of his predecessor. By toppling Johnson, the antiwar movement overreached itself, guaranteeing that nothing of this kind could be repeated for many years to come. Johnson's experience, in short, was not so much a warning for Nixon to heed as a vaccine enabling his successor to be immune from such attacks in the future.

NIXON'S STRENGTH

Again Mr. Nixon may be unduly optimistic. But no visitor to America can avoid noticing the absence of passion, compared with two years ago. Crusades are out, not only abroad but also at home. It is not only the military authorities who are finding the young difficult to draft. The student protest leaders are finding them equally unresponsive. If the young are reluctant to be shot at by the Vietcong in the jungle, they seem equally skeptical about the point of allowing themselves to be shot at by the National Guard on the campuses.

In other words, it is not only governing America that has become a highly delicate operation. So also has opposing those who govern. Public sympathy and patience are as quickly lost by those who rock the boat excessively as by those who set it on an excessively ambitious course.

This may be Mr. Nixon's greatest source of political strength. If he can persuade a majority of the American people that what he is trying to do in Vietnam is cautious and responsible, the dangers of trying to oppose him may well appear as more damaging than the dangers of allowing him a free hand—continuing but decelerating bloodshed in Vietnam less horrendous a prospect than a resumption of bloodshed on the streets of America itself.

Mr. Nixon himself is not a popular leader. But he is fortunate in occupying the White House at a period when there is a deep yearning for the authority of the presidency to be re-established, a real concern that there should be no repetition of the anarchic disintegration that marked the last two years of his predecessor's reign. In one sense, therefore, his weakness is his strength, since he is too insecure to be subjected to rough handling, too inflammable for anybody to dare approach him with fire. His very lack of armor is his best protection, since all but the most extreme are reluctant to do him mortal damage.

This is not the ideal basis for presidential power. But it is the best available, and one on which Mr. Nixon rests with a wry kind of dignity and courage that is at once touching and impressive. Unable to command love, he has done the next best thing: rendered himself immune to hate. It is no mean achievement.

THE 50TH ANNIVERSARY OF DISABLED AMERICAN VETERANS

Mr. SAXBE. Mr. President, there is no greater horror than war. Yet throughout history, it has remained a tragic reality which must be acknowledged and whose victims must be embraced and restored to civilian life with the capability necessary for meeting the challenges of society.

Today, I would like to pay tribute to the Disabled American Veterans, which is celebrating its 50th anniversary of providing inestimable services to those men who paid great sacrifices in defense of their country.

Dedicated to the pursuit of improving the conditions, health, and interests of men wounded, disabled or injured while

serving in the armed services, the Disabled American Veterans was established in my own State of Ohio, in Cincinnati, in 1920. It was born out of the chaos that ensued from the return of 300,000 disabled veterans from World War I. Since then, over 7 million veterans and their families have benefited from the DAV.

The merits of this organization extend far beyond simple compensation for their suffering. Unceasingly striving to better the welfare of the disabled, the DAV has established comprehensive rehabilitation, educational, and training programs.

The infinite rewards and successes of DAV are evident not only in the number of recipients, but in the strengthening effect it has had on the American society as a whole.

It is with a deep sense of respect and appreciation that I salute the Disabled American Veterans.

CRISIS IN HEALTH CARE

Mr. HUMPHREY. Mr. President, I am pleased that the President of the United States recognizes the crisis in health care facing our Nation today and that he wants to do something about it.

His statements and statistics of rising costs and increasing inequities are not new to those of us who have been deeply concerned with this problem for years.

It is good to hear him say the Federal Government "does bear a special responsibility to help all citizens achieve equal access to our health care system—we must now work to expand the opportunity for all citizens to obtain a decent standard of medical care. We must do all we can to remove any racial, economic, social, or geographic barriers which now prevent any of our citizens from obtaining adequate health protection. For without good health, no man can fully utilize his other opportunities."

Mr. President, I was saying much the same thing back when Mr. Nixon would have denounced his own message on health as "socialist."

In 1949, as a freshman Senator, I proposed a system of national health care for our elderly citizens. Sixteen years later, President Johnson signed it into law as medicare, the most extensive program of its kind in our history.

I have long been an advocate of reform in the financing and delivery of health care in the United States. We Americans are blessed with excellent medical technology, the world's best trained doctors and nurses, the finest scientific research and treatment facilities.

The problem, to put it simply, is to get proper delivery of all this to all of our people at prices everyone can afford to pay.

There is much in what the President proposes that I agree with and do support.

I have long advocated group practice as an efficient, effective, economical method of providing comprehensive health services.

I welcome the President's support for efforts to break down the barriers erected by 22 States to prohibit or limit group practices.

The shortage of medical personnel and care is widespread, but nowhere is it so acute as in the rural areas and urban ghettos.

The President speaks of financial incentives and Federal requirements to combat the problem. This is fine, but we must do more.

One of the best ways I know to provide medical professionals for rural communities and inner cities is to train people from these areas and give them reason to want to go back and work there. This involves not only finding such persons but providing them the incentives to return and the promise of as good a future back in the old hometown or the old neighborhood as they could expect elsewhere.

But as far reaching as the President feels his program may be—and in some aspects it is—it falls far short of being what he terms "equal to the complexity of our challenges."

It is a piecemeal, half-way proposal that does not provide the much-needed reorganization of delivery and financing of health care—it just rearranges the present parts a little better. It is a step forward—but too short a step to meet the Nation's health needs.

I want to talk today about some of the shortcomings of this plan, and in the days and months ahead I will be offering specific proposals to implement my ideas on how we can make our health care system more responsive to the needs of the American people.

The essential key to any health care reform is a fundamental shift in emphasis from the present system of "crisis" medicine to preventive medicine.

The more we do today to prevent illness and keep the population healthy, the less we will have to spend tomorrow on cures and treatment.

Forty million Americans have no health insurance of any kind. Actually, no one really has health insurance—it is sickness insurance. You have got to be sick, really sick, before you get any benefits.

It is rather ironic to note that a preponderant number of States in this wealthy Nation of ours require automobile insurance, but not one requires the most minimal health coverage for all its citizens.

What we have here is a serious deficiency in basic planning, design and operation of our health care system—a failure of our society to establish national priorities. The time has come, I am convinced, to get both our priorities and our systems straightened out and functioning properly.

The President says "we cannot simply buy our way to better medicine." That may be true, but he should also keep in mind that nothing is free and you get what you pay for. Mr. Nixon is very generous in rhetoric and promises but rather parsimonious when it comes to matching words with money.

The patient—in this case, the system of health care in America—is in critical condition and needs major surgery, perhaps an organ transplant. But Dr. Nixon says, "That's too expensive. Just take two aspirin and call me in the morning."

Government cannot permit itself to be stingy when it comes to the health of its citizens. Good health is good economics and good government.

The rising costs that we are experiencing in medical care are a matter of national concern.

Medical costs must be brought into line. The elimination of waste and duplication is essential.

The administration's proposal is parsimonious when it comes to government assistance, but very generous in allowing the consumer to pick up a big chunk of the bill. Moreover, it rewards a private industry that is largely responsible for skyrocketing medical costs—the insurance companies.

The insurance industry has shown itself either unwilling or unable to do much, if anything, about keeping prices down. While not alone, they must bear a large share of the blame for the escalating medical expenses. Their emphasis on treatment in hospitals rather than in less expensive outpatient facilities has helped send costs soaring.

The administration plan is industry oriented when it should be consumer oriented. The insurance companies can take care of themselves—it is time to help the American people for a change.

The plan also perpetuates the existing double standard of medical purchasing power by failing to provide an equal level of care for all the American people.

The poor, the near poor, and the elderly would get far less protection than the rest of the population.

Even middle-income earners would not be very well cared for. A family hit by $5,000 in medical bills in 1 year—an occurrence that is becoming less and less uncommon—would be required to pay $1,250 of that sum out of its own pocket. The administration's proposed national health insurance partnership, thanks to large deductibles and copayment requirements, would not cover the expense.

That is a terribly large amount for a family earning less than $10,500 a year—as are the majority of American families.

The new plan would provide no coverage for the unemployed poor under age 65 who are single or married but have no children. Also left out of the system would be the unemployed single youngster who has left home—the teenage "dropout."

For the elderly medicare patient, the new plan would eliminate the monthly $5.30 payment for out-of-hospital doctor's services but they would have to start paying a share of hospital costs on the 13th day instead of the 61st, as at present.

Many of these people are on fixed incomes, and it will be an added burden on them when the deductible that comes out of their own pockets when they must see a doctor rises as the cost-of-living index goes up. All this more than outweighs the monthly savings of $5.30 that the administration boasts about under its plan.

For low-income families, medicaid would largely be replaced by a family health insurance program—FHIP. The present program is based on need and puts no limit on the number of days. The

FHIP would limit coverage for the poor to only 30 days of hospital care per year.

Those who exhaust their benefits could turn to medicaid, which relies on State operation and State matching funds, but coverage is inconsistent from State to State—two States do not have this program at all—and some may not be willing or able to fill the gap.

This also would mean shifting the burden of meeting the additional expenses to the cities and they are now suffering a financial crisis.

This treatment of the poor is one of the most regressive aspects of the administration's plan.

How committed is this administration to health care reform? Is it genuinely committed or is it playing politics with the health and well-being of 206 million Americans? Is it willing to invest what is necessary in building the health care system we need in this country, or is it just out to buy an election with hollow gestures?

Nineteen months ago, the President acknowledged the Nation faced a "massive crisis" in health care and warned of a possible "breakdown in our medical care system."

But we heard nothing more except for an occasional no, no, no, no, as he vetoed much needed health legislation.

He vetoed the 1970 appropriation for the Department of Health, Education, and Welfare, a decision that forced the closing of 19 National Institutes of Health centers as well as a cutback of $21 million in funds for cancer, heart, and other research.

Then he vetoed the Hill-Burton hospital construction bill and legislation to increase the Nation's supply of family doctors.

The administration now boasts about a $100 million "moonshot" effort to conquer cancer but close examination of their budget reveals they plan to spend only about $30 million—and I suppose, talk about the other $70 million. That $30 million, incidentally, is only about 1 percent of the amount spent on the real moonshot program.

I must admit that a record like this makes me just a bit skeptical when I hear these people talk about "building a national health strategy." I cannot help but wonder if this just is not more strategy, more rhetoric, more form without substance.

For all its talk about a "moon shot"-type effort, the administration opposes setting up a separate agency to lead the fight against cancer in the way the Manhattan project and NASA were established to do their special jobs.

That is why I am a cosponsor of the Conquest of Cancer Act, which would set up a separate National Cancer Authority to lead a vigorous, independent, comprehensive research program.

More than 44,000 Americans have died in the Indochina war in the past 6 years. During that same period here at home, cancer killed 2 million persons, including 35,000 children. That is about 312 youngsters a week, compared to a Vietnam combat death toll of 25 to 50 GI's a week.

Cancer will strike one out of every four Americans until new preventions and cures are found. One in six deaths will be from cancer this year. I have seen it firsthand. My own brother and my son were afflicted with this disease—my son was cured and is well today, but my brother was not so fortunate.

There are going to be tremendous changes over the next few years in the delivery of health care and the methods of financing it. This change is inevitable. And it is desirable.

I have joined 22 of my fellow Senators from both parties as a cosponsor of S. 3, the Health Security Act of 1971, because I believe this comes the closest to accomplishing what I feel must be done to make the American health care system truly the best in the world.

This is truly a health program for all Americans. It does not discriminate against a person because he is poor or ill or old or unemployed.

It treats everyone equally—providing far superior and more comprehensive service to people than any other plan yet offered, and at a lower cost to the individual.

The administration plan yould have the consumer pick up 25 to 35 percent of the costs set by private carriers, and employers would have to pay the rest.

Under the Health Security Act of 1971, the consumer would have to pay only 14 percent of the costs, the employer's share would be cut in half to 36 percent and the Federal Government, through general tax revenues, would pick up 50 percent.

Another advantage of our program is that it does away with costly deductibles, sets no upper limits on coverage and requires no coinsurance.

This is a consumer program, not a health industry-insurance company program, and the consumer will have a major voice in setting policy and running the system. Of course, the medical profession also will play an important role, but this will be a health care partnership, not a dictatorship.

Adequate health care is not a privilege. It is a fundamental right as basic as those itemized in the Bill of Rights, and it demands prompt action to relieve the most immediate injustices—those affecting the poor and those on fixed incomes.

The problem facing us is one of an imbalance between supply and demand. But not only are we lacking in the way of personnel and facilities, that which we do have is poorly distributed geographically.

The President shows that he recognizes this, but he does not go far enough in trying to solve it.

In the Nation as a whole, and in the Congress in particular, there is a great clamor to improve the delivery and financing of health care.

I welcome the President's message and eagerly await his specific, detailed proposals.

I trust his critics are mistaken when they say his motivation is not so much reform as it is to head off congressional adoption of a national health insurance system.

This is no time for publicity gestures and political ploys—it is time for genuine reform.

I sincerely hope the President and his administration will work with the Congress to develop a bipartisan national health program that will meet the needs of all Americans.

I strongly recommend vigorous debate—in the Congress and across the Nation—in the weeks and months ahead, as we work to turn our goals into reality—as we strive to make the United States not only the wealthiest, most technically advanced nation in the history of the world, but also the healthiest. For without health, all else is worthless.

I have dedicated myself to making improved health services for all 206 million Americans a matter of top priority. I want to see this 92d Congress go down in history as the "Health Congress."

Let us dedicate ourselves here to the task before us. Let us resolve that by 1976, when our great Nation celebrates its 200th birthday, that no American lacks instant and total access to the very best medical care in the world. Let America be known as the healthiest nation in the world.

Any effective restructuring of our health care system will require the concerted efforts of all citizens—of members of the health professions and their associations, of public health officials, of the insurance industry, of labor and management, of the Senate, of Congress, and—perhaps most important—of the health consumer.

Such a health coalition—such a working force of dedicated, creative individuals and organizations—can do for the health of the Nation what the Urban Coalition hopes to do for the cities.

Such a coalition—manning medical think-tanks and staffing medical task forces—can design a health care system in keeping with our unique American traditions yet fully responsive to the needs of all citizens; a health-care system appropriate to our advanced and affluent Nation's needs and desires.

Such a health care system is possible only in a society which has its priorities straight—a society that puts the health and well-being of its citizens at the top of its agenda.

That is the kind of health care system I want this Congress and our Nation to provide.

I am not talking about a national health service in which the Government owns and operates the facilities, and everybody works for the Government. No. What I have in mind is a true partnership between the private and public sectors. There will be Government financing and administrative management, accompanied by private provision of personal health services through private practitioners, institutions, and other providers of medical care.

The recipients themselves will play an important role in policy setting and administration. This is the only way it can be truly responsive.

Former Secretary of Health, Education, and Welfare Wilbur J. Cohen, now dean of the school of education at the University of Michigan, has set forth the

necessary elements of a national health care system.

Mr. President, I ask unanimous consent that Secretary Cohen's statement be printed in the RECORD.

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

ESSENTIAL PROVISIONS OF A NATIONAL HEALTH INSURANCE PROGRAM

(By Wilbur J. Cohen)

The adoption of a universal national health insurance plan is a necessary and inevitable development for the decade of the Seventies. Such a plan would cover a major portion of medical costs for everyone in the nation from birth to death—the rich and the poor; the employed and the unemployed; those in middle-incomes and those in middle age; those who live in urban areas and those who live in rural areas; those working for large corporations or small businesses or who are self-employed.

The following are the essential elements of a feasible national health insurance plan covering a wide range of medical services:

1. *Breaking the barrier between the paying for health care and eligibility for service.* We must create a system where the individual is not forced to meet the total cost of health care at one particular time. The use of an insurance system allows the individual to pay for medical services while working so that financial considerations are not a major problem during illness.

2. *Requiring the government to contribute part of the cost.* This would enable individuals without incomes or with low incomes to receive equal access to health services on the same basis as those with more adequate incomes. Thus, the stigma of poverty and welfare would be removed from the medical care system.

3. *Requiring the employer to pay part of the costs of health care so the immediate financial burden is not so great on the individual.* Good health is a valuable asset for the employer as well as the employee. This fact has been recognized by many employers who today are contributing to the private health insurance protection of their employees and their families. It is something which should be extended to the general working population.

4. *Assuring that eligibility for service would be determined by Federal rules.* The operation of a medical insurance program by the Federal government would insure that all persons would receive the same benefits, be eligible under the same standards, and be required to contribute on the same basis no matter where they live in the United States. A Federally administered program would also assure an individual of a fair hearing on matters in dispute before a Federal agency and an appeal for judicial review by Federal courts. Thus, due process and equal treatment would be assured every individual irrespective of his color, age, sex, education or background.

5. *Providing for new, innovative, economical and efficient methods of organizing and delivering medical care.* Financial incentives should be provided for expanding ambulatory and outpatinet care, improving emergency services and group practice plans and salary and capitation plans. Funds should also be provided to allow for experimentation with different models of medical care so that new procedures for allocating scarce medical resources may be discovered.

6. *Providing for expansion of preventive medical techniques.* The scope of coverage of medical services must be broad. At the same time it must be recognized that not every element of medical service can be provided in unlimited quantity. Multi-phasic screening, periodic examinations, and community sponsored coordinated plans for health, education, family planning, nutrition and environmental concerns should be supported and encouraged. The most economical and humane method of dealing with illness is to prevent its occurrence. Medical research must continue to be encouraged and supported and undoubtedly will have a tremendous impact on changes in services, costs, and arrangements.

7. *Encouraging and accelerating plans for effectively increasing health personnel.* Financial incentives should be provided for expanding the training of more physicians, nurses, dentists, and other health personnel including physicians' assistants, aides, technicians and allied health personnel. Methods must be developed which will provide for the most effective use of para-medical personnel so that doctors, dentists and nurses can devote their full attention to their respective professional tasks. Particular attention should be paid to encouraging more black persons and individuals from other minority groups to be trained, and for more women to have opportunities to participate in the delivery of services.

8. *Providing opportunities for the various groups in society to play a significant role in policy formulation and administration of the health system.* Health care is too important to be the sole province of any one professional group no matter how trained or well intentioned. Therefore, mechanisms must be developed where concerned parties—employers, labor unions, and the consumer himself can make a contribution in determining the amount of money to be spent, the efficiency of care, the priorities to be met first, and a host of administrative, psychological and procedural factors essential to good health. This involvement must be present at all levels of the health care system—at the local, regional and national levels.

9. *Assuring health personnel reasonable compensation, opportunity for professional practice, advancement, and the exercise of humanitarian and social responsibility.* The various components in a national health insurance program should be designed so as to foster the highest quality of medical care with individual and group responsibility for initiative, advancement, and a sense of creative and social responsibility.

10. *Encouraging effective professional participation in the formulation of guidelines, standards, rules, regulations, forms, procedures and organization.* There should be widespread participation by all health personnel in the formulation of policy at every level of administration. A cooperative sense of participation should be fostered which would overcome hierarchical considerations and individual distinctions based on income, education and prestige. The importance of professional and administrative competence must be fostered and encouraged.

11. *Fostering a pluralistic system of administration.* There are widely different ideas in the different parts of the United States and among different groups as to how medical care should be administered. As science and technology continue to develop new methods of diagnosis and treatment, as new drugs are developed, and as new systems of delivery of care are established, we should be willing to adapt our arrangements to new needs and new opportunities. We must be open to the development of different methods of treatment and new forms of medical care organization. It is essential that various procedures be tried so that we can evaluate which methods prove to be the most effective for different types of situations and changing conditions. There must be opportunities for institutional self-renewal.

12. *Recognizing administrative reality and administrative competence.* National health insurance is not a panacea for all the problems of medical care. The continued increase in demand for medical services while the increase in supply remains inelastic will certainly create increasing price and cost pressures for the forseeable future. Changes in organization, delivery, and access to services will not occur overnight. Changes in medical school curricula, admissions, and orientation will take time. The administrative implementation of all these components will be difficult and errors of judgment will occur inevitably.

Meanwhile, we must make a more effective effort to distribute medical services in a more rational socially conscious manner than at present. National health insurance is a mechanism to focus our planning and our priorities for a more intelligent distribution of the miracles of medical science to the millions of our people. Medical needs are almost infinitely expansible. Medical services are a scarce resource. The allocation of scarce resources to priority needs involves planning, judgment, administrative capacity, and self-restraints.

EMERGENCY COMMITTEE FOR AMERICAN TRADE—ECAT—A POSITIVE TRADE POLICY

Mr. JAVITS. Mr. President, on February 24 and 25 the 34th Mid-America World Trade Conference was held in Chicago, Ill. The president and chief executive officer of Pepsico Inc., who also serves as the Chairman of the Emergency Committee for American Trade—ECAT—made a very timely address entitled "Toward a Positive Trade Policy: Negotiate Now."

In this address Mr. Kendall quantified the importance of exports to the Midwestern States noting that exports from each Michigan, Illinois, and Ohio were in excess of $2 billion and that exports of the 12 Midwestern States totaled some $12 billion in manufactured goods and $3.2 billion in farm products.

I welcome Mr. Kendall's announcement that the ECAT whose membership includes 54 of the largest corporations in America will support the interim trade legislation introduced by Senators HARRIS, MONDALE, and myself. Also Mr. Kendall's suggestion that the United States should call for international negotiations to prevent American trade interests from being damaged by the prospective entry of the United Kingdom into the European Common Market is highly constructive and worthy of the serious attention of the policymakers in the U.S. Government.

I ask unanimous consent that Mr. Kendall's remarks be printed in the RECORD.

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

TOWARD A POSITIVE TRADE POLICY: NEGOTIATE NOW

It is a privilege to be here as chairman of the Emergency Committee for American Trade and sound a keynote to this 34th Mid-America World Trade Conference.

The Emergency Committee, or ECAT, is made up of 54 of the largest companies in America. ECAT has been called the "spearhead of the pro-trade forces." This may be true. If so, it is certainly true that the *shaft* of the spear is made up of organizations like the International Trade Club of Chicago. I compliment you on your many actions to defend traditional American policies of freer trade.

While the members of ECAT may be leaders in world trade, I would like to note that they are also leaders in the expansion of investment and employment here in the

United States. The headquarters of 18 of ECAT's members are located in the Midwest. When it comes to plants and other facilities, the members of ECAT are well represented in almost every locality in mid-America.

It might be fair to say that the main purpose of this conference is to keep mid-America's export lead, to keep moving all the exported automobiles and transportation equipment, machinery, farm equipment and farm products, metals and metal products, and lots more.

This is a good time and place to consider how that can be done. We are meeting today at a crucial moment in trade policy. This is the year our nation is going to do one of three things:

(1) stumble into what the press of the world has labeled a "trade war,"

(2) begin fashioning a new trade policy for the 1970's, or

(3) sit idly by while other nations make new trading arrangements that can severely damage American interests.

Let us look first at the line-up in world trade. On this side of the Atlantic, we have the United States, only just emerging from an economic recession but basically sound, doing a record export business, boasting a favorable balance of merchandise trade, increasing the profitability of its overseas investments but with important members of its business and labor communities convinced that unless we build a new wall of protective quotas they will go under.

To the east, there is Europe, prospering over lowered tariff walls, exchanging increasing amounts of goods and services with its nation states making historic plans for closer association. To the north, Canada, although increasingly concerned over American investments, is our most valuable trading partner.

And in the Far East is Japan, a major buyer of U.S. goods and a source of contention because of its laggard trade and investment policies and its export here of so many competitive goods. These round out the roster of our best customers.

Largely through export sales to these developed countries, the United States in 1970 netted a respectable $2.7 billion surplus in merchandise trade—double the 1969 figure.

There are those who now counsel that our government impose mandatory quotas on products these customers exchange with us for America's manufactured and agricultural goods.

In a few minutes, a panel here will debate the issue of "Free Trade or Protectionism." Although as a realist, I am inclined to change the word "free" to the more qualified "freest possible," I submit that if protectionism prevails in the Congress this year, any discussion of "competitive global strategies" will only prove to be a fruitless and abstract exercise.

Yes, the trade battle will continue, dividing us on the home front as well as posing problems of the most serious nature with our trading partners.

A significant number of nations has already put this country on notice that if we turn back the international trading clock, they will do likewise.

I cannot believe we will repeat the mistakes of the 1930's with a worldwide trade war and depression. Our Atlantic trading partners share with us and the rest of the world the perplexing problems of inflation, but their economies are sound and burgeoning. Built-in economic and monetary stabilizers exist today that never existed before.

But, one sure result of protectionism is that trade expansion would be halted and set back. This would be calamitous to mid-America.

When it comes to exports of manufactured goods, new data from the Bureau of the Census reveal that Michigan shared with California the top spot among exporting states. Illinois ranked third among the 50 states shipping goods abroad, shading Ohio, which was number four, by the barest whisker.

Here is how the three top Midwest performers compared: Michigan, $2.6 billion; Illinois, $2.3 billion; and Ohio, $2.3 billion.

Manufactured goods exported from the five East Central states in 1969 were worth $9.8 billion; from the seven West Central States, $1.9 billion.

There you have a grand total of nearly $12 billion. A laudable performance for the Midwest indeed.

Other good news—both national and regional—is forthcoming from the Department of Agriculture.

In the Department's report for the fiscal year ended June 1970, the nation's agricultural exports were valued at $6.65 billion, almost an all-time record and 17 percent better than in the prior 12 months.

U.S. farm exports continue to lead the world, accounting for a sixth of global shipments, the report continues.

Here, once again, the 12 North Central states distinguished themselves by accounting for $3.2 billion in agricultural sales abroad—nearly half the national total. Of this total, commercial sales in dollars amounted to $2.7 billion. The balance was purchased under government-financed programs.

Way out in front position, accounting for nearly a tenth of the U.S. total, was Illinois, with $650 million in farm product sales.

It is especially important here to comment that oilseed and oilseed products—the nation's and the region's principal agricultural export—is the commodity most directly threatened if this nation turns to protectionism.

No one really wants this.

A president of the American Farm Bureau Federation has said:

"U.S. farmers would be condenmed to a permanent low income status if they are forced to shrink production to the needs of the domestic market, as farm export sales normally account for 25 percent of total domestic production."

Business and industry, by and large, are on record against a move that could lead to a trade war.

Consumers, plagued by rising costs, certainly are on the side of freer trade.

Nearly 5,000 American economists from every state in the Union have labeled protectionism a "massive mistake" and contrary to the total national interest.

Chicago's own Milton Friedman, the nation's most ubiquitous economic commentator, has termed freer trade the *sine qua non* of the nation's economic advancement.

The vast majority of American newspapers—from big city daily to small town weekly—has called for the continuance of a freer trade policy in their editorial columns.

Yet, despite this overwhelming support for a positive approach to world trade, it almost seemed last year that we were going in just the opposite direction.

The freer trade forces, through the most strenuous and unremitting effort, were successful, only at the very last minute, in holding off Congressional passage of what earlier had been thought to be an unstoppable trade bill, a bill tied cynically in the Senate to pressing social security legislation.

But, it was a very narrow squeak. The protectionists have once more regrouped. The battle is joined.

Chairman Mills of the House Ways and Means Committee has already reintroduced his bill in the new Congress in exactly the same form in which it passed the House last year.

Indications are that quota lobbyists are starting to work for introduction of last year's Mills Bill in the Senate this spring.

Lobbyists are singleminded people, and sometimes it seems a lot easier to be *for* something than *against* something.. Take as a case in point the quota provision in last year's bill for glycine. Probably not many of you have ever heard of glycine. I certainly hadn't until I learned that the bill proposed a quota for glycine, which I found out is a chemical used in pharmaceuticals. One company in Tennessee is the sole American producer of glycine. The company has a total of 200 employees, only 54 of whom work directly with glycine.

It is a little frightening. If every industry had been as successful as the glycine industry—if you can call one company with 54 employees working on a product an industry—we might have a quota bill as tall as the projected Sears Roebuck building here in Chicago.

* * * * *

The theme of our conference is "Competitive Global Strategies for the '70s." The theme recognizes that we are going into the '70s without such strategies and must think now about the trade policy we really want. If we don't, we may avoid a trade war, but we may find ourselves slowly losing out in world trade. By the end of the decade, our losses could be irretrievable.

Fortunately, a new trade policy is in the making. What we expect to happen in the 1970s, what we ought to make happen—all of these are being rigorously examined.

You will remember that President Nixon in his message to the Congress transmitting the Trade Act of 1969 also had the long-term future of United States trade policy well in mind. He said:

"Intense international competition, new and growing markets, changes in cost levels, technological developments in both agriculture and industry, and large-scale exports of capital are having profound and continuing effects on international production and trade patterns. We can no longer afford to think of our trade policies in the old, simple terms of liberalism vs. protectionism. Rather, we must learn to treat investment, production, employment, and trade as interrelated and interdependent."

You will recall that he appointed a Commission on International Trade and Investment Policy to examine the entire range of our trade and related policies, to analyze the problems we are likely to face in the 1970s, and to prepare recommendations on what we should do about them.

The Commission is expected to make its report mid-year.

Meanwhile, on other fronts, other governmental groups are also taking a look at the future of United States trade policy.

At the request of the President, the Tariff Commission recently held hearings on the competitive position of U.S. industries.

Last year, the Joint Economic Committee of the Congress held extensive hearings on the subject of the multinational corporation and international investment.

And last month, the President set up, within the White House, a Council on International Economic Policy, headed by Peter Peterson of Bell & Howell. He did so, in his words, to "provide a clear top level focus for the full range of international economic policy issues; deal with international economic policies—including trade, investment, balance of payments, finance—as a coherent whole."

So all of this activity, plus many other activities on the private scene, is evidence of concern at all levels with the future of United States trade policy.

But let's get down to specifics—the nitty-gritty, as the Pepsi generation calls them. What are some of the immediate problems facing us and what can and should we do about them?

Ideally, we should have new trade legislation on the books. President Johnson tried to do this in 1968 with a simple "house-

keeping" trade bill. President Nixon tried again in 1969 and the following year. The modest bill he proposed turned into a protectionist Christmas tree. The lesson from this experience is that it will not be easy to enact prudent legislation extending and improving present-day policies.

Nevertheless, it is welcome news that members of both houses of the Congress are now coming forward with a constructive interim trade bill, a trade bill to meet needs on which there is almost unanimous agreement. The President must clearly have some tariff negotiating authority to deal with inescapable adjustments that will arise from escape clause actions and other sources. The escape clause and adjustment assistance provisions of existing legislation clearly need improvement. There are other needs familiar to you that should be dealt with now.

In addition, time is running out on the Kennedy Round agreement to exchange valuable trade concessions from Europe for the elimination of the American Selling Price system of customs valuation.

ECAT will support legislation designed to deal with these immediate problems. We will do so in the realization that no immedate action may be preferable to a repeat of the dangerous confrontation of last year. At this point, all friends of freer trade should associate themselves with constructive legislation in order to preempt the protectionists from obtaining support for their own versions of a trade bill.

The chief lesson I believe we have learned from the past three years of defensive action against protectionism is that interim measures are not enough. *It is time to begin putting all the counters on the table, to begin framing a trade policy for the decade. This is what the President appears to be planning to do and is certainly the direction in which our thinking should go.*

The difficult problems of individual commodities are more likely to be dealt with successfully in the context of such a trade policy rather than in *ad hoc* efforts to provide a degree of protectionism by one means or another. The problems presented by the trade and investment policies of Japan also seem too interwoven with other issues to be settled on a piecemeal basis.

It may well be that the problem of textiles can be resolved for a time at least in the *ad hoc* efforts that are now underway to negotiate voluntary agreements. In the long run, however, they, too, will have to find a place in a more complete trade policy. So much has been said and written about the textile problem, that I do not intend to belabor it here.

This is a giant industry. As such, it obviously cannot be described in generalizations. The industry has had a good growth rate in the past decade. At the same time, it has seen imports surge in certain categories and its fears that unchecked growth of such imports would be injurious must be taken seriously. The industry's efforts to obtain quota protection from the Congress have demonstrated it has strong political influence. But these efforts have always attracted protectionist provisions applicable to other industries that threaten to touch off the trade war that no one wants.

I am convinced that there has been far too much acrimony at all levels on this problem. I count myself among those who are sympathetic to the needs of the domestic industry but dismayed at the unreasoning attitude of some segments of this industry. I strongly hope that reason and realism will help us find a way out of this problem.

Another sensitive single problem is footwear. Here some defusing seems to be taking place. The recent report of the Tariff Commission offers an opportunity to deal with the problem well within the bounds of national policy and international agreements.

There will be other perplexing commodity problems, but for these, I hope, the formulation of a new trade policy will take place in time to deal with them in a broader context.

I will not seek to propose the form that a new trade policy will take. I will call to your attention some of the factors that will have to be reckoned with in fashioning it.

For one thing, while U.S. exports have risen at a good pace, they have not risen as rapidly as in other industrialized countries.

Secondly, the U.S. share of total free world exports has been declining steadily since 1960 in contrast to a steady increase for the countries of industrial Europe and Japan.

And thirdly, the ratio of exports to gross national product continues to be smaller in the U.S. than in most other industrial countries. In the U.S., the ratio of exports to GNP is only about 4¼ percent. But in other countries—especially those of our major competitors—the percentages range from 9 percent in Japan, 11 percent in France, 13 percent in the UK, to 18 percent in West Germany.

You may recall that the Department of Commerce issued a study a couple of years ago—a five year outlook. The study projected an export goal of $50 billion in 1973.

It sounded impossible at the time. But look at 1970's exports of $42.6 billion. It looks now as if we will not only reach the $50 billion goal, but we will also surpass it. Thus, even for the United States, trade is growing faster than other economic indicators. This means some growing pains. It is worth noting that trade as a percentage of GNP overlooks the fact that many factors in the GNP are not susceptible to international exchange. For those things that are moveable, the percentage traded is now running above 20 percent.

Rather than reversing this trend, we need policies to accommodate it.

We are all well aware of the competitive advantages that foreign producers enjoy in world trade as a result of the assistance and encouragement they receive from their governments. ECAT has strongly recommended vigorous and even costly action to improve the export side of the trade equation. We believe that as American producers become more export-minded the initial investment will be repaid many times, that the appetite will grow on what it feeds.

These and many other factors will have to be considered and reflected in long-range legislation and administration policy. But, while this process is moving—and moving with our support—we must also look with apprehension on developments in Europe. As I said earlier, we have three choices: trade war, a new trade policy, or drift.

The danger of drift is compounded by the natural inclination to put off facing problems that do not appear as immediate ones. The most dangerous example of this is the view that we should not interfere with the negotiations going on in Europe but simply be prepared to deal with whatever situation develops.

In my opinion, we should already be conducting concurrent negotiations as an essential element of a trade policy for the Seventies.

By the end of the Seventies, there is a strong possibility that Europe will become a fully integrated economic unit with national frontiers taking on the characteristics of state lines in the United States.

It is observed that Europe is already an economic giant that can stand on its own competitive feet.

The question before us is whether we can afford to have it stand on *our* feet. With the EEC, EFTA, and all their relations, we are talking about the weight of 50 nations!

There is no question that so far the growing economic strength of the Community has benefited the economy of the United States and its overall international trade relations.

We also have the solemn words of the leaders of both the Common Market and the United Kingdom that the current negotiations are in no way designed to be detrimental to American interests. There is convincing evidence to support these words. For example, if the United Kingdom adopted the Common Agricultural Program of the Common Market, she would also have a strong interest in liberalizing that protectionist program. Once inside the Market, she should have considerable leverage to do so and could be expected to use it.

I contend, however, that it would be foolhardy to await such a period. If U.S. exports of agricultural products are cut back even for a short time, the support in this country for freer trade could be disastrously weakened and we might then lead the world into that trade war.

Instead of watchful waiting, the situation seems to call for concurrent action. The United States should act now to begin a parallel negotiation under international auspices on world trade in agriculture. Parallel negotiations could be conducted on the other perplexing problems including those that relate to the trade and investment policies of Japan and on the desperate needs of developing countries.

My recommendations are not particularly novel. The new team of international economic policy-makers in Washington will probably be considering them in more detailed and developed form. Yet I believe they are a fit subject for your consideration. For it is from groups like this that support for national policies must be derived.

Crowded as your agenda is, I commend to you the consideration of negotiations now, negotiations to safeguard the interests of this region and this nation in the world economy.

It has been my pleasure to help you begin your promising conference, and I wish you well in all your deliberations.

SST PROTOTYPES NOT NEEDED TO ANSWER ENVIRONMENTAL QUESTIONS

Mr. PROXMIRE. Mr. President, on Monday of this week the House Appropriations Committee opened hearings on the administration's request for further funding of the SST program. The request is the same as it was last December—$290 million for fiscal year 1971.

One of the leadoff witnesses for the administration was Mr. William Ruckelshaus, the new head of the Environmental Protection Agency. The principal reason for Mr. Ruckelshaus' appearance was to demonstrate that his agency has no objection, on environmental grounds, to construction of the two prototypes. And that is indeed a point that few would disagree with, since flying just these two planes will hardly create very much environmental intrusion. What worries environmentalists and conservationists throughout the country is what kind of effect a fleet of 500 planes would have—with respect to upper atmospheric pollution, with respect to airport and community noise, and with respect to the sonic boom.

However, this is not the reason why I am citing Mr. Ruckelshaus' testimony The significance of Mr. Ruckelshaus' testimony is that it sets to rest one of the arguments most frequently advanced in behalf of the SST appropriations request—namely, that we should proceed with development of the prototypes in order to answer the environmental questions that have been raised. In his prepared statement to the subcommittee, he stated that:

Most of the environmental questions can be answered without the two prototypes.

In the course of his dialog with the subcommittee, Mr. Ruckelshaus reiterated this:

Representative BOLAND. I take it from your statement, Mr. Administrator, that all the problems with respect to the environment can be solved without the production of two prototypes—not the problems but at least you can get the answers from the problems that the SST conjures up. Is this true?

Mr. RUCKELSHAUS. I think that's true.

Mr. Ruckelshaus further stressed that independent research is fully capable of determining what the impact of a fleet of 500 SST's would be on the upper atmosphere. The prototypes, Mr. Ruckelshaus indicated, would be redundant insofar as environmental questions are concerned.

Mr. President, I ask unanimous consent that the prepared testimony by Mr. Ruckelshaus be printed in the RECORD.

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

STATEMENT BY WILLIAM D. RUCKELSHAUS

Mr. Chairman, as one charged by the President and the Congress with the protection of the environment, I appreciate the opportunity to appear before your Committee and address myself to the environmental questions which have arisen concerning the appropriation to continue the development of the Supersonic Transport.

One of my duties as environmental protector is to examine critically every proposed Federal project to determine its impact on the environment, and to oppose that project if it is not consistent with my Presidential and Congressional charge.

To be more specific, if the Congress were being asked today to appropriate monies to construct, or assist in the construction of a commercial fleet of, say 300 or even 500 SST's before many of the critical environmental questions were answered, I would oppose this request for an appropriation.

This, of course, is not what the Administration is requesting of the Congress. The request is for the money to continue in the development of two experimental airplanes to determine their commercial feasibility.

Before these two experimental planes should ever be translated into a commercial fleet, all of the environmental questions regarding noise, sonic boom, radiation effects from the possible reduction of ozone, cosmic radiation effects on passengers and crew, climatic effects from ozone reduction, increased water vapor or increased dust particles in the stratosphere, the effect of increased oxides of nitrogen in the stratosphere and any others that may arise, must be answered.

This Administration is committed to getting those answers *before* commercial production proceeds.

This commitment is not new. Then why, one might ask, the environmental furor?

The argument is that once the two experimental planes are built, the momentum of the program will be such that there will be no stopping it. Too much money will have been invested and too many jobs will be at stake to halt the commercial development of the SST. It must be admitted that there is historical validity to this argument. In the past the momentum of large-scale programs has had a way of insuring the perpetuation of those programs regardless of their merit.

If we subscribe to the inevitability of history being repetitive then the momentum argument is unassailable. I do not so subscribe.

Technological projects can be stopped if their continuation is found to be environmentally unsound. The recent Presidential decision regarding the Cross-Florida Barge Canal is a case in point. Indeed, they must be stopped if man is to control his own destiny. We have reached a point in the history of man and his habitat where man's activities must constantly be measured against their environmental impact.

It is our intention to insure that such measurements are made in connection with this project.

It is also argued that the environmental measurement can be made without developing the two experimental airplanes. While this statement is not without controversy, it appears that most of the environmental questions can be answered without the two prototypes. The question of whether to continue with the development of the two experimental airplanes is not an environmental one (no one contends the two planes will have any significant impact on the environment), but rather is one of economics. It is the position of the Administration that if all the environmental concerns are satisfied and our country is to remain competitive with the British-French Concorde and the Russian TU–144, we must not now cease completion of the testing of the two experimental airplanes.

I am not an economist and cannot answer all of the economic questions many of you gentlemen have. Other witnesses here today have tried to convince you of the economic wisdom of proceeding with the program. I am charged with protecting the environment.

I do not see technological experimentation as inconsistent with that charge. Nor do I believe that when there are economic reasons for proceeding we as a society must cease technological experimentation because the ultimate use of that experimentation might be environmentally damaging. If the environmental impact proves to be adverse, then the technology must not be used. Such a conclusion does not detract from the economic arguments to proceed with the experiment nor does the present environmental concern by itself warrant it.

I believe we can control our technology so as to maximize its benefits and at the same time preserve and protect our environment.

The mindless onrush of technology must be stopped. The rational application of our scientific and technological ability, giving full attention to the environmental impact of that application, must proceed.

It's the difference between saying "Stop the world, I want to get off," and "Look before you leap."

The latter approach must make more sense to a society that wants to survive.

INDIAN LAND ISSUE IN ALASKA

Mr. TUNNEY. Mr. President, the Senate is once again confronted with the challenge to provide justice for 60,000 Eskimos, Indians, and Aleuts of Alaska. I was proud to join in sponsoring S. 835, the Alaska Native Claims Settlement Act of 1971.

Congress has historically protected the rights of Alaskan Natives. The Organic Act of 1884 stated:

The Indians . . . shall not be disturbed in the possession of any lands actually in their use or occupancy, or now claimed by them.

However, the issue of granting formal title to the land has been postponed for 87 years. The time has come for the Congress to end this tragic delay and to enact fair and just legislation for the benefit of all Alaskans.

The Natives of Alaska continue to use and occupy at least 60 to 80 million acres of the 375 million acres in the Alaskan land mass. These lands are Native lands, neither taken by war, nor relinquished by them through sale, treaty, or cession. Congress is not faced with the question of whether or not to give these people anything, but rather how to equitably settle just claims.

We must keep in mind that the land we speak of is more than icy acreage thousands of miles away. It is land which is absolutely crucial to the survival of the Native Alaskan cultures. Without secure title to an adequate land base, these Native cultures are doomed to extinction.

The center of debate in this Congress will not be on the issue of whether or not to grant land title, but rather on the amount of land to be formally transferred to the Alaskan Natives. I support S. 835 because I feel its land compensation is more in line with the real needs of the Alaskan people than any other legislation submitted to date.

Mr. Monroe E. Price, chairman of the American Bar Association Committee on Indian Affairs, has written an extremely informative statement on the issue of Native Alaskan property rights. I ask unanimous consent that the report be printed in the RECORD.

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

CONCERNING THE ALASKA NATIVE CLAIMS SETTLEMENT ACT OF 1970

(Statement of Monroe E. Price, chairman, American Bar Association Committee on Indian Affairs and Professor of Law, UCLA)

The history of federal-Indian relations is filled with actions by responsible officials "giving," out of charity, more than they thought the recipient was entitled to as a matter of right. In almost each case, the verdict of history has been that the perception that the United States was acting charitably was misplaced.

I think it is important to keep that historical reoccurrence in mind as the House deliberates the Alaska claims settlement. There will be many who view it as the majestic penance of a kind sovereign, not obligated to do anything, but out of moral goodness doing something. That is a wrong basis for judgment.

Underneath all the legal complexities, the Alaska Native Claims is a simple matter of property rights. Our institutions are based on concepts of property rights; our various cultures in the United States are based on the power of property. Texas, Montana, California, New York: in each State strong cultures are maintained because of the land resources to which the cultures are tied. No government official seriously argues for the destruction of patterns of life within those States by altering the land tenure patterns.

Here, however, there is something like that at work. Some feel that if the Natives retain a significant portion of their patrimony, their culture, their way of life will be maintained. If their patrimony is eroded, then before long their culture and style of life will be eroded as well. The Federal Government must not seek to deprive a group of its property as a means of undermining its culture. I can think of few acts more seriously at odds with the American tradition.

Section 4(a) of S. 1830, the proposed Alaska Native Claims Settlement Act of 1970. declares in part

"The provisions of this Act shall constitute a full and final settlement and extinguishment of any and all claims against the United States, the State and all other persons which are based upon aboriginal right, title, use, or occupancy of land in Alaska . . . by any Native, Native Village, or Native group. . . ."

Thus, in return for $1 billion in deferred payments and recognized ownership of some 10 million acres, the Natives of Alaska (Indians, Eskimos and Aleuts) will be required to give up all their rights and interests based upon use and occupancy to 350 million acres of land.

The proposition that the Natives actually possess a legal claim to vast land areas within the State of Alaska is not subject to serious challenge. Indeed, in a series of decisions reaching back to *Johnson v. McIntosh*, 8 Wheat. 543 (1823), the Supreme Court consistently has upheld "the Indian right of occupancy", which "is considered as sacred as the fe-simple of the whites" (*Mitchel v. United States*, 9 Pet. 711, 746 (1835), and which may "not be interfered with or determined except by the United States." *Cramer v. United States*, 261 U.S. 219, 227 (1963); *United States v. Santa Fe Pacific Railroad Co.*, 314 U.S. 339, 345 (1941). Indian title "amounts to a right of occupancy which the sovereign grants and protects against intrusion by third parties" (*Tee-Hit-Ton Indians v. United States*, 342 U.S. 272, 279 (1955)), and the United States in fact has accorded such protection to lands used and occupied by Alaskan Natives under a variety of circumstances. *State of Alaska v. Udall, 420 F. 2d 938* (9th Cir., December 19, 1969); *United States v. State of Alaska*, 197 F. Supp. 834 (D. Alaska 1961); *United States v. Cadzow*, 5 Alaska 442, 1914).

In addition to rights derived from original Indian title, the possessory interests of Alaskan Natives have been the subject of specific legislative protection from the time of the 1867 Treaty of Cession with Russia. Section 8 of the Organic Act of May 17, 1884, 23 Stat. 24, the first statute applying Federal land law to Alaska, for example, provided in pertinent part:

"That the Indians . . . shall not be disturbed in the possession of any lands actually in their use or occupation or now claimed by them but the terms under which such persons may acquire title to such lands is reserved for future legislation by Congress."

Similarly, Section 27 of the Act of June 6, 1900, 31 Stat. 321, which established a civil government for Alaska, declared that "The Indians . . . shall not be disturbed in the possession of any lands now actually in their use or occupation," and prohibited entry, under the public land laws, on land occupied by Natives. Finally, Section 4 of the Alaska Statehood Act of July 7, 1958, 72 Stat. 339, required the State to "disclaim all right and title . . . to any lands or other property (including fishing rights), the right or title to which may be held by any Indians, Eskimos or Aleuts. . . ."

Thus, even apart from the Natives' legal rights under judicial precedents, the Federal Government has assumed in Alaska a clear-cut statutory and moral responsibility to respect their use and occupancy of land. Moreover, the extent of that responsibility is nowhere better expressed than in the Northwest Territorial Ordinance of 1787 which specifically provided that the land and property of the Indians "shall never be taken from them without their consent" and that "their property, rights, and liberty . . . shall never be invaded or disturbed, unless in just and lawful wars authorized by Congress."

Translated into a modern context, the principles of the 1787 Ordinance demanded that Congress not impose a unilateral land settlement upon the Natives of Alaska, but rather seek their wholehearted acquiescence in the consideration to be paid. The Natives, speaking through the Alaska Federation of Natives, have asked that 40 million acres, or about 10% of the area they rightfully claim, be recognized in Native ownership under the pending legislation.

The Alaska Natives, collectively, are selling their greatest rights. They must be treated as any other seller who puts forward a fair price. To ignore that price because it will continue a way of life which seems inconsistent with some notion of the "American mainstream" is wrong-headed and inconsistent with the mainstream itself.

ADDRESS BY H. E. EMILIO COLOMBO, PRESIDENT, COUNCIL OF MINISTERS OF ITALY

Mr. JAVITS. Mr. President, I ask unanimous consent that the very interesting address made by H. E. Emilio Colombo, President of the Council of Ministers of Italy, at an informal dinner hosted by Mr. David Rockefeller, chairman of the Chase Manhattan Bank of New York, at the Links Club, on February 22, 1971, be printed in the RECORD.

Mr. Colombo's address provides some highly useful information on the Italian economy and some sage advice concerning the interrelated nature of the trade policies of the United States and Europe.

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

ADDRESS BY H. E. EMILIO COLOMBO, PRESIDENT OF THE COUNCIL OF MINISTERS OF ITALY, AT AN INFORMAL DINNER, HOSTED BY MR. DAVID ROCKEFELLER, CHAIRMAN OF THE BOARD OF DIRECTORS OF THE CHASE MANHATTAN BANK

The presence here today of representatives from the major financial institutions in New York City could not have given me a better opportunity to express the appreciation of the Italian Government for their effective collaboration during 1970. Let me briefly outline what Italy has accomplished in the economic and financial fields in the past year. I am sure most of you are aware of the many complex problems we had to face in carrying out policies aimed at restraining inflation without affecting the level of employment, policies which, in the case of Italy, have been conditioned by the need to reestablish a balance of payments equilibrium and build up an adequate level of official reserves.

In 1970 our foreign trade grew at different rates: imports increased by 22%, exports by 11%. These growth rates were not inconsistent with our forecast since one of the targets of our economic policy was that of gradually reabsorbing our current account surplus and of increasing economic activity within the country.

Since other items in the current balance of payments did not make up for the increase in the trade deficit, the current account surplus was reduced from 2.4 billion dollars in 1969 to 800 million dollars in 1970. In 1969 Italy's net capital outflow reached 3.4 billion dollars, which reflected in a substantial deficit in the overall balance of payments.

In 1970 we undertook the task of eliminating the causes of this deficit. This endeavour, as I mentioned earlier, was made easier for us thanks to the collaboration of our American friends. In 1970, the deficit in capital account decreased to 450 million dollars so that there was a small surplus in the overall balance for the entire year.

The complex manoeuvres to re-establish the balance of payments equilibrium can be summarized as follows:

Fiscal policy was aimed at restraining the deficit of the public sector within limits compatible with the financial markets' capacity to finance such a deficit without creating further inflationary pressures.

Liquidity of the banking system was adjusted in order to maintain the desired growth in real investment and income, while at the same time opposing inflationary forces.

The differential between domestic and foreign interest rates was narrowed in order to eliminate this cause of capital outflow; meanwhile, borrowing on the international market was resumed, first by loans at medium term and then at long term aiming partly at financing the maturing loans and partly at increasing our reserve position.

Borrowing on the international market at the end of 1969 and throughout 1970 reached 1.7 billion dollars of which an important part was taken over by American banks. The service of such loans, principal and interest, with maturity in the period 1971–1974 amounts to 400 million dollars. It could be said that Italy's reserves are excessive when compared to her needs. Yet, a country which carries out a development policy which cannot and must not be interrupted because of restrictions imposed for balance of payment reasons, must have sufficient reserves to absorb the disequilibria deriving from temporary divergent trends in domestic supply and demand, as well as disparities between domestic and international prices.

The adjustment of the level of interest rates in line with international rates took place, nor could it have been otherwise, through a fall in the prices of public and private bonds. Although it was our policy to maintain an orderly market, the decline in bond prices created conditions for a period, in which it was impossible to place new issues. This adjustment process undoubtedly hampered our investment program. However, at the end of 1970 and at the beginning of 1971 the situation distinctly improved as in other financial markets, and the possibilities of large placements of securities on the Italian capital market were again open. During the first six weeks of this year, bond issues by institutions financing industry and public works reached the amount of approximately one billion dollars, a substantial figure even for the American market.

As I mentioned at the beginning, the trend of our foreign trade in 1970 showed that domestic demand was greater than that of internal production. The gap was partly absorbed by a reduction in the balance of payments surplus and partly by rising prices. The problem of inflation arose at the beginning of 1970 and was considered as dangerous as that of the deterioration in the overall balance of payments. The tidal wave of large wage demands, involving practically all the Western industrial countries, saw Italian trade unions obtain some of the highest increases, largely beyond any possible increases in productivity. The task of economic policy, initially carried out with monetary measures, was to avoid adding a demand inflation to the already existing cost inflation.

Wholesale prices increased during the first five months of 1970 at a rate of 8.2 percent on an annual basis; subsequently the rate fell to 2.6 percent.

The situation has been complicated because after the wage disputes with the trade unions have been settled on a national scale, controversies arose at the plant level, not so much for economic reasons, but rather with the intent of gaining substantial changes in working conditions. In addition to this, the various trade unions have been pressing for quick solutions of social problems, problems which have become more urgent because of the rapid development of our economy and the associated movement of large groups of population from region to region and from rural to urban areas.

In the short run, this situation resulted in a lower increase in production and productivity than expected. The gap between demand and domestic supply, which I men-

tioned earlier, therefore materialized at levels below the capacity of the economy. Total labor income has grown at a slower rate than was foreseeable at the beginning of the year on the basis of the earlier settlements. As to enterprises, the increase of unit costs was only slightly recovered by the increase of productivity. Prices increased less than costs. Unit profits contracted. Due to the moderate increase in production, the final effect was, at least in many sectors, a reduction also of corporate profits.

Convinced that cost inflation cannot be corrected through monetary policy alone, except by reducing the employment level beyond acceptable limits, we looked for an appropriate combination of fiscal and monetary measures which could maintain among the various demand components such proportions as were required by the need of a balanced and realistic economic growth. In other words, we are directing our efforts to expanding all kinds of investment demands, thus supporting the employment level. In fact, between the end of 1969 and 1970 the unemployment rate has not changed.

Investment requirements of our country are determined by the need to compensate, through a higher level of efficiency, not only the increase of labor costs, but also the lower rate of utilization of industrial capacity due to the closer alignment of industrial relations with standards in other European countries. Moreover, as it becomes more and more necessary to build social infrastructures, higher capital applications are needed to obtain the same increases.

The present conditions in both our countries suggest the opportunity to pursue policies which contribute to adjust the level of domestic demand to the availability of productive factors. The attainment of this objective, in both cases, is hampered by the fact that policies which tend to sustain the level of demand operate in an economic environment still suffering from previous cost and price pressures.

The appropriate policy mix seems to require knowledge about the quantitative effects and the time lags of the measures taken; and this becomes more difficult the longer the elapsed time from the moment in which actions are decided upon and the effects thereof occur. It is not surprising, therefore, that public authorities welcome constructive comments from all critics, and eagerly seek to benefit from the experiences of other countries.

It may well be that, in order to achieve an appropriate policy mix in the present conditions, it is necessary, as all international institutions encourage us to do, to introduce a national income policy, that is a set of procedures through which governments and social partners define growth objectives of national income, in real and monetary terms, as well as its components.

If a parallel can be drawn between the economic conditions within the United States and Italy, the same is not true with regard to external effects of their policies.

The improvement of the liquidity situation in the United States, due also to the slack loan demand from the private sector, has resulted in a less aggressive search for funds and in a lowering of the rates of interest. Such a situation contributes to the transfer of dollars previously deposited by European commercial banks, enterprises and private individuals at the London branches of American banks to central banks of other countries. These transfers of foreign dollar holdings may hinder the policies of monetary authorities of the countries towards which those liquid funds are directed. These phenomena seem to have a greater impact, as in most European countries one is still operating under inflationary tensions.

The dollar's role as a reserve, intervention and vehicle currency facilitates the movement of funds from one market to another in the same market. Although in recent years we have learned a great deal from these phenomena, our knowledge is still not sufficient to determine the degree of the existing interrelation between them. However, I do feel that I am now approaching the field of those who are working on the reform of the international monetary system. Perhaps this is a kind of nostalgia since I was myself once part of that group. Today, my new responsibilities have taken me away from these endeavors, but I still believe that solutions must be found along the path of an active cooperation between the countries on either side of the Atlantic.

This same collaboration is being urged not only by the dynamism of economic and social conditions, but also by the emergence in Europe of an integrated economic and monetary area similar to that of the United States. It is surprising, though, that the prospect of the creation of a European unity and the first signs of its achievement along the path of a rather long and difficult process seems to be looked upon as a potential threat and as antagonistic to the United States.

No doubt the rebuilding of Europe and the alignment of the two areas creates a series of problems in many fields. In trade, problems of adjustment and reconversion arise because of the pressures which all countries undergo, of greater foreign competition in certain areas and economic activities. In monetary matters, problems of adjustment derive from the coexistence, in the final stage, of a single European currency and the dollar, which, presently is the only existing intervention and reserve currency.

In both fields, the converging movement of the two continental economies can only be synchronized and pressed forward by a more active and responsible international cooperation.

As to trade relationships, it is interesting to know that imports and exports in recent years have increased more between the United States and EEC countries than between the United States and other areas. Furthermore, US exports to the EEC have increased at a higher rate than imports. The trade surplus of the USA with the EEC has therefore increased accordingly. A great part of this increase is due to the growth of US exports in agricultural products (in 1970 the surplus in agricultural products was 1.1 billion dollars of a trade surplus of 1.7 billion). These figures show the inconsistency of certain protectionist attitudes which exist also in this country. The same can be said for those protectionist therapies which aim at protecting and isolating declining industries rather than new initiatives for which, at least temporarily, such measures could be justified economically rather than for political and social reasons. Our present and past experiences have clearly shown how protectionist measures end up by having the opposite effect and causing more general economic damage than the damage one is trying to avoid in particular sectors and groups of activities. This is true for the countries who adopt the measures as well as for the ones who must face them. It is for the very reason of their inconsistency and ineffectiveness that we must get rid of all kinds of protectionism. To this end, the democratic forces of our countries are equally committed and are ideal partners for the establishment of a more constructive and promising future in the relationship between the United States and Europe, based on liberal trade and freedom of capital movement.

Economic adjustment must first take place within the individual countries before protectionism overflows national boundaries and contaminates the system of relationships of the two large economic areas.

In considering the pros and cons, we must not confine ourselves to those of merely economic nature, but also take into account the advantages on the general political level which derive from the creation of a single economic and financial area in Europe. I believe that the integration process in Europe is capable of absorbing those centrifugal forces which are present in most European countries and harmful to the stability of their democratic systems.

As far as the financial relationships between the United States and Europe are concerned, that is the formation of a European monetary area, history has shown that such an outcome unavoidably follows political and economic unification. Past experience has also shown the possibility of coexistence of two reserve and intervention currencies. Several existing conditions reassure that the two areas can each complement the other and that their relationship will thrive on the basis of mutual cooperation. Such conditions are the faith in international cooperation of the men working for the unification of Europe and the fact that the Community is and remains open to the entry of other countries, particularly to the United Kingdom. Indeed, I am convinced that through a monetary union, Europe will be able to cooperate more effectively with the United States and share with it the burden of collective responsibility, such as the defense of the Western world, the financing of international trade, aid to the emerging countries and the maintenance or an international monetary equilibrium.

THE CONSTITUTION, TREATIES, AND INTERNATIONAL HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, one of the most prominent of international jurists, Louis Henkin, Hamilton Fish Professor of International Law at Columbia University, has addressed himself brilliantly to the relation between the United Nations Human Rights Conventions and the U.S. Constitution.

I ask unanimous consent that his article, published in the University of Philadelphia Law Review of August 1968, be printed in the RECORD.

Professor Henkin has rendered a great service on behalf of those wishing to promote international law and peace by adherence to the United Nations Human Rights Conventions. In this regard, I strongly urge this body to ratify the Genocide Convention.

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

THE CONSTITUTION, TREATIES, AND INTERNATIONAL HUMAN RIGHTS

(By Prof. Louis Henkin †)

By a coincidence of which, no doubt, few were aware, the year 1968, the centenary of the fourteenth amendment to the American Constitution, was designated by the United Nations General Assembly as "International Human Rights Year."[1] On such ceremonial occasions, coincidence alone might warrant the exploration of a possible relationship between the occasions celebrated. It is in fact not difficult to find significant links between human rights as enjoyed under the fourteenth amendment and other provisions of the American Constitution, and human rights as they exist in other countries. The actions of the United States have affected human rights in other nations, as well as international efforts to improve the observance of such rights.

While influence can never be measured and often cannot be proved, one can assert

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with confidence that the United States has inspired ideas, movements, laws, and events which have promoted human rights in other countries. The American Constitution, particularly the Bill of Rights and the fourteenth amendment, have left their traces in a hundred constitutions and in thousands of laws, charters and manifestos.[2] American concern about human rights has been exported by American foreign policy and diplomacy, in protests on the mistreatment of minorities by Czars and Hitlers; in peace treaties requiring the vanquished to respect the rights of minorities (after World War I), or of all persons (after World War II); in the growing protections of customary international law assuring justice to aliens; in burgeoning doctrines assuring basic rights to all; in the human rights provisions of the UN Charter; [3] in the UN Declaration of Human Rights; [4] in covenants drafted under the auspices of the UN; and in conventions and institutions of European and other regional bodies.

Influence, of course, has not been a one-way street. Many of the rights protected by the Constitution owe much to French and British antecedents. More recently, the ideas and experiences of others have helped bring our eighteenth-century Constitution up to the needs of a new age. Our constitutional fathers were concerned with the protection of "natural" individual freedoms from too much governmental interference; only after a world depression did Congress begin to provide "rights of welfare," and it was not easy to persuade the Supreme Court of the constitutionality of such legislation.[5] New rights of equality and new conceptions of freedom required constitutional reinterpretation [6] and bold legislation.[7] The UN Charter and the UN Declaration of Human Rights have been invoked in American courts to supplement rights protected by the Constitution.[8] Political forces—the existence of United Nations, the competition of Communist ideology, the influence of new nations—surely have had an impact on the actual state of human rights in the United States, and particularly on the rights of the Negro.

In one respect, however, the United States has resisted the influence of others within our borders and has refused to cooperate in promoting rights elsewhere. Although the American government has insisted that observance of human rights is indispensable to international peace and security; although our own observance of human rights is, in most respects, as high as any in the world; although the United States has obligated itself to cooperate with other nations and international organizations to promote human rights;[9] although American representatives have played principal roles in drafting declarations and covenants advancing freedom and justice—the United States has generally refused to adhere to international efforts to establish common minimum standards for individual human rights. The Genocide Convention has vainly sought the consent of the United States Senate since 1949.[10] The United States did not sign the convention, which it helped draft and promote, on the status of refugees.[11] Secretary of State Dulles officially renounced any intention to adhere to conventions on human rights which the UN was drafting.[12] When President Kennedy abandoned the Dulles policy and sent three minor conventions to the Senate,[13] the Foreign Relations Committee failed to recommend consent to two of them.[14]

The last decade even saw a determined effort, led by Senator Bricker, to amend the United States Constitution in ways principally designed to make American adherence to human rights covenants impossible.[15] That effort failed, but lawyers now are endeavoring to use the Constitution as it is to reach the same end.[16] Amendment, they maintain, is not necessary to prohibit American participation in human rights covenants: the Constitution, they say, already forbids the use of the treaty power for such purposes since the human rights of American inhabitants are essentially a matter of domestic, not international, concern.[17]

I shall not consider here whether it is in the interest of the United States to adhere to any particular human rights agreement, or even whether, in principle, the United States should join in cooperative efforts to promote human rights through conventions setting uniform minimum standards of respect for the rights of a nation's own inhabitants. My concern is exclusively with the constitutional objections that are raised against American participation in international treaties on human rights.[18] I am convinced that the argument that the United States is without power under the Constitution to adhere to such treaties has no basis whatever—in the language of the Constitution, in its *travaux préparatoires*, in the institutions it established, in its principles of federalism or of separation of powers, in almost two centuries of constitutional history, or in any other consideration relevant to constitutional interpretation.

I

Article II, section 2 of the Constitution provides that the President "shall have Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two-thirds of the Senators present concur." The Constitution does not define treaties; the framers knew what treaties were and, no doubt, did not see any need to define what was well known in international law and practice. Nor does the Constitution state that there are matters which cannot properly be the subject of a treaty, or that there are other limitations on treaties and the treaty power.[19]

Still, while no treaty or treaty provision has ever been declared unconstitutional, it is settled that treaties are subject to constitutional limitations. There was once a myth that this was not so. The view that treaties are not subject to constitutional limitations found support in the language of the supremacy clause and in an ambiguous suggestion by Mr. Justice Holmes.[20] But the question was thoroughly explored during the Bricker controversy, and everyone, on both sides, firmly rejected that view. In 1957, in *Reid v. Covert*,[21] Mr. Justice Black seized the occasion to lay that ghost to rest. Although there was no majority opinion of the Court, and Justice Black's statement was perhaps not necessary to his result, he stated that treaties, like laws, must be made "in pursuance of" the Constitution, and that "no agreement with a foreign nation can confer power on the Congress, or on any other branch of Government, which is free from the restraints of the Constitution."

"The prohibitions of the Constitution were designed to apply to all branches of the National Government and they cannot be nullified by the Executive or by the Executive and the Senate combined." [22]

From our constitutional beginnings there have also been suggestions that the treaty power is limited—by implication—by other provisions of the Constitution, by the Constitution as a whole, or by the philosophy that permeates it and the institutions it established. Such limitations have principally been implied from the provisions for the separation of powers among the branches of the federal government and the division of authority between the government and the states.[23] An early statement of such limitations is found in Jefferson's *Manual of Parliamentary Practice:*

"By the Constitution of the United States, this department of legislation is confined to two branches only, of the ordinary legislature; the President originating, and the Senate having a negative. To what subject this power extends, has not been defined in detail by the Constitution, nor are we entirely agreed among ourselves. (1) It is admitted that it must concern the foreign nation, party to the contract, or it would be a mere nullity, *res inter alios acta*. (2) By the general power to make treaties, the Constitution must have intended to comprehend only those objects which are usually regulated by treaty, and cannot be otherwise regulated. (3) It must have meant to except out of these *the rights reserved to the States;* for surely the President and Senate cannot do by treaty what the whole government is interdicted from doing in any way. (4) And also to except those subjects of legislation in which it gave a participation to the House of Representatives. This last exception is denied by some, on the ground that it would leave very little matter for the treaty power to work on. The less the better, say others." [24]

As the final sentence may imply, Jefferson was no friend of the treaty power.[25] Indeed the limitations he enumerates leave little room for treaties. Under his final clause, a treaty cannot deal with matters which are within the enumerated powers of Congress. By the third limitation, the treaty power cannot deal with matters reserved to the states—presumably, those not expressly conferred upon the national government or some branch of it, principally upon Congress by the eighth section of article I.[26] If a treaty can deal neither with matters delegated to Congress, nor with matters not delegated to Congress, it can deal with very little.[27]

These clauses in Jefferson's manual have long been famous examples of his bad guesses, and notable evidence that ours has not become a Jeffersonian Constitution. Everyone today agrees that a treaty can deal with matters on which Congress may legislate.[28] Under contemporary views of the powers of Congress, this excludes very little. Indeed, I have suggested that there is practically nothing that is dealt with by treaty that could not also be the subject of legislation by Congress.[29] In practice, the treaty-makers have frequently concluded agreements dealing with matters concerning which Congress could also legislate, such as tariffs and other regulations of commerce with foreign nations. Also, treaties have frequently dealt with matters which, apart from treaty, seemed reserved to the states: for example, the rights of aliens to inherit property [30] or to engage in local occupations. Almost half a century ago, Mr. Justice Holmes, in *Missouri v. Holland*,[31] settled that, since the treaty power was delegated to the federal government, what is within that power is not reserved to the states.[32] Treaties, then, are not limited by any "invisible radiation" [33] from the truism that is the tenth amendment.[34] Because *Missouri v. Holland* finally disposed of Jefferson's third limitation, Senator Bricker sought to have the Constitution amended to "repeal" that case. The decision has never been questioned in the Supreme Court, and Senator Bricker's abortive attempts only reaffirmed its continuing validity.

Opponents of American adherence to human rights conventions cannot, and do not, invoke the long-rejected Jeffersonian limitations just discussed.[35] While not unrelated to those propositions, their arguments are essentially closer to Jefferson's first two limitations—that a treaty "must concern the foreign nation," and that it must deal with "objects which are usually regulated by treaty, and cannot be otherwise regulated." These limitations, perhaps, are also implied in the assertions that treaties cannot deal with matters that are "of domestic concern" or matters "essentially within the domestic jurisdiction of the United States."

The fact that two of Jefferson's four contentions have been clearly rejected by later interpretations of the Constitution might be enough to dismiss him as an authority on

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the scope of the treaty power today. Still, all his suggestions require consideration on their merits, and Jefferson's first two limitations have support in other authority, including some in the *United States Reports*.

In the Supreme Court, the best known statement of implied limitations on the treaty power is probably that made by Mr. Justice Field in *Geofroy v. Riggs:*

"The treaty power, as expressed in the Constitution, is in terms unlimited except by those restraints which are found in that instrument against the action of the government or of its departments, and those arising from the nature of the government itself and of that of the States. It would not be contended that it extends so far as to authorize what the Constitution forbids, or a change in the character of the government or in that of one of the States, or a cession of any portion of the territory of the latter, without its consent. . . . But with these exceptions, it is not perceived that there is any limit to the questions which can be adjusted touching any matter which is properly the subject of negotiation with a foreign country." [36]

Mr. Justice Field does not expound what restraints arise "from the nature of the government itself and of that of the States." It may be that these restraints consist only of those he specifies, for example, that a treaty cannot cede territory of a state without its consent.[37] But some additional limitation may be implied in his suggestion that treaties can deal with "any matter which is *properly* the subject of negotiations with a foreign country." [38]

In other cases, too, there are dicta that treaties may deal with:

"all those objects which in the intercourse of nations, had usually been regarded as the proper subject of negotiation and treaty;" [39]

"all proper subjects of negotiation between our government and other nations;" [40]

"all subjects that properly pertain to our foreign relations." [41]

Noteworthy for its echoes of Jefferson is Chief Justice Taney's statement in *Holmes v. Jennison:* [42]

"The power to make treaties is given by the Constitution in general terms, without any description of the objects intended to be embraced by it; and, consequently, it was designed to include all those subjects, which in the ordinary intercourse of nations had usually been made subjects of negotiation and treaty; and which are consistent with the nature of our institutions, and the distribution of powers between the general and state governments." [43]

Each of these judicial dicta, it should be noted, was made by the Court while upholding an exercise of the treaty power. Each statement was intended to assert the fullness of the treaty power, rather than any limitation upon it. Only the cautious use of "proper," "properly," "usually," and "usually regarded as proper"—each phrase probably echoing those which preceded it—suggests some possible limitation. There is no indication that any of the Justices had one particular qualification in mind, or that they sought to exclude any particular use of the treaty power. No treaty of the United States has been held invalid on the ground that it dealth with an "improper" subject.[44] No treaty has been avoided by the President or rejected by the Senate because its subject matter was not constitutionally "proper" for regulation by treaty.[45] But if we are to give these judicial statements any content, it is not unreasonable to suggest that they might support propositions akin to Jefferson's first two clauses.

How have these alleged limitations fared in the history of the Constitution? The second half of clause (2)—that treaties can deal only with matters that cannot be regulated except by treaty—is ambiguous. If it means that a treaty may deal only with matters on which Congress could not legislate,[46] we are back to Jefferson's fourth principle, which has long been repudiated. Today, surely, it is difficult to conceive of any matter that could not be regulated other than by treaty; any undertaking having effect within the United States could presumably be carried out unilaterally by internal legislation. In practice, the United States has always regulated by treaty those matters which it might have regulated, and did regulate, by legislation as well—the rights of aliens, tariffs, trade, extradition, consular affairs.[47] On the other hand, if Jefferson's limitation would bar only treaties whose entire scheme could be achieved by internal legislation, it would outlaw no treaty entailing mutual obligations. Legislation conditioned on reciprocity might effectively approximate such a treaty,[48] but it would bind neither the United States nor the other nation. Binding common standards of international behavior, whether on human rights or any other subject, cannot be achieved other than by international agreement (or international customary law).

There remains the first half of clause (2)—that the treaty power can regulate only "matters that are usually regulated by treaty." This suggestion is also found in Chief Justice Taney's statement that the treaty power reaches "all those subjects, which in the ordinary intercourse of nations had usually been made subjects of negotiation and treaty." [49] Again, the meaning of Taney's dictum, as well as that of Jefferson, is not entirely clear. We do not know whether Jefferson's "matters," or Taney's "subjects," [50] refers to the particular thing dealt with in the treaty (wheat, nuclear weapons), the rights or duties it establishes (quotas and prices, non-use of weapons), or its objectives (trade, peace). If the limitation were taken seriously, would human rights be a new subject of international negotiation? Are human rights a subject different from the traditional rights of aliens? Or, are the asserted objects of human rights covenants, friendly relations and international peace, as old as treaties?

But such a limitation cannot be taken seriously. Why in law, logic, or good sense, should the United States be barred from negotiating about new subjects, or for objectives not "usually" regulated by treaty? Justice Taney's ambiguous tense is particularly troubling. If the implication is that the United States can deal by treaty only with matters that "had usually been" dealt with by treaty before 1787, it is patently unacceptable. There is as little, or less, reason for limiting the treaty power to those matters about which nations negotiated in the eighteenth century as there is for limiting the commerce power or the war powers to the needs of that era. In fact, the United States has negotiated treaties about subjects, and for objects, that were not dreamed of by the constitutional fathers (or by Taney), including the Charter of the United Nations and the Nuclear Test Ban Treaty.

Jefferson's assertion might mean that the United States cannot negotiate a new kind of treaty. It would not prevent the United States from entering into a treaty of a kind it has never negotiated, after other nations "had" begun "usually" to negotiate about it. Such a constitutional doctrine makes little sense for the country we have become,[51] but it would not, in fact, bar the United States from negotiating with other nations on human rights; nations have been "usually" regulating human rights by treaty at least since the "minorities treaties" of a half-century ago, in the UN Charter, in the various regional human rights arrangements now in effect, and in the human rights covenants that have been under negotiation for almost twenty years under the auspices of the United Nations.[52]

We are left, then, with Jefferson's first limitation—that a treaty "must concern the foreign nation, party to the contract." Jefferson apparently saw this as an inherent characteristic of a treaty, a characteristic which the Constitution incorporated when it spoke of "Treaties." It is not clear what this limitation meant for him, what would be its practical consequences, what kinds of acts or arrangements it would preclude. Perhaps this limitation approximates the one expressed more recently in the now famous remarks made in 1929 by Charles Evans Hughes, erstwhile Secretary of State and already designated Chief Justice of the United States:

"What is the power to make a treaty? What is the object of the power? The normal scope of the power can be found in the appropriate object of the power. The power is to deal with foreign nations with regard to matters of international concern. It is not a power intended to be exercised, it may be assumed, with respect to matters that have no relation to international concerns.

"So I come back to the suggestion I made at the start, that this is a sovereign nation; from my point of view the nation has the power to make any agreement whatever in a constitutional manner that relates to the conduct of our international relations, unless there can be found some express prohibition in the Constitution, and I am not aware of any which would in any way detract from the power as I have defined it in connection with our relations with other governments. But if we attempted to use the treaty-making power to deal with matters which did not pertain to our external relations but to control matters which normally and appropriately were within the local jurisdictions of the States, then I again say there might be ground for implying a limitation upon the treaty-making power that it is intended for the purpose of having treaties made relating to foreign affairs and not to make laws for the people of the United States in their internal concerns through the exercise of the asserted treaty-making power." [53]

Hughes' remarks were extemporaneous, perhaps even impromptu, not a carefully prepared statement of constitutional doctrine.[54] He was setting forth the views which lay behind the position of the American Delegation (led by Hughes) to the Sixth International Conference of American States—that the United States "could not join" in a treaty to establish uniform principles of private international law,[55] a position challenged by some leading international lawyers.[56] A year earlier, in the same forum, Hughes had attempted to justify this position on grounds that smacked of "reserved rights of states," and seemed not to take full account of *Missouri* v. *Holland*.[57] The 1929 remarks quoted above still retained tenth amendment undertones which the Court that decided *Missouri* v. *Holland* might have rejected.[58] The new emphasis on "international concern" and "relation to foreign affairs" might also be suspect if these phrases were interpreted to preclude American adherence to a code of private international law.[59]

Still, whatever the origins or context of Hughes' statement, its principal elements have been commonly accepted as sound constitutional doctrine. The *Restatement on the Law of American Foreign Relations* has made Hughes' doctrine (if not Jefferson's) "black letter law." [60] Students are now taught that a treaty would be invalid not only if it were inconsistent with the Bill of Rights or other provisions of the Constitution, but also if it dealt with a matter which was not of "international concern." There has been less agreement on what this limitation means.

II

Whatever Hughes had in mind, the scope of the constitutional limitation he proposed must derive from its constitutional underpinnings and rationale. The doctrine is com-

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monly described as requiring that treaties deal with matters of "international concern." There might have been less confusion if the doctrine had been put forth as a requirement that treaties bear a "relation to American foreign affairs," another phrase which Hughes employed.[61] Whatever phrase is used, the implied constitutional limitation derives from the view that the treaty power is a foreign relations power, and means that treaties must have a foreign relations purpose.

One may conclude, then, that the Constitution would bar some mala fide use of the form of a treaty, in conspiracy with a foreign power, for the sole purpose of making domestic law in the United States—whether to exclude the House of Representatives or to invade the reserved jurisdiction of the states. Assume the President (and Senate) wishes to establish a uniform divorce law in the United States; a friendly foreign government agrees to help by entering into a "treaty" with the United States establishing a divorce law for this country. It would be simple in that case to declare the label of treaty a sham, to disregard the formalities of treaty-making, and to declare that "treaty" inoperative as law in the United States. Such a hypothetical conspiracy apart it is difficult to imagine the circumstances in which the United States and one or more nations would negotiate and conclude a treaty that does not concern them both, that does not involve the foreign relations of the United States, and that does not serve its foreign policy.[62] Hughes' concern, and Jefferson's, then, may be largely academic. Surely, there is no warrant for extending and distorting the constitutional doctrine they suggest merely to render it less academic and make it a serious limitation.

In any event, Hughes' doubts about a treaty on private international law in 1928 or 1929 have little relevance for human rights conventions today. What is of international concern, what affects American foreign relations and is relevant to American foreign policy, what matters the United States wishes to negotiate about, differ from generation to generation, perhaps from year to year, with the everchanging character of relations between nations.[63] If there is a constitutional requirement that a treaty deal with a matter of "international concern," that it be an act of American foreign policy in the conduct of American foreign relations, surely human rights conventions today amply satisfy that requirement. Minimum standards of international behavior with regard to human rights were a matter of international concern and involved American foreign relations long before the UN Charter expressly so provided. Questions of human rights, and the desirability of international legislation of minimum standards, are issues of foreign policy facing all nations today. None of them is asserting that it is not an appropriate subject for international agreement. For the United States such agreements are not "sham" treaties contrived by the President to distort our constitutional system of separation of powers, or to take additional matters from the jurisdiction of the states into the federal domain.[64] As in all bona fide treaties, their purpose, from the point of view of the United States, is a foreign relations purpose—to influence behavior of other countries which affects the welfare of this country. The concern of the United States is not wholly moral or humanitarian. This country would like to see minimum standards observed in other countries in order to safeguard our own standards and to promote conditions that are conducive to American prosperity and American interests in international peace and security. To achieve those aims, and to give the United States the right to request compliance with those standards, the United States is prepared to pay the price of undertaking to apply similar standards at home and to recognize the right of other nations to demand American compliance.

It should be clear, moreover, that nothing in the requirement that a treaty deal with a matter of "international concern," or that it "affect American foreign relations," bars an agreement in which the United States undertakes obligations to other states as to how it will treat its own inhabitants:

"[I]t has always been clear that international agreements, like private contracts, may be parallel as well as reciprocal. Parties may bind themselves to do, or not to do, for each other; or, a nation may undertake to do or not to do, in its own land and to its own people, in consideration of a similar undertaking by the other party. . . .

"Such agreements are not entirely recent phenomena. . . . In fact, the United States, like other nations, has itself negotiated treaties and other international agreements which regulate acts of the Government in regard to its own citizens. The United States adhered to ILO Conventions establishing labor standards which this country would apply to Americans. It agreed to control raw and manufactured opium and other drugs within the United States. It agreed to apply to its own vessels accepted load lines and common standards for safety at sea. It agreed not to bring to trial an American soldier if he had been tried for the same offense by the courts of an allied NATO country. It agreed with other nations to limit its taxes on American citizens. And the United States has agreed to limit its own armaments; it continues to strive for far-reaching controls on arms and armies which would impose strict limitations on activities by Americans within the United States; it sought, for years, agreement for the control of atomic energy which would have governed strictly many domestic activities by Americans in the United States." [65]

The foreign relations aspects of these "parallel" agreements are obvious, and the international character of human rights conventions should be equally apparent. An international convention fixing high labor standards for a nation's own inhabitants, adopted by the nations with whom the United States competes in the sale of manufactured goods in world markets, would have a greater impact on American foreign trade, and be of far greater "international concern" to this country, than any "parallel" treaty formulating common shipping standards and restrictions. To recognize that even human rights may be matters of authentic international concern, one need only think of apartheid in South Africa, of recent events in communist countries, in Nigeria, in India and Pakistan, in Cyprus, and of other actual or potential situations where the treatment of individuals or minority groups is intimately related to war and peace among nations.[66] Basically, the question is not whether the United States should legislate for its own citizens by treaty, or should submit actions in the United States to the scrutiny of other nations. Rather, the question is whether the United States, concerned with the treatment of individuals in other countries and its effect on international peace and security, may seek to regulate such treatment, and thinks it worth the necessary price—agreement to subject actions in this country to similar international or foreign scrutiny.

To suggest that human rights conventions are not of "international concern" or do not "affect American foreign relations" requires some special and narrow restriction of the natural meaning of those phrases. It necessitates a new doctrine holding that a treaty must affect American foreign relations in a particular way, that it further only certain kinds of foreign relations interests, and further them only in specific ways. I know of no basis for any such limitation on the treaty power: Jefferson did not suggest it; Hughes' remarks have no suspicion of it; none of the dicta of the Court states or implies it. No one during the Bricker controversy, on either side, ever intimated it; indeed, such a constitutional doctrine would have made Senator Bricker's struggles to amend the Constitution largely unnecessary, legally as well as politically. Most important, there is no basis for any such limitation on the treaty power in the only possible foundation for any such limitation—the requirement that a treaty be a bona fide agreement in pursuit of foreign policy objectives.

Perhaps some of the misunderstanding of "international concern" and "relation to American foreign policy" has resulted because some have confused that doctrine with the very different concept of "domestic jurisdiction." In part, responsibility for this confusion may be traced to the original Circular 175,[67] promulgated by Secretary of State Dulles apparently in an effort to console the Bricker forces after the defeat of their efforts to amend the Constitution.[68] The Circular—an instruction to the State Department—provided:

"Treaties should be designed to promote United States interests by securing action by foreign governments in a way deemed advantageous to the United States. Treaties are not to be used as a device for the purpose of effecting internal social changes or to try to circumvent the constitutional procedures established in relation to what are essentially matters of domestic concern." [69]

The Circular, it should be noted, announced policy, not constitutional doctrine. Indeed, it was probably designed to impose as policy what the Bricker Amendment would have imposed as constitutional law, but which, it was realized, was not the law of the Constitution unamended.[70] Still, the final clause of the Circular has apparently led some to argue that the Constitution precludes American adherence to any treaty that deals with matters "that are essentially within the domestic jurisdiction of the United States." [71]

Whatever its intellectual origins, the argument reflects fundamental misconceptions. The concept of "domestic jurisdiction" is unknown to American constitutional doctrine; it is well known to international law.[72] Under international law, a matter is deemed to be within a country's domestic jurisdiction if it is not governed by international law or by any treaty obligation.[73] What is within the domestic jurisdiction of a country in the absence of treaty ceases to be so when the nation enters an international agreement on the subject.[74] To suggest that the Constitution forbids treaties as to matters that are "essentially within the domestic jurisdiction of the United States," is to bar any treaty on any matter not already governed by customary international law or previous agreement. Such a theory would prevent the United States from participating in the development of new law by multilateral convention—the principal form of international legislation today. It would preclude many provisions in treaties of commerce, friendship and navigation, in treaties on disarmament, extradition, nationality, the prevention of double taxation and a host of other subjects. It seems patently absurd.[75] In any event, it is a limitation which no one has suggested before and which is without foundation. It cannot be implied in Hughes' "international concern" limitation, nor can it be derived from the character and purpose of the treaty power as an instrument of foreign relations; it has no support even in early writings on the Constitution; and it is contradicted by the history of American treaty practice. In the absence of treaty, this country's armaments, its nationality laws, its im-

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migration policies, all lie within its "domestic jurisdiction;" yet the United States has negotiated agreements on these subjects of international concern from the beginning of its history to this day.

III

Today, human rights are of deep "international concern"; they have an important place in the foreign relation of the United States. Human rights in other countries have become, ineluctably, this country's business. It has repeatedly joined with other nations to condemn invasions of human rights in communist countries as well as in South Africa. For the United States to insist that a nation's treatment of its own inhabitants is not of international concern would itself have grievous impact on American foreign relations with Asian and African countries. The state of human rights in the United States, in turn, is sharply scrutinized by others, and our domestic human rights policies are developed with at least one eye and one ear to the world outside. For decades now, "in the ordinary intercourse of nations," human rights have "been made subjects of negotiation and treaty." Surely, the Constitution does not prohibit the United States from negotiating and adhering to such treaties.

Beneath the "neo-Bricker" doctrine that would deny the United States the power to adhere to such treaties lies, perhaps, the view that the United States should not be negotiating with other nations on "internal matters," whether those of South Africa, Russia, Hitler's Germany, Castro's Cuba, or the United States. That is a view of foreign relations which this country rejected almost 100 years ago. Today such a foreign policy is impossible, even were it desirable. The United States cannot avoid involvement in such "internal affairs" of other countries and it cannot keep other nations out of ours. The price of international influence and concern is reciprocity. Indeed, the price of United States leadership in world affairs may involve our own "internal affairs" in our foreign relations even more than the "internal affairs" of others.

Constitutional interpretation has, for more than thirty years, favored the broadest construction of the power to govern. The Supreme Court long ago recognized that where power is granted it may be exercised to the fullest. No court today would say that the commerce power is limited to matters which affect commerce in one particular way or to a limited degree; indeed, it has been extended farther than ever to support new departures in human rights legislation in the United States.[76] The spending power has emerged as a principal instrument for promoting general welfare, including much that comes within contemporary conceptions of human rights.[77] A hundred years after its adoption, the fourteenth amendment is being read to warrant novel and far-reaching legislation to promote human rights in the United States.[78] It is difficult to believe that any court would insist on a more grudging and niggardly view of the treaty power in order to prohibit American participation in human rights conventions. It is difficult to believe that any court would find that the Constitution renders the United States impotent to do what all other nations can do—participate in one of the major developments of international life in the last half-century. It is difficult to believe that any court would find in the Constitution a requirement that treaties deal with matters of "international concern," or "affect the foreign relations" of the United States, in some special narrow sense unrelated to the realities of international intercourse today.

There is room for difference about the desirability or effectiveness of international human rights covenants, or of American participation in such covenants. There is, however, no excuse for lawyers to fabricate constitutional doctrine to confuse the issue. Almost ten years ago, in the pages of this *Review*, I wrote:

"Many will have deep sympathy for those who dream of old days thought good, or better; who yearn for decentralization even in foreign affairs and matters of international concern, for limitations on federal power, for increase in the importance of the States; who thrill to a wild, poignant, romantic wish to turn back all the clocks, to unlearn the learnings, until the atom is unsplit, weapons unforged, oceans unnarrowed, the Civil War unfought. The wish remains idle, and the effort to diminish power in this area for fear that it may not be used wisely is quixotic, if not suicidal. It is not the moment to attempt it when all ability, flexibility, wisdom are needed for cooperation for survival by a frightened race, on a diminishing earth, reaching for the moon." [79]

The lesson is more urgent than ever; it is yet to be learned.

FOOTNOTES

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[1] G.A. Res. 1961, 18 U.N. GAOR Supp. 15, at 43, U.N. Dock. A/5515 (1963).

[2] Some constitutions were drafted under direct American authority or influence; for example, those of [Liberia, the Philippines, the Federal Republic of Germany and post-war Japan]. For similarities between the American Constitution and others, see synoptic tables in 3 A. PEASLEE, CONSTITUTIONS OF NATIONS, 556–63 (1950).

[3] U.N. CHARTER art. 1, para. 3, art. 13, para. 1b, arts. 55–72.

[4] G.A. Res. 217, U.N. Doc. A/810 at 71–77 (1948).

[5] *Compare* United States v. Butler, 297 U.S. 1 (1936), *with* Steward Mach. Co. v. Davis, 301 U.S. 548 (1937).

[6] *See, e.g.*, Brown v. Board of Educ., 347 U.S. 483 (1954); Griffin v. Illinois, 351 U.S. 12 (1956).

[7] Civil Rights Act of 1964, 78 Stat. 241–68 (1964), 28 U.S.C. § 1447(d) (1964), 42 U.S.C. §§ 1971, 1975a–1975d, 2000a–2000h–6 (1964).

[8] *Compare* Oyama v. California, 332 U.S. 663, 649–50 (concurring opinion), 673 (concurring opinion) (1948), *with* Hurd v. Hodge, 162 F.2d 233, 245–46 (D.C. Cir. 1947), *aff'd*, 334 U.S. 24, 34–35 (1948), *and* Sei Fujii v. State, 217 P.2d 481, 486–88 (Cal. Dist. Ct. App. 1950), *aff'd on other grounds*, 38 Cal. 2d 718, 242 P.2d 617 (1952).

[9] U.N. CHARTER arts. 55–56.

[10] Convention on the Prevention and Punishment of the Crime of Genocide, 78 U.N.T.S. 278, *entered into force* Jan. 12, 1951. President Truman transmitted the Convention to the Senate for its consent on June 16, 1949, *see* 95 CONG. REC. 7825 (1949).

[11] Convention Relating to the Status of Refugees, 189 U.N.T.S. 150 (1954).

[12] 32 DEP'T OF STATE BULL. 820, 822 (1955); *see* note 69 *infra* and accompanying text.

[13] *See* note 66 *infra*.

[14] CONGRESSIONAL RECORD, vol. 113, pt. 23, pages 30908–30909.

[15] The principal version of the Bricker Amendment, prepared by the American Bar Association, is contained in *Hearings on S.J. Res. 1 and S.J. Res. 43 Before a Subcomm. of the Senate Comm. on the Judiciary*, 83d Cong., 1st Sess. at 35–36 (1953).

[16] American Bar Association, *Report of the Standing Committee on Peace and Law Through United Nations: Human Rights Conventions and Recommendations*, 1 INT'L LAW, 600, 607 (1967); *see Hearings on Human Rights Conventions Before a Subcomm. of the Senate Comm. on Foreign Relations*, 90th Cong., 1st Sess., *passim* (1967).

[17] American Bar Association, *Report of the Standing Committee on Peace and Law Through United Nations: Human Rights Conventions and Recommendations*, 1 INT'L LAW, 600, 601 (1967).

[18] I have dealt at length with basic constitutional doctrine about treaties in L. HENKIN, ARMS CONTROL AND INSPECTION IN AMERICAN LAW (1958) [hereinafter cited as ARMS CONTROL], particularly in chapter III, at 25–46. *See also* Henkin, *The Treaty Makers and the Law Makers: The Law of the Land and Foreign Relations*, 107 U. PA. L. REV. 903 (1959) [hereinafter cited as *Law of the Land*]; Henkin, *The Treaty Makers and the Law Makers: The Niagara Reservation*, 56 COLUM. L. REV. 1151 (1956) [hereinafter cited as *Niagara Reservation*].

[19] International law and practice know no limitation here relevant. *See* L. OPPENHEIM, INTERNATIONAL LAW § 501 (8th ed. H. Lauterpacht 1955). *But cf.* U.N. CHARTER art. 103

[20] Mr. Justice Holmes said: "Acts of Congress are the supreme law of the land only when made in pursuance of the Constitution while treaties are declared to be so when made under the authority of the United States. It is open to question whether the authority of the United States means more than the formal acts prescribed to make the convention." Missouri v. Holland, 252 U.S. 416, 433 (1920).

U.S. CONST. art. VI, cl. 2 provides in part: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, of which shall be made, under the Authority of the United States, shall be the supreme Law of the Land. . . ."

See also ARMS CONTROL 29, 169–70 n.14. The myth was repeated by John Foster Dulles shortly before he became Secretary of State, but he later repudiated the statement. *Id.* at 171 n.14.

[21] 354 U.S. 1 (1957).

[22] *Id.* at 16–17. *See also* ARMS CONTROL 173 n.17. Justice Black expounded the reasons for the language of the supremacy clause that struck Holmes, *see* note 20 *supra*. *See Generally* ARMS CONTROL 169–72 n.14.

Even the first amendment, which begins "Congress shall make no law . . ." applies to treaties as well. *See* ARMS CONTROL 37, 179 n.44.

[23] Various statements to this effect going back to our early history are collected in H. TUCKER, LIMITATIONS ON THE TREATY-MAKING POWER §§ 2–51 (1915), and Mikell, *The Extent of the Treaty-Making Power of the President and Senate of the United States*, 57 U. PA. L. REV. 435, 436–38 n.1 (1909).

[24] T. JEFFERSON, MANUAL OF PARLIAMENTARY PRACTICE 110 (1876), quoted in 5 J. Moore, DIGEST OF INTERNTIONAL LAW 162 (1906). *See also* the remarks of John Calhoun made in 1816, recorded in 29 DEBATES AND PROCEEDINGS IN THE CONGRESS OF THE UNITED STATES 532 (1854).

[25] In 2 J. STORY, COMMENTARIES ON THE CONSTITUTION OF THE UNITED STATES 339 n. 3 (5th ed. 1891), Joseph Story said: "Mr. Jefferson seems at one time to have thought that the Constitution only meant to authorize the President and Senate to carry into effect, by way of treaty, *any power they might constitutionally exercise*. At the same time, he admits that he was sensible of the weak points of this position. 4 Jefferson's Corres. 498. What are such powers given to the President and Senate? Could they make appointments by treaty?"

[26] This is the common interpretation of Jefferson's dictum. Of course, if one recognizes that the treaty power is one of the powers delegated to the federal government, and that what comes within it is therefore not reserved to the states, one could accept Jefferson's statement to mean that there may be some special areas reserved to the states even as regards the treaty power, for example, that a treaty cannot cede territory of a state without its consent. *See* text accompanying note 37 *infra*.

[27] Presumably it could deal with matters

which are in the President's domain under the Constitution.

[28] *See* Q. WRIGHT, THE CONTROL OF AMERICAN FOREIGN RELATIONS § 59 (1922). The Supreme Court itself never gave any encouragement to the view that treaties cannot deal with matters that are within the powers delegated to Congress. On the contrary, it has always insisted that a treaty and statute might deal with the same matter, and that, for example, if the two were inconsistent the later in time would prevail. *E.g.*, Whitney v. Robertson, 124 U.S. 190 (1888); *See* ARMS CONTROL 29–31, 173–176 nn.20–23.

[29] *See Law of the Land* 913–30. Since that was written the Supreme Court has found additional powers of Congress in the enforcement clause of the fourteenth amendment. *See* Katzenbach v. Morgan, 384 U.S. 641 (1966). *See also* United States v. Guest, 383 U.S. 745 (1966).

[30] ARMS CONTROL, 33–34, 176 n.25, 177 n.28. *Compare* Clark v. Allen, 331, U.S. 503 (1947), *with* Asakura v. Seattle, 265 U.S. 332 (1924), *and* Hauenstein v. Lynham, 100 U.S. 483 (1879). For the authority of states to deal with inheritance by aliens in the absence of treaty, *see* Zschernig v. Miller, 389 U.S. 429 (1968).

[31] 252 U.S. 416, 433 (1920). Contrary to some impressions, Holmes was not making new law. ARMS CONTROL, 33–34, 176 n.25.

[32] *See Law of the Land* 909–13. Even before Missouri v. Holland, 262 U.S. 416 (1920), the view expounded by Justice Holmes was that of the majority. ARMS CONTROL, 33–34, 176 n.25. On the other hand, even after *Missouri v. Holland* was decided, its implications were not clearly understood, sometimes even by American negotiators. For example, American representatives for some time continued to claim that the United States could not undertake to regulate the manufacture of armaments because manufacturing was local and reserved to the states. The Department of State recognized its error several years later and officially abandoned the position in 1932. ARMS CONTROL 176–177 n.25.

[33] Missouri v. Holland, 252 U.S. 416, 434 (1920), (Holmes, J.).

[34] "Our conclusion is unaffected by the Tenth Amendment . . . The amendment states but a truism that all is retained which has not been surrendered." United States v. Darby, 312 U.S. 100, 123–24 (1941).

[35] Some of them, at least, would be particularly reluctant to claim that human rights are reserved to the Congress. Like Senator Bricker, they might insist that Congress could not deal with them either. *But see* Civil Rights Act of 1964, 78 Stat. 241–68 (1964), 28 U.S.C. § 1447(d) (1964), 42 U.S.C. §§ 1971, 1975a–1975d, 2000a–2000h-6 (1964); cases cited note 29 *supra*.

[36] 133 U.S. 258, 267 (1890).

[37] Some even question this limitation. *See* ARMS CONTROL 177 n.30. Other limitations suggested would bar the use of a treaty to abolish a state's militia or destroy its republican form of government. *Id.* at 34–36, 60–61.

[38] Geofroy v. Riggs, 133 U.S. 258, 267 (1890) (emphasis added). The same implication might lie in an earlier sentence in the opinion, where the Court stated: "That the treaty power of the United States extends to all proper subjects of negotiation between our government and the governments of other nations, is clear." *Id.* at 266.

[39] Holden v. Joy, 84 U.S. (17 Wall.) 211, 243 (1872).

[40] Asakura v. Seattle, 265 U.S. 332, 341 (1924).

[41] Santovincenzo v. Egan, 284 U.S. 30, 40 (1931).

[42] 39 U.S.C. (14 Pet.) 540 (1840).

[43] *Id.* at 569. The same statement, in slight paraphrase, appears in Holden v. Joy, 84 U.S. (17 Wall.) 211, 243 (1872). In that case Mr. Justice Clifford speaks of "those objects which in the intercourse of nations had usually been regarded as the proper subjects of negotiation and treaty, if not inconsistent with the nature of our government and the relation between the States and the United States." *Id.* (footnote omitted). If Clifford intended to modify Taney, his statement might be read more broadly—a treaty may deal not merely with matters about which nations had negotiated, but also with those they considered proper for negotiation.

[44] *But cf.* Power Authority v. FPC, 247 F. 2d 538 (D.C. Cir.), *vacated as moot, sub nom.* American Pub. Power Ass'n v. Power Authority, 355 U.S. 64 (1957). However, this case was, I believe, wrongly decided. *See* note 65 *infra*.

[45] Early in our history some treaties were rejected because the subject matter was within the domain of Congress and therefore, it was thought, not within the treaty power. *See* ARMS CONTROL 172 n.14.

[46] Calhoun, too, said: "A treaty never can legitimately do that which can be done by law; and the converse is also true." 29 DEBATES AND PROCEEDINGS IN THE CONGRESS OF THE UNITED STATES 532 (1854).

[47] *See* Q. WRIGHT, THE CONTROL OF AMERICAN FOREIGNS RELATIONS § 59 (1922).

[48] *See Law of the Land* 921 n.41 and text accompanying.

[49] Holmes v. Jennison, 39 U.S. (14 Pet.) 540, 569, (1840).

[50] Or Clifford's "objects," Holden v. Joy, 84 U.S. (17 Wall.) 211, 243 (1872).

[51] "We must consider what this country has become in deciding what that [Tenth] Amendment has reserved." Missouri v. Holland, 252 U.S. 416, 433 (1920).

[52] *See* text accompanying notes 10–11 *supra*.

[53] 23 PROC. AM. SOC'Y INT'L L. 194, 195–96 (1929).

[54] He spoke in response to urging from the floor that he express his views. *Id.* at 193.

[55] "In view of our system of government in the United States, with our forty-eight states and our federal government of limited powers, the United States could not join in this action, but it viewed with sympathetic interest the efforts of the other American states to obtain legislative uniformity."—Hughes, *The Outlook for Pan Americanism—Some Observations on the Sixth International Conference of American States*, 22 PROC. AM. SOC'Y INT'L L. 1, 12 (1928). His comments in subsequent discussion suggest that in his view the United States could not adhere to the Bustamante Code because of a combination of constitutional and political obstacles. *Id.* at 61–62.

The official declaration of the American delegation stated in part:

"The Delegation of the United States of America regrets very much that it is unable at the present time to approve the Code of Dr. Bustamante, as in view of the Constitution of the United States of America, the relations among the states members of the Union and the powers and functions of the Federal Government, it finds it very difficult to do so."—PAN AMERICAN UNION, TREATIES AND CONVENTIONS SIGNED AT THE SIXTH INTERNATIONAL CONFERENCE OF AMERICAN STATES 36, 69 (1950).

[56] For example, Professor Manley O. Hudson, 22 PROC. AM. SOC'Y INT'L L. 60 (1928), and Charles H. Butler, 23 PROC. AM. SOC'Y INT'L L. 177 (1929).

[57] 22 PROC. AM. SOC'Y INT'L L. 61–62 (1928); *see* Hudson's remarks, *id.* at 60. It is clear that there was, at that time, a lag in the State Department's appreciation of the implications of *Missouri v. Holland*. *See* note 32 *supra* and note 63 *infra*.

[58] *E.g.*, Hughes' statement: "But if we attempted to use the treaty making power . . . to control matters which normally and appropriately were within the local jurisdiction of the States. . . ." 23 PROC. AM. SOC'Y INT'L L. 196 (1929).

[59] In further discussion of the Bustamante Code on private international law during the 1929 Proceedings of the American Society of International Law, Hughes admitted that "doubtless there were many matters considered which were not entirely of local concern," and he recognized, in general, that there may be concerns "which perhaps under former conditions had been entirely local, [but which] had become so related to international matters that an international regulation could not appropriately succeed without embracing the local affairs as well." 23 PROC. AM. SOC'Y INT'L L. 195 (1929). But he implied that some aspects of the conflicts enterprise might be of strictly local interest, and that merely to achieve uniformity of practice within different nations might not be a proper subject of a treaty. *Id. But see* note 63 *infra*.

[60] RESTATEMENT (SECOND) OF FOREIGN RELATIONS LAW § 117 (1965). I have assumed that Jefferson's statement and Hughes' are generally equivalent. If there is any difference between the requirement that a treaty "concern the other party" and that it be of "international concern," the difference does not seem relevant for our purpose. Suggestions that there are relevant differences between "international concern" and "multi-national concern" are not persuasive. If, as I believe, the justification for any "international concern" limitation derives from the purpose of the treaty power, the real test should be whether a treaty is entered into as an act of foreign policy in pursuance of American foreign relations. *See* note 61 *infra*.

[61] When Hughes spoke of this question after he became Chief Justice he spoke of "all subjects that properly pertain to our foreign relations." Santovincenzo v. Egan, 284 U.S. 30, 40 (1931).

[62] Even the case that inspired Hughes' concern hardly affords a realistic example. Theoretically, his principle might bar treaties which develop "uniform laws" where neither the United States nor the other party has any substantial interest in whether or not their countries have such uniform laws. But even if nations should bother to have their experts join to develop those uniform laws, they would hardly incorporate such laws in a trearty unless they had some foreign-policy interest in common standards, in binding other nations to these standards, and were willing to bind themselves in exchange. *But see* note 63 *infra*. For a discussion of some different kinds of concerns that may lead nations to negotiate a treaty or include a particular provision, see *Niagara Reservation* 1164–69.

[63] The agreement that troubled Hughes affords an interesting instance. Whatever might have been the case in 1928, I am confident that today a treaty providing for uniform principles of private international law in regard to cases of conflicts of law between nations would be a valid treaty dealing with a matter of international concern. In recent years the United States has adhered to the Hague Conference on Private International Law. Today, principles of conflcts of law between nations are probably subject to federal, not state, law, precisely because they affect the foreign relations of the United States. *See* Banco Nacional de Cuba v. Sabbatino, 376 U.S. 398, 425–26 (1964); Henkin, *The Foreign Affairs Power of the Federal Courts:* Sabbatino, 64 COLUM. L. REV. 805, 820–21 n.51 (1964).

[64] In most respects, at least, the subjects with which such treaties generally deal are already in the federal domain, and do not make new law, but only confirm what is already federal law. *See* note 66 *infra*.

[65] *Law of the Land* 911–12 (footnotes omitted):

"Opponents of human rights conventions have also invoked Power Authority v. FPC, 247 F.2d 538 (D.C. Cir.), *vacated as moot, sub nom.* American Pub. Power Ass'n v. Power Authority, 355 U.S. 64 (1957). That case,

I believe, was wrongly decided. *See Niagara Reservation, passim.* In any event, it has no relevance to our question. That case held that a Senate reservation to a treaty with Canada, providing that the treaty would not go into effect in the United States until Congress adopted legislation, did not have the effect of law in the United States since it was not part of the contract with Canada. That case suggests that only provisions that are "contractual," *i.e.*, part of the agreement with the foreign nation, can be law of the land. Nothing in that case suggests any limitations on the kinds of provisions that can be made subject of a contract with other nations. In a human rights convention, the provisions are "contractual," imposing obligations upon the parties.

"The majority opinion in the case adopted the views of Professor Jessup, counsel for the Power Authority in the case, and author of a legal memorandum published earlier on the same issues. Professor Jessup has been one of the leading exponents of the position which would have the individual a subject of international law, and has expressly favored multilateral conventions to promote human rights." P. JESSUP, A MODERN LAW OF NATIONS 87–93 (1948).

[66] Even minor agreements have a foreign relations purpose. In 1963 President Kennedy asked the advice and consent of the Senate to three United Nations conventions dealing with the abolition of slavery, the abolition of forced labor, and the enforcement of political rights of women. He said:

"United States law is, of course, already in conformity with these conventions, and ratification would not require any change in our domestic legislation. However, the fact that our Constitution already assures us of these rights does not entitle us to stand aloof from documents which project our own heritage on an international scale. The day-to-day unfolding of events makes it ever clearer that our own welfare is interrelated with the rights and freedoms assured the peoples of other nations.

"These conventions deal with human rights which may not yet be secure in other countries; they have provided models for the drafters of constitutions and laws in newly independent nations; and they have influenced the policies of governments preparing to accede to them. Thus, they involve current problems in many countries.

"They will stand as a sharp reminder of world opinion to all who may seek to violate the human rights they define. They also serve as a continuous commitment to respect these rights. There is no society so advanced that it no longer needs periodic recommitment to human rights.

"The United States cannot afford to renounce responsibility for support of the very fundamentals which distinguish our concept of government from all forms of tyranny."—*Hearings on Human Rights Conventions Before a Subcomm. of the Senate Comm. on Foreign Relations,* 90th Cong., 1st Sess. 40 (1967).

[67] U.S. Dep't of State, Dep't Cir. No. 175 (1955), reprinted in 50 AM. J. INT'L L. 784 (1956).

[68] For other reassurances to the Brickerites, see *Law of the Land* 934–35 n.66.

[69] U.S. Dep't of State, Dep't Cir. No. 175, at 2 (1955). The Circular, in turn, echoes remarks made by Dulles two years earlier during the hearings on the Bricker Amendment. See *Hearings on S.J. Res. 1 and S.J. Res. 43 Before a Subcomm. of the Senate Comm. on the Judiciary,* 83d Cong., 1st Sess. 824–25 (1953). The circular has since been revised and the quoted language eliminated.

[70] In fact, when President Kennedy in 1963 sent three minor human rights conventions to the Senate, *see* note 66 *supra,* it did eventually consent to one of them. CONG. REC., vol. 113, pt. 23, pp. 30905–06 (consent to convention on abolition of slavery).

[71] American Bar Association, *Report of the Standing Committee on Peace and Law Through United Nations: Human Rights Conventions and Recommendations,* 1 INT'L. LAW. 600, 601 (1967). Note that the Circular, *supra* note 69, speaks of "domestic concern," not of "domestic jurisdiction." The latter has became a term of art in international law; the former has not. *See* notes 72–74 *infra* and accompanying text. The Circular may have intended to use "domestic concern" in contradistinction to Hughes' "international concern." In fact, this is a leading play on words. "Domestic concern" and "international concern" are not closed, exclusive categories. To say that something is essentially a matter of domestic concern may be merely a way of expressing a determination not to negotiate about it. But what is essentially a matter of "domestic concern" becomes a matter of "international concern" if nations do, in fact, decide to bargain about it. *See* note 75 *infra.*

[72] *Compare* U.N. CHARTER art. 2, para. 7, *with* Declaration on the Part of the United States, 61 Stat. 1218 (1946), T.I.A.S. No. 1598 (promulgated Aug. 14, 1946), in which the United States accepted, with reservations, compulsory jurisdiction of the International Court of Justice under I.C.J. STAT. art. 36, para. 2. One of the stipulated exceptions related to ". . . disputes with regard to matters which are essentially within the domestic jurisdiction of the United States of America as determined by the United States of America. . . ." Declaration on the Part of the United States, *supra.*

[73] *See e.g.,* Declaration on the Part of the United States, 61 Stat. 1218 (1946), T.I.A.S. No. 1598 (promulgated Aug. 14, 1946).

[74] *See* Advisory Opinion on Nationality Decrees Issued in Tunis and Morocco, [1923] P.C.I.J. ser. B, No. 4.

[75] The authors of this argument might insist that they are using "domestic jurisdiction" in some special sense. I do not know what it is. It would seem that they are trying by this phrase to read back into the Constitution the notion that a treaty may not deal with a "local matter"—a notion long rejected and finally demolished in *Missouri v. Holland.* The point is that the concept of "domestic jurisdiction" is irrelevant to the constitutional question whether an agreement relates to our foreign relations and has some foreign policy purpose.

[76] *E.g.,* Heart of Atlanta Motel v. United States, 379 U.S. 241 (1964); Katzenbach v. McClung, 379 U.S. 294 (1964).

[77] *See, e.g., Steward Mach. Co. v. Davis,* 301 U.S. 548 (1937).

[78] *E.g. Katzenbach* v. *Morgan,* 384 U.S. 641 (1966). *See also* United States v. Guest, 383 U.S. 745 (1966).

[79] *Law of the Land,* 936.

MARTIN LUTHER KING DAY—SENATE JOINT RESOLUTION 5

Mr. TUNNEY. Mr. President, I am pleased to join the Senator from Massachusetts (Mr. BROOKE), in sponsoring a resolution to designate January 15 of every year as Martin Luther King Day.

On April 4, 1968, the Nation and the world was shocked and saddened at the brutal loss of a truly great leader. His long years of commitment and devotion to the cause of racial equality and the leadership he gave will be his true monument in history. It is most fitting, however, that we pay honor and give continued attention to the goals which he set before us by setting aside this day each year.

This resolution designates January 15 of each year as Martin Luther King Day and authorizes the President to issue the appropriate proclamation. On this day citizens across the entire Nation pay tribute to the goals which Dr. King so nobly served. Let us also renew each year on that day our national commitment to the cause of racial equality and justice for every person in every part of this Nation.

U.S. WITHDRAWAL FROM VIETNAM

Mr. TAFT. Mr. President, I support an irreversible policy of withdrawal from Vietnam. In that context I support the action in Laos and Cambodia solely on the basis that it may be directly related to the acceleration of our troop withdrawals.

For years, Cambodia and Laos have been used as supply routes for the continuation of the war in Southeast Asia. Bombing was not a successful means of halting the flow of troops and material. If, however, the South Vietnamese are able to block the Ho Chi Minh Trail, this may be the best means of slowing down their war effort and enabling the United States to accelerate its withdrawal.

On February 13, 1971, the Economist magazine published an article entitled "Just What Giap Ordered." I commend the article to the Senate as we consider means of facilitating the withdrawal of American forces from Vietnam 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:

JUST WHAT GIAP ORDERED

THE ATTACK INTO LAOS IS IN ACCORDANCE WITH THE BEST ADVICE AVAILABLE ON THE INDOCHINA WAR

The South Vietnamese have finally gone ahead with the operation in southern Laos that they have been dreaming about for years. The Americans mounted a huge logistical exercise up around Khe Sanh to support them, and American planes and helicopters nosed ahead as the South Vietnamese drove westward down Route 9 into Laos soon after daybreak on Monday. But on the ground they will have to face the enemy alone. They have already shown some efficiency in offensive operations in Cambodia. This will be a harsher test of their staying power. So far there have been only a few early skirmishes between the South Vietnamese and the communist forces posted along the Ho Chi Minh trails; * * *. But there could be some major battles ahead.

There are good reasons why the North Vietnamese may be more interested in taking on the South Vietnamese than they were in Cambodia in April and May last year, when they simply faded away into the bush. The terrain favours them as practised guerrillas; they know the lie of the land, and they may try to cut off South Vietnamese units and encircle them. They may be encouraged by the fact that they are not facing American ground troops—although no one should underrate the battalions from South Vietnam's 1st Division that have moved into Laos. But the big factor is that the stakes in Laos are even higher than they were in Cambodia. If they lost control of their Laotian supply lines, the North Vietnamese would eventually be forced to pull out of the war in Cambodia and South Vietnam. Those supply lines are what this operation is all about. The surprising thing is not that President Nixon consented to the entry into Laos now, but that it did not take place three or four years earlier.

It is not clear how much the South Viet-

namese will try to do. They may already have occupied Tchepone, the gutted town 25 miles from the frontier that has been used by the communists as a staging-post along the Ho Chi Minh trails. They may try to scoop up some of the North Vietnamese supply dumps hidden farther north along the trails. That may be the limit of their ambitions. They could then hope to go home and display a collection of captured arms and supplies comparable to what the Americans brought back from Cambodia. But the scale of the manoeuvres that have been taking place in the north-west corner of South Vietnam suggests that they are aiming for something bigger. They may fling a task-force farther west, in a bid to recapture the towns of Attopeu and Saravane on the Bolovens plateau. The way Vice-President Ky was talking on Wednesday suggests that their maximum target would be to establish a blocking position across the Ho Chi Minh trails, hold on to it until the monsoon in May, and go back again when the rain stops.

It is hard to exaggerate the importance of those trails. Winding through the jungle of eastern Laos like knotted strings of hippy beads, dotted with relay stations and supply dumps, they are the lifeline that binds all the communist forces fighting in Indochina to North Vietnam. Can the South Vietnamese and the Americans cut that lifeline? Past experience has bred considerable scepticism. Laos has been described as the most-bombed country on earth, and yet all the bombing of six years has failed to halt the movement of men and supplies down the trails. Expensive new gadgetry for tuning in on enemy movements (microphones, seismic sensors, laser beams) has improved the accuracy of the bombing, but the carriers keep on coming.

The problem has to be tackled on the ground if it is to be tackled at all. But it is hard to forecast the cost of a successful land attack on the trails. Some doubters in the American State Department are said to maintain that it would take 100,000 men to hold a line across the trails. And the border region is about as flat as a screwed-up piece of paper. The South Vietnamese and the Americans who tried for several years to break into the A Shau valley (one place where the trails debouch into South Vietnam) found it hard to get their bearings and easy to fall into an ambush. It has yet to be proved that the South Vietnamese can do better in Laos. Yet the reasons for trying are quite plain. There is evidence to suggest that the communists have built up very large stockpiles of arms and supplies along the trails over the past few months, and the Saigon generals may be hoping to bag enough of these to throw the enemy off balance and delay any major communist offensive in South Vietnam for up to 18 months. Like the Cambodia operation, the Laos offensive may be designed to buy time. It holds many risks, but they are worth taking.

The South Vietnamese are trying to turn one of the basic principles of North Vietnam's strategist, General Giap, to their own advantage. Giap insists that one of the prime goals for a general must be to deprive his opponents of a "safe rear base" while looking after his own. Probably the South Vietnamese will not carry the war into North Vietnam (although there are some Saigon generals who talk that way and some alarmists in Hanoi who listen to them) but they are aiming to sever the "great rear" of North Vietnam from the communists' front-line troops. The Indochina war has changed character since the Americans began to apply Napoleon's dictum that an army marches on its stomach. For the moment, it is a war for supply-lines, in which the American side enjoys the continuing advantage of the inviolable sea and air links between Vietnam and the United States, and improved communications inside South Vietnam. The new emphasis partly stems from the personal influence of General Abrams, the present American commander in South Vietnam, who is one of those who understand that the difference between victory and defeat can be measured out in ricesacks and cartridges as well as in men's lives. It means that, temporarily at least, the American side has carried the war into territory the enemy had made his own.

The mystery is how the North Vietnamese will choose to respond. They may try to create a diversion. In northern Laos they have already been inching westward, mopping up isolated military posts on the Plain of Jars and getting uncomfortably close to the Mekong valley, where the government still clings to the major towns. They are already within easy reach of the royal capital, Luang Prabang, and the headquarters of General Vang Pao's irregular army. They could strike at the capital itself. The Laotians have been busily setting up fortifications around the Vietnamese airport in the fear that communist saboteurs may try to imitate the attack they made at Pnom Penh last month. By inflicting a new reverse on the Laotians, the communists would deepen the political rifts in Vientiane and might provoke the fall of the prime minister, Prince Souvanna Phouma, who is bitterly criticised by those in the army and the cabinet who think he has been too docile in the face of North Vietnamese incursions. It would be a pity if he went.

But what the South Vietnamese are doing in Laos will not do much more damage to that vulnerable little buffer-state than has been done already by other people. The South Vietnamese are certainly not the ones who exploded the sad illusion of Laotian "neutrality." Very few people believed the claims of the Pathet Lao, the North Vietnamese and the Russians that the Geneva agreement on Laotian neutrality was violated when General Lam's column went over the border. The North Vietnamese have been tramping up and down on that agreement for years. And though Prince Souvanna has dissociated himself from the South Vietnamese operation he was quick to point out that the communists were the first to violate his country's territory, and that the border areas were completely beyond his control.

Even in the United States there has so far been surprisingly little opposition; see page 41. The American senator who insisted that Mr. Nixon has opened a "third front" did not find many public supporters to echo his conviction of fresh catastrophe. It may be that Mr. Nixon has pulled off a minor public relations coup—that the gag imposed on the press last week persuaded so many people that a Laos operation was already under way that when it did happen they were left with nothing much to say. It may also be that the operation was timed to coincide with the Apollo moon flight in order to have the kind of effect the official Chinese news agency forecast when it declared that "the American President is making people look up into the heavens so they will forget what is happening on earth." But there is no need to forget. After all, there is nothing new in the idea that the Vietnam war involves all of Indochina. The future security of South Vietnam, and of Cambodia, depends above all on the security of their frontiers against the steady flow of armed men and organisers and propagandists and guns and ammunition which North Vietnam has been exporting into its neighbours ever since the end of the 1950s. Even Laos may one day be secure if that flow can be stopped. The war comes from Hanoi. The frontiers will always be vulnerable. But anything that helps to slow down the rate of North Vietnamese infiltration is a gain; and if South Vietnam's troops fight well, that is what this operation will do.

PROPOSED SALE OF NATIONAL AND DULLES AIRPORTS

Mr. SPONG. Mr. President, the announcement in the new budget that the administration will sell National and Dulles Airports has stirred considerable interest on the part of the State and local officials in this area. The announcement provides little detailed information about the proposed sale and, until now, there has been no elaboration by the administration. In order to answer some of the questions which have been raised, I wrote last month to the Secretary of Transportation and the Office of Management and Budget requesting some clarification of the issue. I ask unanimous consent that those replies be printed in the RECORD.

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

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 26, 1971.

Hon. WILLIAM B. SPONG, JR.
U.S. Senate,
Washington, D.C.

DEAR SENATOR SPONG: I have received your letter of February 8 concerning the proposal contained in the President's Budget for the sale of the National Capital Airports. As you suggest, this is not a new proposal, as it was previously included in the fiscal year 1971 budget submission.

With regard to your questions, I would note that even though the proposal appeared initially in last year's economy package, the Administration's decision to propose the sale of the airports was not chiefly motivated because of economy. The proposal is chiefly motivated by the belief that the operation of airports is not an appropriate function for the Department of Transportation. We feel that it would be more suitable for these airports to be placed under local or regional ownership and have the same relationship to the Department of Transportation as do all other such airports throughout the country. It was this concept that has basically motivated the Administration to again propose the sale of the airports, although the disposition of the airports may result in some immediate economy to the Federal Government.

You further question the nature of the $105 million estimate included in the budget as a "one-time savings." This number does not reflect a "cost avoidance" factor, but does in fact reflect the approximate current depreciated value of the two airports. While it is hoped that the sale of the airports can be consummated in fiscal year 1972, it is realized that the time involved in obtaining suitable legislation and consummating such a sale may, in fact, result in the actual sale not being accomplished during the fiscal year. Accordingly, in order to prevent the inflation of estimated budgetary receipts in the President's Budget, this amount was not included in total estimated governmental receipts. The Administration is currently preparing legislation on this matter which will be presented to the Congress in the near future.

We appreciate the interest you have shown in this matter. If we can be of further assistance to you, please contact us.

Sincerely,

JOHN VOLPE.

THE WHITE HOUSE,
Washington, D.C., March 3, 1971.

Hon. WILLIAM B. SPONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SPONG: I am attaching an information sheet on the proposed sale of

Dulles and National Airports. It is hoped that this will be helpful to you.

If I can provide additional information, do not hesitate to call upon me.

Very truly yours,

WILLIAM L. GIFFORD,
Special Assistant to the President.

INFORMATION SHEET ON SALE OF NATIONAL CAPITAL AIRPORTS

Q. Why would the Government want to sell National and Dulles Airports?

A. The idea of the sale of the National Capital Airports has been under study for a long time. The first proposal to separate the airports from direct Federal control was made in 1952. There are several reasons why it would be advantageous to have the Federal Government get out of the airport business:

Dulles and National Airports are the only commercial airports owned and operated by the Federal Government, yet they serve the general public like all other public airports. There is little reason why they have to be run by the Federal Government rather than by a private, local, state, or regional entity.

There are elements of a "conflict of interest" in FAA handling of Dulles and National Airports because of other FAA responsibilities in the area of airport certification, allocation of airport grants, and concern with airline industry finances.

The Federal Government has pushed for a long time for better regional airport planning. The proposal of the sale of the National Capital Airports will give the Government an opportunity to investigate various options for combining the airports with other nearby airports and/or regional organizations in order to better utilize and balance existing airport resources.

Q. What is the exact nature of the Administration's proposal?

A. The issue is still being studied and a definite legislative proposal will be made to Congress later in the year. The options which are now being considered include the following:

Creation by Congress of a COMSAT-type corporate enterprise to operate the two airports with authority to operate other regional airports (e.g., Friendship);

Creation by Congress of a regional airport authority comprised of D.C., Virginia, and Maryland with authority to operate other regional airports (e.g., Friendship); and

Authorization by Congress of a transfer of existing facilities to some private or public utility (e.g., Washington Metropolitan Area Transit Authority) as proposed by Senator Spong, to be controlled in the public interest by being subject to the scrutiny of some form of public utilities regulatory body.

Congressional authorization is required before the airports are transferred out of Federal jurisdiction.

Q. How much will the airports sell for?

A. The 1972 budget indicates a possible sale price of $105M. This is the depreciated book value of the land and facilities. The airports cost more than this amount to build originally, and if the appreciated value of the land were added to the price, the figure would be much higher. The details are yet to be worked out in the proposed legislation, and we anticipate that a sale price will have to be negotiated between the Government and any prospective party to which the airports might be transferred.

Q. Are National and Dulles Airports self-sustaining operations?

A. In 1972 for the first time, Dulles Airport is expected to return an operating profit of $210K. This makes both airports self-sustaining in terms of recovery of direct operating costs through revenues. However, when interest and depreciation are added, the airports are jointly expected to be in a net deficit situation of $1.8M for FY 1972 (−$5.4M for Dulles and +$3.5M for National).

The Airports financial picture has improved with each year, and we anticipate that their finances will further improve as nation-wide air traffic picks up and as contracts for concessions, parking, and landing fees are renegotiated.

Q. There has been much criticism from all sides on the type of jet aircraft being handled at National Airport. If the Airport is handed over to some non-Federal authority, what assurance is there that the new management will not drastically alter the regulations to the detriment of the public?

A. The problems which National Airport faces are not unique. Airports throughout the country are facing the same problems. We believe that a non-Federal authority will be responsive to local concerns. Yet, certainly there will have to be certain boundaries on the use of the Airports' land and properties by any new or existing authority to which the airports might be transferred. This issue will be fully investigated before legislation is sent to Congress.

THE DAV'S BATTLES CONTINUE

Mr. PROXMIRE. Mr. President, I feel deeply privileged to participate in the congressional program honoring the 50th anniversary of the Disabled American Veterans. No matter how one feels about past or present wars, the potentially productive lives of our disabled veterans still remain. Their battle with the competitive rigors of civilian life rages on. The despair and frustration that plague many of their families only deepen the plight of those to whom we owe so much.

The DAV fights the noble but little-publicized battle of caring for the disabled veterans' immediate needs, be they tangible or intangible. The organization's courage is quiet but it fosters mutual devotion, happiness, and comradeship among all disabled veterans. They can always look to the DAV for legal advice on their veterans claims, for rehabilitation and employment programs, and for many other services which require compassion and patience.

Since its inception, the DAV has handled over 8 million cases involving disabled veterans, their widows, or dependents. Cooperative programs both with Federal and private agencies help provide assistance to those who badly need it. The DAV realizes that financial benefits sometimes fail to plug the gap between a genuine intention and a genuine need, so qualified advice and conscientious service are the marks of this fine organization.

Herbert Hoover once said:

Older men declare war. But it is youth that must fight and die. And it is youth who must inherit the tribulation, the sorrow, and the triumphs that are the aftermath of war.

The DAV strives to lighten the burden of those veterans who have inherited the tribulation and sorrow of permanent injury.

We will be eternally grateful to men like Judge Robert S. Marx who attempt to repay our veterans for their sometimes forgotten sacrifices. I trust that the Disabled American Veterans organization he founded in 1921 will continue its mission until all our wartime disabled and their families have been adequately served.

I will certainly continue to work with this fine organization toward the fulfillment of that goal.

ANNIVERSARY OF THE DISABLED AMERICAN VETERANS

Mr. JACKSON. Mr. President, the Disabled American Veterans has marked the 50th anniversary of its founding. It is appropriate that this tribute in the Senate take place. It is an organization which has been extremely active and effective in behalf of Americans who have made great sacrifices for their country while serving in the Armed Forces. In participating in this tribute I am pleased to call attention to the important service provided by the DAV's national service program. Through this program assistance has been provided for disabled veterans, their dependents, widows, and orphans in obtaining all the benefits to which they have legal entitlement. This program helps to insure that those men who have given in service of their country will not be forgotten.

National Commander Douglas McGarrity recently expressed concern to the House Veterans' Affairs Committee that veterans' benefits not be classified as welfare payments since "these benefits are undeniably a direct cost of war, even though payments are often protracted and delayed." I share that concern and take this opportunity to join with every American in expressing thanks for the 50 years of contributions provided by this great voluntary organization.

The tribute to the quiet courage of these patriotic Americans is both appropriate and deserved for the great service rendered on this 50th anniversary.

In concluding, I would add a personal salute to a former national commander of the DAV, Wayne Sheirbon, of Seattle. This is one of the many patriotic Americans who have served their country in many ways. Wayne Sheirbon fought with the Air Force in Europe during World War II, first became associated with DAV during 1947 and subsequently helped to make the Seattle chapter the second largest in the country. Wayne Sheirbon served as national DAV commander during 1968–69 and his service reflected great credit on both the State of Washington and his organization.

GOLDEN ANNIVERSARY OF DISABLED AMERICAN VETERANS

Mr. SPARKMAN. Mr. President, I want to add my voice to the many who are speaking here this week in a salute to the Disabled American Veterans on the occasion of the organization's golden anniversary of service. The Department of Alabama, Disabled American Veterans, under the leadership of Mr. Coy W. Mattox, commander, ably assisted by DeWitt Garrett, adjutant, has posted a distinguished record of service to veterans disabled in time of war.

DAV Chapter No. 1, of Tuscaloosa, maintains a program of entertainment and service to the veterans at the Tuscaloosa VA hospital. The auxiliary has

adopted those veterans who have no family and an effort is being made to spread this adoption program throughout the Nation.

In Birmingham, Chapter No. 4, working with other veterans organizations, takes part in organizing and promoting the annual Veterans Day program, which has become known as one of the best in the Nation. Chapter 4 has established an outstanding record in hospital work at Birmingham's veterans' hospital. The chapter has provided countless hours of volunteer work, color television sets, and pool tables to assist in the therapy and recuperation of veterans at the hospital.

Chapter No. 12 in Montgomery served as the host chapter for the commemoration of a 6-cent postage stamp and the prisoner of war and missing in action program of the DAV. This chapter is also most active in work at the VA hospital in Montgomery.

Chapters in Mobile and Prichard do a great deal of work in the veterans' hospital in Biloxi, Miss.

The work done in hospitals is under the able leadership of the Department of Alabama, DAV, hospital director, Mr. Hassell Thigpen, of Tuscaloosa.

I am proud of the work being done by the Alabama Department of the DAV. I am glad to have this opportunity to salute its good work.

WAREHOUSES FOR THE DYING

Mr. PERCY. Mr. President, a team of four investigative reporters from the Chicago Tribune and representatives of the Better Government Association has just completed an in-depth study of nursing homes in the Chicago area. By actually going into the homes and working as janitors, orderlies, and nurses aides, the investigators witnessed firsthand the living conditions endured by the nursing home residents. What the investigators found is that the residents in many of these homes are being seriously mistreated.

Nursing home residents are expected to put up with overcrowded, cheerless, and squalid surroundings, while they frequently wait for help with eating or bathing from incompetent, untrained, and rude staffs. Protests against this mistreatment are met with verbal abuse and threats of physical violence, and attempts to maintain a sense of dignity are ruthlessly quashed by humiliating, degrading treatment.

Old age and infirmities are being exploited to an extent that is almost unbelievable. The proprietors of some of these homes are making profits by cutting down on the size and quality of their staffs, and by serving cheap, tasteless meals. They regularly ignore the health and housing standards which exist for nursing homes, knowing that these standards are rarely enforced.

During the past decade we have devoted an inordinate amount of time and attention on youth, at the expense of the problems of the elderly. There are over 20 million citizens over age 65 who are being largely ignored. The ongoing nursing home scandal in the Chicago area and many other parts of the country simply underscores the importance of shifting some of our national attention to the problems of the aged.

The Chicago Tribune has performed a unique public service through its investigation of the nursing homes in the Chicago area. The reporters involved should be highly commended for bringing a scandalous situation to our attention. Since the articles speak for themselves, I ask unanimous consent that they be printed in the RECORD.

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

SOME ELDERLY PREFER DEATH, REPORTERS FIND

(The first assignment of the newly formed Tribune Task Force was a comprehensive investigation of patient care in Chicago area nursing homes. This is the first report on the six-week probe by Reporters William Jones, Philip Caputo, William Currie and Pamela Zekman.)

They are hidden in warehouses for the dying.

Millions of tax dollars are misspent every year to keep them in squalor so depressing that they enjoy talking about their own deaths.

They are Chicago's elderly poor and they are being dumped by the thousands into Chicago nursing homes so poorly administered that a bum off the street can become a nurse's aide in less than 24 hours and administer narcotics and other medications to the ill.

THE ABANDONED

They have been abandoned. And with every day that passes thousands of our senior citizens are spending their last days wondering why it all must end in the indignity of filthy, rat-infested rooms, physical abuse, wretched food and a series of caretakers who can't see beyond the next welfare or Social Security check.

There is only one way to tell their story and that is to live with them, bathe them, feed them, watch and listen to their "keepers" and then report their story of rage, confusion and frustration as they live out their days in a warehouse for the dying. We worked and lived in these warehouses and this is what is happening:

1. Two old women, their bodies crippled with age and trembling in the cold of a winter night without heat, screech and claw at each other as they struggle for a single, ragged blanket. A nurse's aide appears in the doorway, watches the struggle for a moment and then shouts: "Shut your goddam mouths, both of you, or I'll take your blankets away and you can both freeze."

KICKS AND ABUSE

2. An elderly man, his right foot and leg wasted from a skin disease, accidentally brushes the foot against the white uniform of a woman aide. In an instant the woman kicks him in the leg and punches him in the chest, repeatedly cursing the man and describing him as an "old bastard."

3. The 37 patients living on the filthy second floor of a large North Side nursing home wait silently to be served their evening meal. On this night, however, there is not enough food and the nurse's aide in charge scrapes uneaten portions of steamed cabbage and noodles onto other trays and serves it a second and third time until all are fed.

4. A nurse complains that many elderly patients are kept in the home even tho they are seriously ill and belong in a hospital. They are kept there because their presence guarantees a continued flow of welfare payments. "They're on their death beds before they send them to the hospital," she notes. "They leave them lying here when they have fevers up to 103 or 105, aren't eating and have diarrhea."

NO ROOM FOR DIGNITY

5. Two aides herd a man and woman into the same bathroom in an effort to complete the bathing of patients as quickly as possible. Both patients are confused and obviously embarrassed but they obey the order to undress in front of each other. Then, in a final desperate effort to salvage a shred of dignity, the woman insists: "He's not my boyfriend." Once bathed, they again stand staring at each other while the aides dry them with dirty pillow cases. There are no towels.

6. A 91-year-old man stands tottering in a bathtub of a South Side nursing home as two aides attempt to give him a bath. He pleads with them to "slow down, I can't bend my legs this fast." One of the aides responds with a sharp slap across the face and the man cries out.

This is not an effort to condemn the entire nursing home industry. Indeed, in some of the homes where we worked the atmosphere and patient care matched that of a hospital.

But to the outside observers—especially the families of the elderly, mentally ill and other helpless persons—the search for a good home can be tragically deceptive.

Just as they have learned to outwit and avoid any major crackdown from city and county health officials, so have these warehouse operators learned to dupe the public.

"TAKE SPECIAL CARE"

Many homes have freshly waxed and sparkling front hallways while the living quarters of the patients are little better than dimly lit, filthy dungeons. As one operator told his maintenance man:

"Take special care of these front two rooms—my office and this hall. You know what I mean, anything that people will see when they first come in. We must keep it very clean."

Another operator insisted that his janitor ignore the filth in rooms occupied by patients and concentrate on the lobby area because "the lobby and [front] hall are the first thing the Health Department will see if they show up."

These are the places where many of our elderly have been sentenced to die and they know it.

"We are the living dead," one old man observed: "Look around at these people. We're all worn out and we just keep on living. We'd be better off dead."

THEY ARE OBSTACLES

They sit in rooms where the paint is peeling from the walls and the windows covered with grime and they stare. If they are helpless, senile or bedridden they also may have to endure the taunts and abuse of aides who consider them as obstacles to their coffee breaks and to the end of another eight-hour shift.

Our very presence on the staffs of nearly 20 nursing homes in the past six weeks underscored the lack of controls and the gross neglect in an indsutry responsible for the health and safety of thousands of helpless citizens.

Posing as drifters, college students and nurse's aides with out-of-state experience, we were able to find employment virtually at will in many of the hundreds of nursing homes in Chicago and its suburbs. The investigation was conducted in cooperation with the Better Government Association, which also sent its investigators into the homes.

BECOMES ADMINISTRATOR

Our phony references were never checked and in one case a reporter was hired as a nursing home administrator less than 72 hours after he applied for work as a handyman.

The owner admitted he was under pressure from the Chicago Board of Health to hire an administrator and apparently was willing to fill the post with the first candidate who

walked in the door and was willing to work for $80 a week.

In another home, an applicant seeking work as a janitor became a nurse over the objections of the director of nursing. The administrator ignored the protest, claiming the applicant was a "personable young man" who could easily master the techniques of administering drugs to the elderly.

HIRE FROM SKID ROW

In a more bizarre case of employee recruiting, a northwest suburban nursing home pays a finder's fee for skid row alcoholics to work as orderlies, nurse's aides and cooks between binges. The clearing house for this cheap labor is a West Madison Street flophouse from where derelicts are sent to the suburb by train. Once they arrive at the nursing home, they must stay for 30 days and are not paid until they depart.

Perhaps the most frightening practice uncovered during the investigation was the handling of narcotics and medication and the possible tragic consequences for patients.

One reporter wandered into a north suburban nursing home and claimed she had experience as a nurse's aide. No effort was made to check her credentials before she was hired.

In less than 24 hours she was left in charge of the home and its 32 patients. She also was told to administer a variety of medications to the patients. She narrowly avoided giving what could have been a fatal dosage to an elderly man. Tragedy was averted only by chance when another aide returned to pick up a forgotten purse.

"OH, BY THE WAY"

"Oh, by the way," the aide told the reporter as she hurried out the door. "If his pulse is over 60 don't give him his pill. He might have a heart attack. Sometimes you screw up giving these pills, but it happens."

In another home the aides have discovered a simple way to deal with patients who balk at taking their medication. They throw it in the sink.

The patients in a large North Side home are frequently subjected to a bizarre form of Russian roulette with medication because of the rapid turnover in employes. At one time, they were at the mercy of a janitor, hired as a nurse, and an aide who had just replaced a fired employe.

"JUST BORROW SOME . . ."

"I'm really not too sure who gets what medication, but I'll do my best," the aide told the janitor as they prepared to distribute the medication. "Oh, this lady is out of her medicine, but I'll just borrow some from this lady."

The investigation also disclosed that several volumes of new state codes regulating the operation of all nursing and shelter care homes largely have been ignored since they went into effect last June. Public and private employees familiar with the new codes ridicule the publications because they have never been enforced.

Nurses employed by the County Health Department have refused since 1967 to inspect the nearly 100 nursing homes in suburban Cook County.

LICENSES STILL ISSUED

Sources close to the agency said the refusal came after years of watching substandard homes repeatedly obtain new licenses from the state Department of Health despite critical reports submitted by county nurses.

This bitterness extends to employees of many of the worst nursing homes where they are repeatedly frustrated in efforts to provide proper care. They describe the food as slop and one floor supervisor declared, "I wouldn't put my dog in this place."

For most residents of the warehouses for the dying, the misery will continue until they die. A group of them listened attentively one bleak February day to a minister who visited a filthy North Side nursing home. His message was one they were waiting to hear:

'Are you ready to change your cross for a crown? For when you die and go to heaven you will have a crown. In heaven there are no nursing homes . . . no suffering, no pain . . ."

PROFIT MOTIVE IS BLAMED FOR NEGLECT, FILTH

(The first assignment of the newly formed TRIBUNE Task Force was a comprehensive investigation of nursing homes in the Chicago area. To carry it out, reporters William Jones, Philip Caputo, William Currie and Pamela Zekman worked in nearly 20 homes. This second report identifies some of the homes where patient neglect is rampant.)

They hire strangers off the street without bothering to find out who they are and pay them a pittance to care for thousands of helpless, elderly and mentally disturbed patients.

They profess to operate according to strict guidelines set down by public health officials, yet thumb their noses at state inspectors who seek to close them down for hundreds of health, fire and sanitary violations.

They are licensed to operate in new buildings, old buildings, transient hotels and former farmhouses.

They are the operators of dozens of state-licensed nursing homes in the Chicago area. and they have been given the responsibility of caring for our most helpless citizens. They are the owners and operators of warehouses for the dying and they may be reaping their profits at the expense of one of your loved ones.

We worked in these warehouses for six weeks as maintenance men, nurse's aides and janitors to document the abuses and loss of dignity endured by the patients. What we found is a list of wretched conditions which exceed even the worst charges contained in the reports of state inspectors.

One of the largest North Side warehouses is the Melbourne Nursing Center, 4621 N. Racine Av., owned and operated by Daniel S. Slader. Slader, who is treasurer of the Metropolitan Chicago Nursing Home Association, repeatedly has been cited by state health inspectors but continues to receive nearly $400,000 a year from the state to care for elderly and mentally disturbed patients.

A reporter who worked in the home as a nurses' aide uncovered so much patient neglect and filth that many of the nearly 200 persons living there sleep in their own excrement without blankets or heat. The few who dare to complain are cursed and threatened with physical violence.

"The Chicago Board of Health has tried desperately to put Melbourne out of business," said Russel Bryant, administrator of the long-term care department of the Illinois Department of Public Health. "The state has too. We've been trying to get a number of the bad ones out of business."

Slader was fined $110 last July in Municipal Court for "violations and the failure to correct violations." State records show his attorney was State Sen. Bernard Niestein [D., Chicago].

One month later, a surprise inspection by the county and state health departments found conditions described as "deplorable" and noted urine-saturated beds, broken plumbing, peeling plaster and inadequate food. The home has been the target of complaints from patients and their relatives since January 1965, but each year its license has been renewed.

KEEPS GETTING LICENSE

The Park House, 2320 S. Lawndale Av., has had its license renewed each year since it first opened in 1961, despite the fatal stabbing of a doctor by a drunken nurses' aide, alleged patient mistreatment and a drug scandal in which public aid funds paid for phony bills for medication. Last year public aid paid the home $237,927 to care for old poor people.

The owners of Park Home have a printed brochure describing it as one of Chicago's most modern retirement and convalescent homes, but an investigator for the Better Government Association, working as a mop boy, discovered differently.

Some of the rooms, where up to four patients are bed-ridden and require special care, have developed a stench over years of neglect which forces employes to hold their breath when they enter. The floors are flooded with urine which also has stained the walls, floors, furniture and beds.

A typical breakfast is a bowl of soupy oatmeal, half a glass of orange juice and coffee. Patients frequently beg for more food and many pick up their trays and lick them clean. One woman complained that she had found soap powder in the bottom of her coffee cup and another received this response from a nurses' aide after accidentally spilling a food tray:

"If that's the way you're gonna be, you just won't eat."

PROFIT MOTIVE BLAMED

"There are problems in the quality of long-term care," said Dr. Franklin Yoder, chief of the State Department of Public Health. "This is mainly due to the fact they [nursing homes] are proprietary interests. The owners are out to make a profit. You don't have the boards of dedicated public servants who operate hospitals.

"We try to follow up every complaint. Of course, many of the patients in nursing homes are not able to make their complaints known. They're held in the homes as virtual captives."

"I agree with Dr. Yoder that the profit motive has a lot to do with the quality of care," said Dr. R. F. Sondag chief of the state health agency's chronic illness division. "Because the operators are interested in making a profit—in running a business—the first thing they'll cut down on is the quality and number of the staff and on food."

One of the largest nursing home chains in Chicago is operated by the N-H Management Corporation with offices at 1200 W. Beldin Av. The corporation is headed by Joseph Bonnan, a former aide to Mayor Daley and the man who in 1959 authored the city's nursing home enforcement code. In addition to serving as president of the corporation, Bonnan heads the labor relations committee of the Metropolitan Chicago Nursing Home Association.

SERVED AS VICE PRESIDENT

At the height of a 1962 nursing home scandal involving Dr. Leonard Tilkin and Tilkin's chain of 17 nursing homes, Bonnan was vice president of the Tilkin organization. One of the homes involved in the Tilkin scandal was Monterey-Drexel, 4616 S. Drexel Blvd., where inspectors found widespread filth and patient neglect.

A task force reporter employed in the same home this month as a maintenance man discovered that little has changed in the last eight years. The institution is so filthy that employes have learned to joke about the different colored cockroaches which swarm through the kitchen and dining areas.

"We're not prejudiced here, we have them in all colors," said a cook. "You just have to get used to them. We got rats too."

On one of the days the reporter was working at Monterey-Drexel, an employee of the Nursing Home Association appeared in the home to show old movies at 35 cents a head. The movie had been scheduled to be shown the day before and the patients had been herded into a room where they sat staring at the wall for three hours waiting in vain.

HOME IS CALLED WORST

When the projectionist from the association appeared the next day he struck up a conversation with the reporter and described himself as somewhat of an expert on nursing homes because his family had been in the business for years.

"This [Monterey-Drexel] is the worst one," the projectionist said. "The only way to run a nursing home is to bribe the inspectors. The only people not on the take are the firemen."

Later the same day, the administrator of the home also talked about city enforcement and mentioned the name of a city inspector who cooperates with the home.

"The building department is no problem," the administrator said. "They come in and say 'put two windows here' and you don't have to do it for a year. You know what I mean?"

CHAPEL IS GLISTENING

At the west suburban La Grange Convalescent Home, the three-story building is a maze of filthy rooms covered with cobwebs and reeking with the stench of urine. There is one exception in this depressing home for about 50 sick and elderly patients. On the third floor is a sparkling wood-paneled chapel equipped with an altar, organ and new folding chairs. This is where the owner, Bert L. Jacobs, practices his work as a faith healer. The chapel is dedicated to a former patient who Jacobs claims arrived at the home as a cripple and left in good health.

One nurse's aide had some pointed comments on the food served at La Grange:

"It's slop" she said. "It's enough to make you sick."

A reporter hired as an orderly at the Austin-Congress Nursing Home, 901 S. Austin Blvd., immediately was placed in charge of caring for 34 male patients.

One of his patients, who said he was a retired Municipal Court judge suffering from heart blockage and arthritis, complained of the difficulty in seeing a doctor. On this day he had just spent the night with no heat in his room and was having trouble lifting his arms.

"The longer I stay here the worse I get," he said. "A few weeks ago Dr. ——— came to my room. He had just started looking at me when a nurse told him his Cadillac was blocking the driveway. He went downstairs to move his car and that was the last I saw of him."

NEW GIRL TAKES OVER

At White Haven Acres, 1505 Greenwood Rd., Glenview, an estimated 32 patients live in a converted gymnasium building where a reporter was hired as a nurse's aide and left in charge of the home her second day on the job.

She also was told to administer medication to all the patients, a procedure which is announced to the residents by an aide standing at one end of the building and shouting "medicine."

During one of these medication sessions, the reporter narrowly averted a disaster as she prepared to give several pills to an elderly man. At that moment, another aide who had forgotten her purse returned to the home and noticed the reporter was preparing to give the man his pills. Almost as an afterthought, the aide said:

"If his (the old man's) pulse is over 60 don't give him the pill. He has heart trouble or something and he might have a heart attack. Sometimes you screw up giving these pills, but it happens."

CRIES FOR HELP FROM AGED ANSWERED WITH BRUTALITY

(By Pamela Zekman)

The man and woman had been herded into the bathroom of the North Side nursing home and now they stood naked, facing each other in helpless humiliation.

Shivering and self-conscious, the two patients had responded almost mechanically to the orders to undress, barked by a nurse's aide.

"Goddamn it, hurry up. I have no time for you," the aide snapped when they hesitated a moment.

The woman stood silent, staring at the floor. Then in a final desperate effort to salvage some dignity from the incident, she clutched a thin sweater to her breasts and protested: "But he's not my boyfriend."

ALL DIGNITY IS DESTROYED

This is how they bathe the mentally disturbed at the Melbourne Nursing Center, 4621 N. Racine Av., where I worked for three days as a nurses aide. Even the tiniest shred of human dignity is destroyed in this rat-infested fortress where 195 elderly and mentally disturbed patients are living.

During my stay at the home I witnessed many incidents of degrading and callous treatment.

I saw a woman patient grabbed like an animal and fed by an aide who slapped a cold meat patty into her mouth. The woman choked on her food and spat out the pills tossed into her mouth as she was dragged to bed.

I heard cries for help met with a stream of ridicule and verbal abuse. Aides jokingly dubbed one man "Simple Simon." A woman begging for a blanket because she was sick and cold was told, "You smell like four Mississippi mules."

NEW CLOTHES LOCKED UP

One aide confided to me that tho the patients wear rags, the owners keep a storehouse of clothing, donated by charity or purchased with allowances, locked up for use only during Health Department inspections. Then, in a grisly version of Cinderella, the patients are returned to their rags when the the inspectors leave.

The home is owned and operated by Daniel A. Slader, treasurer of the Metropolitan Chicago Nursing Home Association.

Patient records are a shambles. On some of the eight-hour shifts, no entries are made in their medical records. I was told to fill in the nurse's observations at the beginning of my shift, a perilous game of predicting patient conditions hours ahead of time. Medication is handled in the same slipshod manner. I was instructed to throw one man's pills "down the drain," because he had a reputation for balking at his medicine.

My presence on the staff was testimony to the poor administration of a nursing home which receives thousands of dollars every month in welfare payments. After I answered a newspaper ad for nurse's aides, my phony references and job history were accepted without question, apparently because I eagerly accepted a starting salary of $1.70 an hour. I soon learned why they needed new employes.

The home is so overrun with vermin that at night employes have conceded large sections of the building to the rats. On the third floor, I was told, they barricade themselves in a small area while rats roam around the patients' living area.

But on this night the rats, cockroaches and stench of excrement were momentarily ignored as we frantically tried to bathe the patients in as short a time as possible.

As soon as the man and woman stepped from the bath and shower to face each other in a second embarrassing encounter, my supervisor handed me a dirty pillowcase.

"WE DON'T HAVE TOWELS"

"Dry them off with this," she said. "We don't have any towels."

Still wet, the couple were ordered to get dressed. The man looked in disbelief at the pile of filthy garments and asked, "Put those back on?"

"I haven't got anything else to put you in," the aide retorted.

We bathed one other couple that night before the water turned cold, and used the same pillowcases in a futile effort to dry them.

"I'll have to tear up some sheets to finish the job," the aide finally conceded. She returned with two paper towels, designed for dusting and drying dishes, and we used them on the second couple.

The baths seemed an exercise in futility. The patients survive in squalor; packed together in overcrowded dingy, cheerless rooms in the dilapidated six-story building.

STENCH IS OVERWHELMING

The stench from urine, dirt, and decay is overwhelming. It permeates the building, becoming stronger as you move from the downstairs lobby to the second thru fifth floors, where patients are housed. In some cases they sleep six to a room. I frequently would find myself rushing from a room gagging with nausea from the intolerable smell.

The floors are caked with grime. Peeling paint is picked from the walls and eaten by hungry patients. During a leisure moment a rat scampered across my path.

"The rats play tag with each other here," an aide said. "The roaches run races."

One man is cursed and scolded for habitually dirtying his bed at night, while another is left lying in his own excrement.

"Oh, that ain't nothing to Harry," an aide said when I suggested that we change him. "He's used to it. I ain't going to change him."

A bedridden woman cries out in the night, "Help me. Help me. Oh my God, help me." She had knocked over a bed pan, drenching the sheets and her clothing.

The aide curses her clumsiness, "Goddamn you. You know better than that. You did it on purpose, dammit."

The sobbing woman moans, "I can't help it. You know I can't help it."

Patients get their exercise trudging up and down the stairs. Those who can't eat in the main dining room are herded into the floor's day room hours before the meals are served and are cursed if they dare leave.

"Go back and sit down," an aide yelled at an elderly emaciated woman who wandered into the hall.

"I've been sitting," she responded.

"Well go back and sit down again, damn you," the aide snapped.

VIOLENCE IS THREATENED

Another woman tiptoed out, only to be told, "If you get up once more I'm going to break your head in," and later, "Get your damn —— back in the day room."

The outside temperatures hovered near zero on the three nights I worked.

"Bring all the clothes you have for this shift," an aide warned me. "Sometimes it gets so cold in this place your teeth chatter."

Two rooms on the second floor, each housing four men, have no radiator. The patients have no blankets and are forced to huddle under a sheet or bedspread in an effort to keep warm. In one room sheets are stuffed in a window crack to keep out the cold.

A few lucky patients have nightgowns. The rest go to bed in their underwear or sleep in their clothing.

GARMENTS ARE MAKESHIFT

During the day their garments are even more pathetic. Pants are fastened with safety pins. Threadbare shirts have no buttons. Slips are two pieces of cloth knotted together at the shoulder. Dresses are frayed, and they tore apart in my hands when I attempted to take them off.

"All the new clothing is stored up on the sixth floor," an aide told me. It is brought down when the Board of Health comes and then all the patients look great. When the inspectors go, so do the clothes, right back up to the sixth floor."

On my last day at work I arrived and found the lobby flooded with water. The sewage pipes from all five floors had clogged

and a water pipe had burst, I was told. A warning went out on all the floors not to drink or turn on the water because it was unsanitary. The ban lasted three hours.

"This is always going to happen in a place like this," a workman confided. "What they ought to do is tear down the building and start all over again."

His statement came only a day after a nurse's aid made this grim observation:

"I don't know how this place gets past the health department. They don't put any money in here. They just take it out. All I know is I wouldn't put my dog in this dump."

A SHAVE BECOMES TORTURE

The young man had just begun to mop the filthy floor of the South Side nursing home when he was summoned by a nurse's aide.

"Hold this guy's head or I'll never get him shaved," the aide ordered.

The old man, his body crippled by a nervous disorder that caused his arms and head to jerk uncontrollably, hadn't been shaved in a week. It was a difficult task at best and today it would quickly become an ordeal.

Using only a pan of cold water and a sliver of soap, the aide began hacking away at the whisker growth. She had gathered several old safety razors for the job and as the blood trickled down the patient's face she would discard one and try another.

SEEKS NEW BLADE

Finally, unable to watch it any longer, the mopboy told the aide to wait while he ran through the home searching for a razor blade that hadn't been used before. When the ordeal was finally over, the aide added a final touch to the patient's discomfort. She splashed rubbing alcohol over his face in an effort to stop the bleeding.

This is the Monterey–Drexel Home, 4616 S. Drexel Blvd., one of a chain of nursing homes owned by the N–H Management Corp., 105 W. Adams St.

The shaving incident is one of many examples of the kind of care received by thousands of elderly citizens living in warehouses for the dying in the Chicago area.

TRIBUNE Task Force reporters worked as orderlies, janitors, nurses' aides, and mopboys to document the abuses.

EXPOSED 8 YEARS AGO

This is the second time in the last eight years that the Monterey-Drexel Home has been exposed for filthy conditions and wretched patient care. The N-H Corp. is headed by Joseph Bonnan, a former aide to Mayor Daley and the man who wrote the city's nursing home code while serving as the mayor's assistant.

The same day that the old man submitted to the shaving ordeal, another aide was discussing the plight of an emaciated man too weak to move from his bed.

"He's supposed to be on a special high protein diet," the aide explained to a reporter employed as a mopboy. "But he gets the same thing everyone else gets."

PATIENT GIVES VIEWS

Another patient, one of hundreds dumped into private homes in an effort to reduce the patient load at state mental hospitals, discussed his problem his way:

"I wish I was back there [Kankakee State Hospital]. They don't care here. You come here all messed up, you're gonna stay messed up. They don't pay no attention to you."

His conclusion tragically parallel the attitude of the administrator of Monterey-Drexel.

"We're not going to help them [the patients]," she said. "I don't worry about them. I just want to keep myself out of here."

HOME IN PALATINE

At the Bee Dozier Home in Palatine, an old farmhouse that houses up to 40 patients, a reporter working as a nurses' aide made the mistake of attempting to change the bath water after every patient.

"Don't do that," a male orderly cautioned. "I just let a little bit out and add a little clean hot water to warm it up a bit. This ain't the Savoy dear. It's the Workingman's Palace and we won't do that." The Workingman's Palace is one of Skid Row's largest flophouses.

The orderly then poured a single pitcher of clean water into the tub and used the dirty water to give two more patients their weekly bath.

MANY ALCOHOLICS USED

The male orderly was one of dozens of Skid Row alcoholics who make up the major labor force at the Dozier home.

Recruited from a West Madison Street flophouse by a maid who receives a kickback for every derelict, the men are sent to the Northwest suburb by train and then ride a cab to the nursing home. They must stay at least 30 days and work as orderlies, nurses' aides and cooks. During two of the three shifts in the home they are the only employes in charge of patients.

The only nurse at the home explained that before she was hired a year ago one of the derelicts was performing all the nursing duties. She said the same employe who gave the baths had been banished to the laundry shack recently after he was caught stealing drugs prescribed for the patients.

SCRIMPING ON FOOD

The home also features one of the most unusual diet items uncovered during the investigation. In order to scrimp on the food budget, the head nurse explained, the management purchases such items as canned pineapple cores instead of the more expensive pineapple slices. The cost cutting scheme apparently backfired, however, when the employes couldn't eat the so-called fruit and a blender, failed to pulverize it.

At the Park House, 2320 S. Lawndale Av., which describes itself in a brochure as "Chicago's newest, most modern convalescent, retirement and nursing home," the weekly bath became a horrifying experience for a 91-year-old patient.

Two nurses' aides were attempting to make the patient sit down in the bath tub despite his pleas to "slow down, I can't bend my legs this fast."

One of the aides responded with a sharp slap across the face and the old man cried out.

Another aide slapped a patient who objected to the way he was being shaved.

The home is infested with cockroaches and urine is allowed to dry in puddles on the floors. No effort is made to provide special care for patients unable to control their body functions.

One aide, who has worked in a number of other nursing homes, said it was the first home she had seen where such patients did not receive extra care. Instead, she noted, "they have the patients' bare buttocks against the chairs. These people are usually kept in some kind of diapers, but they don't do that here."

Park House, a senile woman managed to make her way into an outer hallway where the temperature hovered around freezing. She was shaking uncontrollably from the cold. When the maintenance man called her plight to the attention of an aide he was told:

"She'll come in when she gets cold enough."

CLEAN FRONT HALLWAY

The home's claim to being the city's most modern is apparently based on the care given to the front hallway and several selected rooms. George Smith, the administrator, insisted that particular attention be paid to areas of the home that might be seen by visitors.

"Take special care of these front two rooms, my office and this hall," Smith told a mopboy. "You know what I mean, anything that people will see when they first come in, we must keep it very clean."

The Beacon Hill Nursing Home, 4530 N. Beacon St., also restricts its sanitation demands to the front hallways. While the first floor glistens from repeated mopping and waxing, the second floor is constantly filthy and includes chipped and cracked toilets and toilet seats, plumbing pulled loose from the walls, and in one bathroom a toilet jarred loose from the floor that floods the entire room every time it is flushed.

OWNER EXPLAINS PROCEDURE

The most helpless of the patients are kept on the second floor, the owner pointed out, "so they don't smell up the first floor."

In a day room a very old woman is ignored completely and spends hours each day slumped forward in a chair with her head against her food tray. She had been in this position so long that a large circular sore has opened on the tip of her nose.

NOBODY WORKS TOO HARD AT DREARY HOME FOR ELDERLY

(By William Jones)

It is called the Kenmore House Nursing Home and it is a reminder that for many of our elderly poor the golden years are a cruel trick filled with dreary, smelly rooms, incompetent staff and meals consisting of table scraps.

I worked at Kenmore House and the filth is everywhere.

The stench first hits an outsider at the basement level entrance and gets worse as you ride a rickety elevator to the upper floors of the converted transient hotel. One of the most foul-smelling rooms on the fourth floor, occupied by three elderly men, is directly across the hall from the dining area. The stench from the room is so strong that it carries into the dining area.

BEGINS WORK AS MOP BOY

The floors in some of the rooms are so filthy that the day I began work as a mopboy my efforts to mop the floors created muddy swaths across the cracked tile floors. In another room, where the bathroom window was broken and replaced with clear glass, the patients have taped an old bath towel across the window to afford a degree of privacy.

The home has been the target of numerous city health department complaints in the last year, yet continues to receive more than $250,000 a year from public aid for patient care.

I obtained the job after an interview with the administrator, Rabbi Benjamin Cohen, who made no secret of the fact that he was not happy with my out-of-town work experience.

QUESTIONS CREDENTIALS

"You have no roots, you just wander around," Cohen said. "How can I check you out? I can't hire you without any references. I'm in trouble now with the Board of Health now because I hired a guy without checking him out and he started roughing up the patients."

I insisted I was willing to work for less than $2 an hour, however, and a week later Cohen decided to take a chance.

"This guy says he wants to work as a maintenance man," Cohen told his head houseman. "You talk to him. He seems a little eager to me."

William Tecktenwald, a Better Government Association investigator, also applied for work as a janitor and apparently made a better impression, despite similar phony references.

"This is a nice young fellow," Cohen told his director of nursing. "Let's make him a nurse."

"We can't make him a nurse," the nursing director responded. "He has no training. He couldn't dispense medication without training."

"He's a nice personable young man," Cohen said. "Make him a nurse and he can dispense medication. I'm sure he can catch on quickly."

The next day Tecktenwald was given a set of keys to the narcotics and medicine cabinets and worked the next two days as a nurse.

My own introduction to work as a mop-boy was handled in a slightly different manner. On the day I reported for work, another houseman who was washing his underwear in the basement was told to show me the ropes. It was his day off and he was still drunk from the previous night.

As we moved from floor to floor I found my fellow worker walking into walls and cursing his bad fortune at having to spend even a minute of his day off showing a new man around.

"If you see something laying around sweep it up." I was told. "You know, just look busy. Nobody breaks their ——— around here." "Do you drink?" When I responded that I did on occasion he said: "Well, I've got a bottle down in my locker and I better get to it."

With that he disappeared and I was left to clean the fourth floor. No disinfectants are used in cleaning the floors or toilets and the head houseman related that such chemicals only streak the floors.

My pail of mop water had turned black by the time I had completed the first room. Linen and blankets are grimy and the waste-baskets in each room are so dirty they resemble garbage cans.

PILLS FALL ON FLOOR

During my chores on the fourth floor I also observed a nurses' aide preparing the mid-morning medication. She stood in front of a medicine closet with a variety of pills scattered at her feet where they had been dropped and never retrieved.

As she prepared each dosage I noticed a unique cost-cutting device. She was reusing several crumpled wax paper pill cups stashed in the bottom of the medicine cart with no apparent knowledge of who had previously used the cups.

It was not the first cost-cutting scheme uncovered at Kenmore. While Tecktenwald worked as a nurse, he also helped feed the patients. One night, when the evening meal had been sent to the 37 patients living on the second floor, it quickly became apparent that there would not be enough to go around.

RULES FAIL TO AID "LIVING DEAD" IN NURSING HOMES

They describe themselves as the living dead, people who spend the final days of their lives eating, sleeping, staring and, finally, dying.

They are the victims of a multimillion-dollar nursing home and shelter care boom in the Chicago area that has mushroomed beyond the control of city and state health officials.

Volumes of regulations have been written about controlling this industry in Illinois, but they are not enforced because the elderly poor who exist in these warehouses for the dying have no voice. Their lives are controlled by those who profit from these warehouses and they are tragically aware of it.

JUST EATS AND SLEEPS

"I don't do nothing all day because there's nothing to do," said an elderly patient at the Winston Manor Nursing Home, 2155 W. Pierce Av. "I don't think about nothing because there's nothing to think about. I just eat and sleep, just like an animal."

The patients beg at Winston Manor. They beg for food, for coffee, for help with their wheelchairs and in some cases they beg to maintain their dignity. They stripped one old man of his dignity one morning at Winston Manor as he begged for help to get to the bathroom.

His bed was directly across the hall from the nurses' aid desk, but they ignored him and continued their gossiping. Finally, unable to control himself, the man gasped and relieved himself on the floor.

Then he stood staring as the group of aides laughed hilariously while one aide giggled and sprayed the air with a cheap aerosol deodorant.

"See, he wanted someone to help him, but no one came," a nurse told the aides.

"WE'RE LIVING DEAD"

"We are the living dead," said an elderly tenant of the Golden Age Home, 4542 N. Malden Av., where residents apparently are shifted about from home to home to comply with city codes. "Look around at these people. We're all worn out and we just keep on living. We would be better off dead."

The home has a history of operating without a license and was fined $100 in 1968 for refusing to permit a Chicago Board of Health inspector inside. They were fined $100 the same year for operating without a license.

A city Health inspection yesterday showed only 12 residents in the home, and only 2 who required shelter care. Under health department rules, 3 persons must require care before the board has jurisdiction.

NURSES DENIED ENTRY

The inspection was completed only after a public health nurse was refused entry and her supervisor went to the address two hours later. No charges were filed against the home, however, for refusing permission to enter.

A reporter who worked in the home and bathed patients counted nearly 20 occupied beds during his employment at Golden Age.

The reporter was hired at another home operated by the same owner at 856 W. Buena St. During the interview, the owner, Mrs. Peggy Johnson, said she also operated nursing homes in Alabama and Florida and the Chicago homes had been neglected while she was in the South.

TOILETS FROZEN

She said vandals had broken into the Buena home and before the windows could be replaced the toilets upstairs had frozen. She also warned that portions of the front of the Malden Avenue home had been closed for the winter because of electrical problems and "we have people stacked on top of people."

She said she closed off the front after smoke started coming from electrical outlets and that the area would remain closed until her son has a chance to repair it in the spring.

The walls and floors are filthy in the Golden Age Home and portions of the ceiling in a room occupied by three residents appears ready to collapse.

STAFF COMPLAINS

A reporter employed as a maintenance man at the Approved Home, Inc., 909 W. Wilson Av., learned that the former maintenance man had been fired for a variety of offenses, including alleged sexual attacks on former mental patients.

The staff at Approved Home complained of conditions in the former transient hotel and one nurse's aide said she was "sick and tired of finding rats and cockroaches in the linen room every night."

"Well I wrote two checks to take care of that, but they (the management) voided both of them," said the assistant administrator.

The cook had this comment about some of the food delivered one morning: "This lousy food they send over here. It's the stuff they can't get rid of anywhere else. I don't know why they even bother to order it."

Living quarters for the 79 residents, most of whom are former mental patients, are on the second and third floors. Recent efforts to replaster the ceilings on the second floor left the place in a mess, with plaster splattered over furniture, floors, mirrors, shades and the luggage of residents.

At the Maple Nursing Home, 4743 W. Washington Blvd., one of the owners told a reporter applying for work that the home was operated for two years without a license because of health department charges. She said the case is in court and the home will remain open at least until the case is settled.

PHYSICAL TAKES MINUTE

Nor is any attention paid by many homes to requirements under the city ordinance that all employes be free of communicable diseases. A reporter hired at the Austin-Congress Nursing Home, 901 S. Austin Blvd., was given a physical examination that took less than a minute. It consisted of another employe looking into his eyes and reporting to the head nurse, "There's his physical; he passed."

The reporter was hired as an orderly, performed nursing duties, and at one point was asked by a doctor his diagnosis of a patient's illness and what medication should be prescribed. The reporter said he didn't know.

The Austin-Congress charges a flat fee for providing shelter and food, but everything else is extra, according to staff members. This includes additional charges for wheelchairs, diapers for those who can't control their body functions and physical therapy.

WOULD RATHER BE DEAD

Patients spend their day roaming the halls muttering, "I'm hungry, I'm starving." Another man had tears in his eyes as he shuffled across a room pushing a chair ahead of him for support.

"I would rather be dead than suffer like this every day," he said.

Another woman explained that only her strong religious belief enabled her to endure.

"You haven't seen real misery and real suffering until you've been in one of these homes," she said. "Some of the people just lose their minds. A while back I thought I would go crazy in here. I would shut my eyes and see faces snarling at me. But I have something, I have religion, faith in God—that pulled me thru."

CRIPPLED AND ELDERLY PATIENTS ABUSED IN NORTH SIDE HOME

(By Philip Caputo)

The toothless old woman, her shoulders bent by age and disease, stood in the kitchen doorway staring at two nurse's aides drinking coffee.

Her request was a simple one: she wanted a cup.

"Well, you can't have any," one of the aides responded.

"Why not?" asked the woman, her arthritic hands clutching a metal walker.

"Shut up, frog mouth; we're runnin' this kitchen," the aide snapped. The woman stood expressionless for a moment, then shuffled away to her room.

90-YEAR-OLD KITCHEN

It was 7 a.m. in the Beacon Hill Nursing Home, 4530 N. Beacon St., where I worked as a maintenance man. The verbal abuse inflicted upon this helpless woman was mild compared with the other mistreatment the 33 patients in the home suffered at the hands of the staff.

Before my brief stay was over, I would see a 90-year-old cripple punched and kicked for brushing a diseased foot against the uniform of an employee. I would also observe two aged women reduced to the depths of degradation as they screeched and clawed for possession of a tattered blanket after a winter night without heat.

I would see roaches scurrying across floors that were crusted with accumulated filth, smell the persistent stench of human waste, hear the hysterical cries of former mental patients who had lived in the home amid the

elderly, and I would feel the touch of an old woman's trembling hand as she begged me to sweep her out of the place.

"SWEEP ME AWAY"

Her poignant plea was made on my first day as I was cleaning the floor. "Go ahead, sweep me out of here," she said. "Sweep me away, I don't care. It's more than I can stand."

Most Americans will recall Feb. 5 as the day Apollo 14 landed on the moon. The patients in Beacon Hill will remember it as the day the boiler ruptured and near-zero cold, driven by gale-like winds, pierced the walls of the decaying building.

Thruout the day, the words, "I'm cold, I'm cold," echoed down the gloomy halls of Beacon Hill.

WRAPPED IN SWEATERS

Wrapped in threadbare sweaters, in worn blankets and shabby coats, many of the patients huddled silently in dim corners.

A 60-year-old man named Monroe sat in the second floor TV room watching the moon landing.

"Well, there they are," he said. "What the hell are they doing up there? What good does it do for us? We need money for schools, for the poor, for places like this."

Monroe asked me to find Morris Weintraub, the administrator, and tell him to turn up the heat. Neither the patients nor I knew at the time that the boiler had ruptured during the night.

HELPLESS ON FLOOR

"Tell him we're freezing. The heat was off all last night. It could kill some of these people," Monroe said.

As I anxiously searched for the administrator, I heard an elderly woman recount her own night of agony as she lay helpless on a cold floor. She complained to a companion:

"The window in my room slipped last night and all that cold air was coming in. I got up to shut it, but I slipped and fell and couldn't get up again. I called for a nurse, but one didn't come for the longest time. I don't know how long I was on that floor."

Then she broke into sobs: "Oh, God, oh God, oh God, I'm so sick of it."

STRUGGLE FOR BLANKET

In another room, a woman accused another of stealing her blanket. "It's my blanket, you stole it," she screeched. "No, it isn't. I found it on the floor," shouted the other. They started struggling for the blanket.

A nurse's aide entered and mediated the dispute with curses and threats. "Shut your damned mouths, both of you," she shouted. "If you don't shut up this minute, I'll take all your blankets away and you both can freeze!"

The women kept yelling and the aide reached into her pocket and brandished a drug-filled syringe. "Now you gonna shut up, or do I have to jab you with this!" she yelled. The women cowed, sobbing, "Yes, all right, yes."

When I finally found Weintraub, he dismissed the lack of heat as a problem that would be solved later in the day and insisted that I turn my attention to waxing the front hallway. His virtual obsession with the appearance of the front hallway stemmed from his fear of the City Health Department.

"Forget the rooms," he told me on more than one occasion. "The lobby and [front] hall are the first thing the health department will see if they show up."

Later the same day, I saw a 90-year-old man suffer the indignity and pain of physical punishment, administered by a young nurse's aide. The man was senile and confined to a wheelchair.

As the aide was placing a slipper on his infected foot, he accidentally brushed her uniform with his foot.

KICKS HIM ON LEG

Calling him a "no good bastard" she kicked him on the leg and punched him in the shoulder. The man cried out, and the aide barked, ".....you, you do that again and I'm gonna beat you."

The aide did not stop there. A short time later, after the man had involuntarily urinated in his pants, she called him a series of vile names, then left him to sit in his own waste. Another nurse's aide threatened to hold his pant leg out the window until it froze.

Perhaps the one statement that best expresses the attitude of the staff at Beacon Hill toward the elderly and mentally ill came during my final hours of employment. As I was about to leave one afternoon, the director of nursing made this observation:

"I wish they'd just get these patients out of here. They're the most disgusting people I've ever seen."

DAIRY FARMERS FACE ROUGH TIMES

Mr. HUMPHREY. Mr. President, these have been rough times for America's dairy farmers.

They are going out of business at a rapid rate.

And the Nixon administration seems content to sit idly by while the situation continues to get worse.

First, the Department of Agriculture refused to buy any cheese for the school lunch program during the first semester of the school year, which began last fall. And it has purchased little or none this semester. Yet this same Department estimates that some 80 million pounds of cheese could be used for school lunches during this fiscal year.

Second, the Nixon administration wanted to kill the special milk program last year. It took a Democratic Congress to restore it. And the President's budget does not include any recommendation for this year.

Third, the administration has failed this year to increase farm values of milk through adjustments in the price-support program.

Fourth, the administration stood by for a long period of time while dairy farmers were harmed by imports brought into this country under evasions of the import control program.

This is the picture the Nixon administration has presented to the dairy farmer. It is not a pretty one.

It is time that the dairy farmer be given help—and hope.

I have contacted the Secretary of Agriculture and asked that the following steps be taken:

First, begin immediate purchases of cheese for the school lunch program at a level sufficient to provide the real needs of the program.

Second, raise the price support on milk to 90 percent of parity, as authorized by the Congress.

Third, hold down imports of dairy products to a level that will enable U.S. producers to market their products in an orderly manner.

Finally, I intend to submit a resolution in the Senate to restore the special milk program, and to see that sufficient funds are provided to meet the needs of that program.

As for our dairy farmers, one way to make their voices heard is to unite so they can set their goals and policies together. People in every section of the economy have done this. And they have done it with success.

There are milk marketing organizations that care about the farm price of milk, and which work on the national scene to protect the dairy farmer's interest.

These organizations deserve the support of every dairy farmer. Their work, in milk markets and in Washington, offers the greatest single hope for a self-sufficient agriculture.

LEAD-BASED PAINT POISONING PREVENTION

Mr. KENNEDY. Mr. President, on January 14, 1971, the Lead-Based Paint Poisoning Prevention Act was signed into law. That was the first piece of legislation specifically designed to provide Federal assistance for those who suffer from childhood lead poisoning.

Last year, in hearings on that bill, health officials testified that lead poisoning is a sickness that can be completely avoided. But it has become one more hazard confronting the poor that has received too little attention. Since lead poisoning in children usually results when youngsters who live in dilapidated housing swallow small bits of peeling paint and plaster from the walls most people are unaware of the hazards involved.

Even a mother who sees her child chewing paint chips may not know that her little one can be sickened and perhaps be killed by this poison from the walls. Shamefully, because most of those living in our big-city slums are black or Puerto Rican, and most of the victims are black and Puerto Rican.

If this were a disease of the suburbs, its toll would not be nearly so dreadful.

Mr. President, I worked for approval of the Lead-Based Paint Poisoning Prevention Act because I want to end the needless suffering caused by this insidious disease. As the new chairman of the Senate Health Subcommittee, I am firmly and clearly behind all efforts to provide adequate health care for all Americans—and I am particularly interested in the need to guarantee assistance for those who have been traditionally deprived of decent health care.

Since the enactment of the lead poisoning bill has established the will of the Congress and the administration to meet the demands for attacking this problem, I am now seeking to obtain the necessary funding to implement the provisions of that law.

Finally, Mr. President, I feel that one of the most skillful accounts of lead-based paint poisoning was that prepared by Andrew Barnes, of the Washington Post. Mr. Barnes prepared an intensive examination of the problems affecting the victims as well as a review of the attempts made by the Washington, D.C., Department of Health to provide assistance. One thing made painfully clear from his account is the additional need for assistance to municipal health au-

thorities for resources to fight this disease. I feel that from Mr. Barnes' account we can see the importance of increased public awareness and added public support to stop the silent epidemic of childhood lead poisoning.

For that reason, I ask unanimous consent to have printed in the RECORD Mr. Barnes' article of February 28, entitled "Lead Poisoning: Threat to Poor."

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

LEAD POISON: THREAT TO POOR

(By Andrew Barnes)

A 4-year-old child was brought to Children's Hospital unconscious, in the middle of the night, in a seizure. He had been vomiting and complaining of stomach pains.

His mother mentioned he had a habit of eating paint and plaster in their apartment. The diagnosis was acute lead poisoning.

Like thousands of Washington children, he was sick from lead paint. Some are dying; many will be retarded, sitting out their lives in institutions.

In 1970, 270 lead poisoning cases were officially recorded here, but health officials estimate that 5,000 children, 10 per cent of all those who live in old housing, have too much lead in their bodies. Of these, 500 are so sick they should be hospitalized, the officials said.

Only last April, the city made it illegal to use lead paint indoors. Old paint, the main source of trouble, becomes illegal in practice only after a child is found sick. Although inspectors on their normal rounds, can order its removal, it is infrequently done.

The families of most poisoned children don't know they are ill, so the city plans its first major effort to seek out victims this spring.

The major source cause of the illness is old houses in the heart of the city. Once the homes of the rich, now they are the only places available to the poor.

The rich, of course, wanted the best, so they painted with lead, decades ago. Lead was the finest paint—more opaque, more durable. But after decades of rain on windowsills and slipshod care, the shiny paint is chipping and falling.

A few flakes of paint, not more than the size of a thumbnail, are a potentially lethal dose if eaten regularly for a few weeks or months (it varies from child to child). They may be on a baby's bottle, dropped on a littered floor and popped back in the mouth.

Some children, like the 4-year-old at Children's have a hunger for lead paint, which has a sweetish taste. Their craving for nonfood items is a disease in itself, called pica. It is not uncommon, especially among slum children.

That child at Children's spent six weeks in the hospital, being "deleaded" and having other problems treated. Now, two years later, he is active and looks well, but is still on medication.

In a sense, he is lucky.

His case was diagnosed, treated, and he appears not to have suffered crippling retardation. Also, once his family understood the problem, they were able to prevent him from eating any more lead paint.

In many cases, like that of 3-year-old Ricky Parker, the result is tragic. He died last year without regaining consciousness.

For no one symptom or test can indicate whether or not lead poisoning is present.

ILLNESS CONTINUES

Cause and cure are known, but the illness continues to strike in Washington and every other city where people live in old houses. Baltimore has been dealing with the problem since the 1930s, and New York and Chicago began a few years before Washington.

Pica (craving for unnatural food), and the lead poisoning that often goes with it, are usually diseases of the poor, according to Dr. George Cohen, head of the pica clinic at Children's Hospital.

A map in the health department confirms this. Cases are clustered in Shaw, Cardozo, Near Northeast and Anacostia. Families remodeling old houses are vulnerable as well.

One problem, Dr. Cohen said, is people are unaware of the danger. A mother who eats laundry starch and dirt, because she herself has pica, sees little wrong when her child eats paint and plaster.

Pica, Dr. Cohen said, typically hits people whose "whole life is doing things the easiest way possible," and are not able to find the time or effort to control their children.

At the pica clinic, Dr. Paul Reilly describes children who hunger for nonfood items as "extra love children." The clinic's emphasis is on explaining the hows and whys of pica in an effort to help prevent further poisoning.

MUST REMOVE PAINT

Treating and preventing lead poisoning takes not only medical work and education but elimination of the poisonous old paint from the child's surroundings.

Dr. J. Julian Chisolm Jr. of Baltimore, a leading expert in the field, reports, "If a child who has been treated for acute (lead poisoning) is returned to the same hazardous environment, the risk of permanent brain damage rises to virtually 100 per cent."

Of children who have only one serious attack, Dr. Chisolm reports, 25 per cent have permanent retardation.

A lead-poisoned child sets in motion of chain of city agencies. A notice goes from the doctor to the health department to the building inspectors. They go to the home, and the babysitter's home if there is one, and test it for lead paint.

If lead is found, the inspectors order the landlord to remove or cover it within 10 days.

All this should happen before the child goes home. In Baltimore, children convalesce at a special facility until their homes have been deleaded.

In Washington, a child is likely to be at home a month and more before anything is done.

Mrs. S. Charest, a nurse at Children's, shakes her head. Like everyone who works with lead poisoned children, she has seen so many come back poisoned again and again.

The steps involved in treatment and prevention are time-consuming:

The time lag on the first blood test, according to Dr. Thomas Reichelderfer, head of pediatrics at D.C. General Hospital, is as much as a week. The time test actually takes in the lab is 48 hours.

Between the time a doctor sends an order to inspect a house and its arrival at the inspectors is a week, often two. Sometimes, in a particularly urgent case, this is speeded by a telephone call, but not usually.

Inspectors go out within 48 hours, they say, to talk to the family and take the paint samples. A dozen or more envelopes, each with a half-teaspoonful of scraped paint, are dispatched to the lab.

Lab testing, because of backlog, takes three to six weeks.

Results in hand, the landlord is given 10 days to take off or cover up all lead paint. This is sometimes stretched somewhat, but compliance has been good, officials say.

"We kind of put the fear of God in these people," said inspector Kenneth Goodale.

But even though everyone may have been doing his best, between six and 11 weeks may have gone by. Most of that time, the child has been back in the home that poisoned him.

The laboratory delays, now a large part of the total, are likely to improve, according to its chief, Dr. Alston Shields. Blood tests, always a priority, will be speeded by new equipment and new procedures. More than 1,400 tests have been performed since last October.

Paint tests—4,300 since October—involve crushing, weighing, and dissolving, a two-hour process. It may soon be taken over by a machine the inspector can carry to the apartment and hold against the wall. The machine has been on order for some time.

"NOT SATISFACTORY"

Delays of more than a month will still remain. "It is not satisfactory," said Dudley Anderson, the city's chief of accident prevention. The main problem seems to be getting the papers from office to office, he said, which often takes three days for each of many steps. "We will do our best to cut it down," Anderson said.

The city also, under a model cities grant of $200,000, hopes to set up a place for children to stay while their homes are deleaded.

Under the same grant, the city in April will begin to go out and find cases, knocking on doors in the middle of the city, asking permission to make tests.

The middle of the city is called a "lead belt," for it is here that houses were first painted before World War II, when lead began to be supplanted by other paints. Repainting may offer no cure, for when the paint chips, the old lead surface is exposed.

It is necessary to go out and find cases, because the symptoms short of the convulsions of acute poisoning are vague. They include indigestion, crankiness, loss of appetite, and other complaints that sound like a dozen other childhood problems.

One to 6-year-olds are affected mostly, with two and three the most common ages. Sickness, for reasons not yet understood, happens mostly in the summer months.

POISON INDICATOR

The amount of lead in the blood is the best indicator of poisoning. A reading of 16 (micrograms per 100 milliliters of blood) is normal for country children. Urban children average 21, Washington children average 25, city officials said.

A reading of 40 means potential trouble, 80 means hospitalization, generally.

Whether children who have more lead in their blood than normal, but not enough to be called sick, will have their mental development curtailed is unclear. Such research has not yet been done.

But according to an article in Public Health Reports a year ago, "there is reason to suspect that undiagnosed and therefore untreated, lead poisoning is a cause for concern.

FREQUENCY GREAT

"The frequency of lead poisoning in neighborhoods with older buildings may be greater than generally realized."

The city, since last fall, has been testing all 2-year-olds who come to clinics for any reason. Of this group, 23 per cent have had levels above 40, 14 per cent above 50.

Laboratory results themselves are not precise. A nationwide study found variation in results "too great to be considered satisfactory," but it remains the best method available.

SHOTS PAINFUL

A doctor, taking into account tests and symptoms, can order "deleading." This involves a week of painful injections of a chemical that combines with the body's lend and allows it to pass out.

Removing the lead from a house is expensive. Walls can be covered with paneling, which is cheap, but windows, doors and bannisters must be stripped or replaced.

Sanding or burning the paint puts poisonous fumes in the air, and the chemicals that will dissolve it are highly corrosive. The paint industry hopes to develop a coating tough enough to withstand the chewing of a child with pica, but has not done so yet.

Even with all this, nobody really thinks

all the lead paint will be removed from the city. "You're talking about tearing down an old city and building a new one," commented Anderson.

And loopholes remain. Lead paint is illegal only for indoor use. It can still be bought for exterior use in any paint store in Washington.

PARENTS FORGET

It is now more expensive than its alternatives, but the bargain can of battleship paint, heavy with lead, may still seem just the thing to paint a playroom. It is illegal to do so, but few home owners know it.

The label on the can says keep out of reach of children, but might be read to mean don't let them drink it. Once dry, nothing looks cleaner than a coat of paint. It is hard to remembers that a child with pica is likely to chew woodwork.

When inspectors go into a house, they sometimes find the child was eating dirt under a porch, from which chips of paint are falling. Or the sources may be a fence peeling in great scabs.

The inspectors in fact do act in these cases, but the law does not specifically direct them to do so, since they are outside the house.

A federal law was passed at the end of the last Congress to help localities fight lead poisoning. No funds have been appropriated for this purpose, however.

The most that can currently be done is that screening programs will continue and increase so more children can be spotted before they are acutely sick.

FIFTIETH ANNIVERSARY OF THE DISABLED AMERICAN VETERANS

Mr. PROUTY. Mr. President, I regret that I was unable yesterday to participate in the colloquy in tribute to the silent courage of the Disabled American Veterans, who have kept faith with those who have given so much in the defense of our country and our liberty. Today I should like to reflect on the important role of the Disabled American Veterans over half a century.

For 50 years, the common bonds of courage and sacrifice have brought forth the dedicated energies of disabled veterans in aiding one another and thus their Nation.

Death is the greatest, but not the sole, tragedy of war. Battles batter flesh and trouble minds of many, who survive. For these survivors, the battle often never ends. As they struggle on a different front, the wounded need comradeship, a helping hand, and a strong voice in their fight for a new life.

We are all in these men's debt and our gratitude extends to each of them and the organization that provides these brave men the comradeship, the helping hand, and the strong voice—the Disabled American Veterans.

We owe our wounded veterans more than we can repay, but we as a nation have tried to meet our obligations. In so doing, we have set up a vast bureaucracy which often defies even the most persistent veteran.

The Disabled American Veterans serves as each wounded veteran's champion in the battle of the bureaucracy. The DAV's national service program insures that the obligations of our Nation to our veterans are fulfilled.

These men, who have endured so much, seek more than our obligations. They seek the opportunity to continue to contribute to our country. Here, too, the Disabled American Veterans is ready to help veterans find their way to new opportunities.

In my State of Vermont and across the Nation, State departments of local chapters of the Disabled American Veterans serve our Nation and its communities. DAV representatives are on hand at our regional Veterans' Administration centers.

The work of the Disabled American Veterans and each of its members is an inspiration to all Americans. Each member stands ready to assist those who have also suffered in battle.

Sadly, brave young Americans continue to make sacrifices for our Nation. Though we are withdrawing from Vietnam, the war continues to take its toll. There is little consolation to be found when we consider the suffering of these men. But we do know that they will not be without a friend and champion. The Disabled American Veterans stands by each of these men. The DAV understands, cares, and succeeds, and we are grateful.

Someday man may find a way to resolve disputes without war. This is our goal and our dream. But as we pursue our goal and dream our dream, we must stand by those fought before the goal was reached and endured the nightmare of suffering before our dreams came true.

Someday the guns will be forever stilled and men will rejoice, but there will be those for whom the quiet brings little joy and only a painful struggle for a new life. They will need the Disabled American Veterans as men have for five decades.

They will continue to keep faith with one another and so must we. We are grateful for their example over one-half a century.

TRIBUTE TO SENATOR RUSSELL

Mr. WILLIAMS. Mr. President, I wish to join Senators in mourning the passing of a great American, the President pro tem of the Senate, Richard Brevard Russell. During his 38 years of service in the Senate, the distinguished gentleman from Georgia established a reputation as a parliamentarian and a debater excelled by few others in the history of the Senate.

He was the consummate politician, painstaking and thorough in his preparation, and highly skilled in the use of power.

If a man's efforts are the measure of his dedication and a man's accomplishments the hallmark of his success, then Richard Russell could be extremely proud of his record in the Senate. No man in recent memory has made a more complete dedication of his life to this body, and few men have been able to so effectively serve the principles and ideals to which they subscribed. Those causes, which he so ably defended for so many years, have lost a gallant champion.

LEFRAK SUIT ON HOUSING BIAS CONSTRUCTIVELY SETTLED

Mr. JAVITS. Mr. President, in August 1970 the United States sued the Samuel J. Lefrak Organization, one of the Nation's largest builders, charging racial discrimination in the rental of apartments in New York. Recently the Department of Justice and Samuel J. Lefrak reached an agreement whereby the Lefrak Organization promised to prohibit discrimination in apartment rentals and give the equivalent of a month's free rent to 50 black families to assist them to move into predominantly white buildings. This is a very important development and affects 20,000 units in the New York area.

Mr. Lefrak and the Lefrak Organization have built 300,000 apartments in this century. Recently, Mr. Lefrak urged President Nixon to call a conference of builders, construction union leaders, New York City officials, and mortgage officials to plan a strategy of large-scale slum renewal. I believe that this idea of a conference is a very good one. I have also been working along with others to try and bring the resources of the private sector into play for massive rehabilitation of housing in New York.

I ask unanimous consent that articles published in the New York Times, the Washington Post, and the Real Estate Builders Record and Guide discussing the Lefrak situation be printed in the RECORD.

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

[From the New York Times, Jan. 29, 1971]

LEFRAK SETTLES U.S. SUIT ON BIAS—ACTION DROPPED AFTER PACT ON RENTING PROCEDURES

(By Richard Reeves)

The Department of Justice and Samuel J. Lefrak, one of the nation's largest builders, reached an agreement yesterday in which the Lefrak Organization promised to prohibit discrimination in apartment rentals.

It also promised to give the equivalent of a month's free rent to 50 black families to assist them in moving into predominantly white buildings.

In return, the Justice Department agreed to drop its suit against the builder. It had charged racial discrimination in the renting of apartments.

The Lefak affiliates agreed to the order and contract without admitting any violation of the 1968 law, which was the basis of the Federal charges.

The agreement between the Government and Lefrak associates—formalized in a consent decree signed by Judge B. Weinstein of the United States District Court in Brooklyn—concluded legal action that began last August. The Justice Department at that time charged discrimination in the renting of 21,000 Lefrak-controlled apartments in 150 buildings in Brooklyn and Queens.

The resolution of the case, described by the Justice Department as the largest housing case in its history, was based on two separate agreements, the consent order and the contract.

The consent order, covering 9,000 apartments in Brooklyn, required the builder and his renting agents to post weekly lists of vacancies and to rent units on a first-come, first-served basis to financially qualified applicants whose applications and $25 deposits must be processed through a time clock.

In addition, the tenants of seven Lefrak buildings in East Flatbush—almost all of whom are black—will have first call on the next 50 apartments that become vacant in 45 predominantly white Lefrak buildings in Brooklyn. Those 50 families would also receive a "moving" payment equivalent to

their current monthly rentals, which range from $110 to $225.

The contract, covering 12,000 Lefrak units in Queens, was between the Government and the Apartment Leasing Corporation of America, a company controlled by Lefrak. It calls for a government-inspected "equal maintenance" program to insure that buildings with black tenants receive the same services as those with predominantly white populations.

All Lefrak offices and buildings in Queens and Brooklyn will also be required to display a sign saying: "Under the Federal Fair Housing Act of 1968, all apartments rented through this office shall be available without regard to race, color, religion or national origin."

Mr. Lefrak, in a joint news conference with Edward R. Neaher, United States Attorney for the Eastern District of New York, called the agreement "an historic document, a landmark."

"It will make open housing in our cities a reality," he continued, "It establishes guidelines for every apartment-house owner to comply with laws outlawing racial discrimination in housing."

However, the directors of the New York Urban League—whose Operation Open City had filed complaints against Lefrak—issued a statement calling the agreement "a great disappointment to the millions of blacks and Puerto Ricans who for years have been denied an equal chance at Lefrak's housing units all over the city."

"The offer to 50 black families," the league continued "is straight tokenism."

Only two of a dozen residents of the seven East Flatbush buildings interviewed at random yesterday said they would consider moving to other Lefrak buildings.

"I would like to find a decent place—this one's no good," said Leroy Patterson, who pays $114 a month at 1115 Willmohr Avenue. "The white people move out and then the rent jumps up. It's not so much moving into a white building, it's moving into a better building."

"I'm satisfied here," said Mrs. Lloyd Austion of 950 Rutland Road. "The building is kept clean. The superintendent is nice—it's peaceful."

[From The New York Times, Jan. 28, 1971]

LEFRAK SIGNS PACT ON PUBLIC HOUSING

(By Steven R. Weisman)

Samuel J. Lefrak, president of one of the country's largest building concerns, signed a contract yesterday to construct his organization's first low income public housing in the city.

The construction of 638 apartments in slum areas of Brooklyn and the Bronx is part of the City Housing Authority's "turnkey" program. in which private developers build the projects and then sell them to the city.

Simeon Golar, chairman of the authority, has stepped up the use of such projects in the last year as an economical, fast way of producing building projects within the cost limitations imposed by the Federal Government.

Of 14,000 public housing apartments Mr. Golar said could be built this year, about one-third are envisioned as "turnkey." The rest, Mr. Golar said, would be built by the authority itself. He called on the Federal Department of Housing and Urban Development to assist in the building of the 14,000 apartments which would constitute the largest number of units built in the city in one year in the authority's history.

S. William Green, regional administrator for the Federal housing agency, added at yesterday's news conference that there were Federal resources to back the 14,000 apartments, but declined to predict that the city would get the money.

Mr. Green said that contracts had already been signed for about 4,500 apartments in the city and that there were Federal commitments for another 6,630.

Yesterday's contract signing at the Housing Authority, 250 Broadway, completed an important first phase of negotiations that began early last year, when it was announced that the Lefrak Organization would build for the city.

Mr. Lefrak said that another 1,200 "turnkey" public housing apartments were now being processed in Washington for Federal approval, and that the Housing Authority was negotiating on the construction of 2,000 beyond this.

Mr. Lefrak's organization, which has built 200,000 apartments here in the last 66 years, was accused by the Federal Justice Department last year of practicing racial discrimination in 21,000 apartments in 150 buildings in Brooklyn and Queens.

A Federal suit enjoining the organization from such practices is still pending in United States District Court in Brooklyn, and Mr. Lefrak declined to comment on it yesterday. He has denounced the suit as politically motivated.

Mr. Green, the regional administrator for the Federal housing agency, said he had consulted the Justice Department on the Lefrak projects. He said that since the Lefrak Organization is turning the projects over to the city for tenant assignment, the charges were not applicable to this particular effort.

At the news conference, Mr. Lefrak vowed to build a total of 150,000 apartments in the nineteen-seventies; with as many as 50,000 low and middle-income apartments in the city during the next five years. However, he said that housing could not be built for poor people without government assistance.

Mr. Golar hailed Mr. Lefrak as a man "who builds good housing quickly."

The 638 apartments, which are expected to be completed within 18 months, include about 150 apartments to be extensively renovated. They are in the Mott Haven Section of the South Bronx and the Bedford-Stuyvesant section of Brooklyn. None of the buildings will be more than six stories in height.

[From the Washington Post, Jan. 23, 1971]

"MANHATTAN PROJECT" ASKED FOR SLUMS

A New York apartment builder wants the United States to launch a project to rebuild the slums that would equal the intensity of the World War II "Manhattan Project" which produced the atomic bomb.

Samuel J. Lefrak, president of the Lefrak Organization, which has built 300,000 apartment units in the past 65 years, urged President Nixon to call a conference of builders, construction union leaders, city officials, and mortgage lenders to plan a strategy of slum renewal.

"When we set out to harness atomic energy for military purposes, we called the effort Manhattan Project," Lefrak said recently. "Let's attack the housing crisis with the same energy. Let's call our new effort Manhattan Project Two. Let that name symbolize our dedication."

Lefrak urged Nixon to:

Appeal to building trades unions to remove any roadblocks to factory production of complete houses and of housing components.

Urge banks and insurance companies to make low-interest loans for slum rebuilding.

Call on city officials to create a standard national urban building code to permit nationwide use of standardized materials.

Suggest tax incentives for slum construction.

Lefrak did not mention existing urban renewal projects in his appeal for a new program. Some critics of urban renewal claim that the program often replaced slum housing with high-rent luxury units which left the poor with no home at all.

"Our slums are growing larger every day," Lefrak said. "If, as Chief Justice (Warren E.) Burger said, our prisons are breeding criminals, then the slums are breeding candidates for prisons. Talk of 'law and order' is impotent if no effort is made to eradicate the breeding grounds of criminality."

Lefrak also complained the nation has not solved its housing problems because rural and suburban senators and House members lack interest in urban legislation.

"The slum is a cancer," he said. "It not only affects city life. It affects our national life.

"Today, in New York City, families are living in abandoned buildings without heat, light and sanitary facilities. And this condition is growing."

[From the Real Estate Record and Builders Guide, vol. 207, No. 2 (5362) Jan. 9, 1971]

PRESIDENTIAL CONFERENCE URGED TO SOLVE URBAN HOUSING CRISIS

The country's largest builder of apartment houses recently called for a Presidential conference "to invoke wartime emergency measures to demolish and rebuild the urban slums of America."

Samuel J. Lefrak, president of New York's Lefrak Organization, a real estate firm which has built more than 300,000 apartment units in its 65-year history made the statement in Washington last month.

The real estate leader was in the nation's capital to meet with Congressional leaders on what he termed "our housing deterioration crisis." While in Washington, Lefrak was honored with the Distinguished Service Award of the University of Maryland "M" Club at a dinner at the Statler-Hilton Hotel.

Mr. Lefrak asked the President to call a "summit meeting" of construction union leaders, city officials, and top executives of banks and insurance companies.

"We must wage war against the slums. These men have to be shown by the President that it is necessary to put aside parochial considerations and live up to their social commitment to America. Our slums are growing larger every day. If, as Chief Justice Burger said, our prisons are breeding criminals, then the slums are breeding the candidates for prisons. Narcotics addiction and criminal violence are slum products. Talk of 'law and order' is impotent if no effort is made to eradicate the breeding grounds of criminality," Mr. Lefrak said.

He stressed that the rate of deterioration and abandonment of slum property is escalating in every American city.

"I hope the President would make these suggestions at the conference:

"Ask the construction unions to allow building via modular manufactured systems so that the time of construction could be cut to the bone.

"Have the banks and insurance companies make available low interest loans for slum clearance and construction. And, urge the insurance companies to insure slum construction.

"Ask city officials to create a standard national urban building code and urge major tax incentives for slum construction. Certainly, if our slums continue to proliferate the entire urban tax base is in jeopardy.

"Activate, on the Federal level, the Title 608 program which did so much to end our housing shortage after World War Two."

"Housing must be taken out of politics. This has to be a bi-partisan effort. And, our Congressional and Senatorial leaders who represent rural and suburban areas can't be aloof from the effort. The slum is a cancer. It not only affects city life. It affects our national life," he said.

Mr. Lefrak said that the country "has been dawdling" in solving the housing crisis.

"After World War Two we attacked the housing shortage with the unity born of our wartime effort. Returning veterans lived in Quonset huts. Temporary housing was erected with lightning speed. Today, in New York City, families are living in abandoned buildings without heat, light and sanitary facilities. And, this condition is growing. We must recover that wartime urgency if we are going to solve our urban housing crisis," he said.

"When we set out to harness atomic energy for military purposes we called the effort Manhattan Project. Let's attack the housing crisis with the same energy. Let's call our new effort Manhattan Project Two. Let that name symbolize our dedication," he said.

FIFTIETH ANNIVERSARY, DISABLED AMERICAN VETERANS

Mr. TUNNEY. Mr. President, each year over 1 million men and women leave the military service. Thousands of these brave Americans will return home, wounded, from the battlefields of Southeast Asia. Many will recover to lead normal and vigorous lives. Tragically, thousands will return wearing the permanent scars of war.

Yet, when the day comes that no more young men are maimed or wounded in the jungles of Indochina, most Americans will forget the terrors of war and the struggles of those who fought it.

Fortunately, for all men who have gone to battle for our Nation since 1917, there is an organization which remembers their valor, courage, and patriotism—the Disabled American Veterans.

Founded to aid the wounded of the First World War, the DAV has worked to secure the care and dignity of our servicemen, regardless of their military branch, regardless of their rank, regardless of the war in which they fought.

Their objectives of 50 years ago remain the same today:

To advance the interests and work for the betterment of all wounded, injured, and disabled veterans, their widows and dependents.

During their half of century of service the Disabled American Veterans have reviewed over 4 million cases, recovering almost $1½ billion in compensations.

While Congress pauses to salute the anniversary of the Disabled American Veterans, I feel this is an appropriate occasion to focus our thoughts on the over 1,500 Americans held captive by the North Vietnamese. The inhuman attitude of the leaders in Hanoi concerning the care and treatment of prisoners violates personal morality and legal codes.

This Congress must strive to find the means to remove the United States from the quagmire in Southeast Asia, while at the same time discovering the path to freedom for our soldiers imprisoned in North Vietnam. I know all Americans thank the Disabled American Veterans for their efforts to channel public pressure to Hanoi for the humane treatment and early release of captive Americans. No thoughtful citizen can rest comfortably while our young soldiers rot in prisoner of war camps. And while this Congress pauses to salute those who have championed the cause of our disabled veterans, we must watch our own actions with care.

Congress has stated that it is the duty of the Federal Government to provide health care for those who have taken up arms for this Nation. Yet, we are asked to close the eight remaining Public Health Service hospitals and 30 clinics and send their patients to Veterans' Administration hospitals.

This action would jeopardize the health care of all concerned. It is most discouraging to me that we would contemplate closing the Public Health Service hospitals in a city such as San Francisco and expect the VA hospital to assume the responsibility for the care of these patients while it is already acutely short of beds for California veterans. Such an action would be hypocritical, and I am sure Congress will prevent it from occurring.

The Disabled American Veterans are to be commended on their golden anniversary, not only by Congress, but by concerned people everywhere. Their unselfish efforts on behalf of those who have defended freedom are appreciated by all who care about upholding personal dignity.

LITHUANIAN INDEPENDENCE

Mr. PELL. Mr. President, this year marks the 53d anniversary of the Declaration of Independence of Lithuania as a sovereign state.

We in the United States take note of that anniversary with mixed emotions. It is an occasion for tribute to the persistence and spirit of the Lithuanian people, a spirit that made it possible for them to assert their independence after the First World War.

But it is an anniversary that must also be observed with sadness, for Lithuania is not today a free state, having been forcibly incorporated into the Soviet Union after World War II. That incorporation, because it violated our national devotion to principles of freedom and self-determination, has never been formally recognized by the U.S. Government.

It is a great tribute to the Lithuanian people, including those living in the United States, that their spirit remains undimmed, and that they continue to preserve their proud national and cultural heritage. I admire greatly that spirit and congratulate the Lithuanian people for their courage and persistence.

DISABLED AMERICAN VETERANS

Mr. HRUSKA. Mr. President, it is regrettable that official business yesterday prevented me from joining Senators in their notable and well-deserved tribute to the Disabled American Veterans on the occasion of that organization's golden anniversary.

I can think of no American who deserves the blessings and gratitude of his country more than one who has served it unselfishly and nobly in its hour of need, and who has suffered personal affliction in the process.

We not only owe a deep and lasting debt of gratitude to these veterans; we owe a similar debt to the DAV for the many vital services it has provided for these veterans for so many years.

The DAV has helped countless disabled servicemen reorient themselves to civilian life and, more important, to find a useful purpose in life.

Through its national service program, it has assured such veterans of all the benefits to which they are legally entitled. It has processed more than 4 million claims since it was founded. It has consistently sought to improve the quality of medical care at VA hospitals. Now it has added on-the-job training and academic education to the programs with which it serves disabled veterans. These are only a few of its laudable activities.

Not the least of the organization's current activities is its vital leadership to the campaign for humane treatment and eventual freedom for our prisoners of war in North Vietnam.

To the officers and 300,000 members of the DAV, I wish to join my colleagues in heartfelt gratitude for the five decades of invaluable service the organization has provided to the Nation and its war heroes.

Let us pray that our continuing search for peace will be successful. In the meantime, let us be very thankful for such organizations as the DAV.

FIFTIETH ANNIVERSARY OF THE DISABLED AMERICAN VETERANS

Mr. KENNEDY. Mr. President, I am pleased to join Senators in observing the golden anniversary of the Disabled American Veterans. For 50 years this organization has been dedicated to serving the very special needs of our disabled servicemen.

The DAV was founded after America's first experience in modern and devastating warfare, World War I—a conflict that left disabled servicemen in numbers unknown in the history of war.

The situation today is even more critical.

We find ourselves creating a whole population of disabled Americans in the hills and jungles of Southeast Asia, at a rate hardly conceivable to those who founded the DAV just 50 years ago.

My experience 3 years ago as chairman of the Veterans' Affairs Subcommittee has left me aware of our great obligation to our disabled veterans. I know the impact of the DAV in fulfilling this obligation, both as a service organization and as an articulate spokesman in the councils of government.

My purpose is not to recount the many achievements of the DAV in this Chamber again; they are apparent and are a testament to the unique commitment of this organization.

Rather, we must now look ahead to the need for a greater commitment from us all to provide our disabled servicemen with the opportunity to make their own meaningful contribution to our society.

This is our obligation at this commemoration today, both to the men and women themselves and to society as a whole.

PRISONERS OF WAR

Mr. HUMPHREY. Mr. President, I invite the attention of the Senate to the

fact that there is now a meeting of Red Cross societies from all over the world taking place in The Hague to consider additional protocols to the 1949 Geneva Convention, which defines the rights and status of prisoners of war. The North Vietnamese Government, while a signatory to that Convention, has refused to accord the status of prisoners of war to our soldiers who have been captured. I propose that the Government of North Vietnam adhere to its treaty obligations in recognizing these American soldiers as prisoners of war.

I, therefore, firmly support The Hague meetings, as well as the second assembly of government experts, scheduled for May 24–June 12 in Geneva.

It is my hope that these meetings will result in substantial revisions of the Geneva Convention in order to resolve some of the more serious questions relating to treatment of prisoners of protracted conflict. Otherwise, a new convention could hopefully be drawn up to limit the time prisoners can ge held before being repatriated, and to define within certain limits the treatment which must be maintained during the prisoner's captivity.

APPOINTMENT OF GIRL PAGES

Mr. JAVITS. Mr. President, I ask unainmous consent to have printed in the RECORD my statement before the Committee on Rules and Administration today, March 4, 1971, relative to the appointment of girl pages in the Senate.

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

APPOINTMENT OF GIRL PAGES—STATEMENT BY SENATOR JAVITS BEFORE THE SENATE COMMITTEE ON RULES AND ADMINISTRATION THURSDAY, MARCH 4, 1971

Mr. Chairman, I urge the appointment of girl pages not only because I believe in the principles of equal opportunity and nondiscrimination due to sex, but also because for the Senate—and for me in particular—to take any other position would be to put the Congress "above the law" and immune to those principles of fairness which apply to the rest of the nation.

It is *not* a question of strength, for obviously not every 14-year-old boy who has served as a Senate page can be stronger than the 16-year-old girl I have appointed.

It is *not* a question of parental supervision, because in point of fact the girl I have appointed will be under the supervision of her parents—although boys who presently serve in these positions lack that.

It is *not* a question of hours, for there are teen-age girls already working on Senator's staffs, including my own, and often working late into the evening on Senate business.

And it is *not* even a question of admitting girls to the inner sanctum of the Senate chamber or the cloakrooms, for women staff members have long been permitted access to all these places on exactly the same basis as men.

What is the question, then? It is simply a question of fundamental human fairness, a question of whether half the population shall be deprived of an opportunity without a substantial reason and on a basis which would be a federal offense if committed by anyone else.

Seven years ago we passed the Civil Rights Act, and the President signed it, outlawing discrimination on the account of sex in private employment. The Executive Branch has outlawed it in federal employment. Only in this aspect of the legislative branch of Government does the principle not apply, and it is high time we practiced what we preach.

With that in mind, it was just over a year ago that I first raised the question with the leadership of the Senate by writing to the Sergeant at Arms on February 4, 1970 (and to the Minority Leader and other officials of the Republican leadership), asking for the review of the current policy and an exploitation of the basis for excluding girl pages.

Mr. Dunphy replied to me by letter dated February 10, 1970, raising a number of practical questions, but conceding that "I know of no statutory prohibition barring girls from serving as pages."

I then asked Mark Trice, Secretary of the Minority, to make a complete review of the question, and he prepared a Memorandum for me on April 20, 1970, in which he also raised all the practical questions, as well as the legal ones, but conceded that there is nothing in the law which would restrict the appointment of girl pages. He also noted that:

In the Senate Manual, Page 39, you will find that the Committee on Rules and Administration has jurisdiction, among other things, of Matters relating to parliamentary rules; floor and gallery rules; Senate Restaurant; administration of the Senate Office Buildings and of the Senate wing of the Capitol; assignment of office space; and *services to the Senate.*

From this language it would appear that the Committee on Rules and Administration, in the absence of Senate action, would have the authority to interpret all aspects of the term "Pages."

To bring the issue to a head, last spring, when my previous page resigned, I informed the Republican leadership that I intended to fill that vacancy with a girl, and in the meantime would make no appointment to fill that vacancy. The vacancy still exists today. I raised the issue last summer in the Republican Conference, and it was discussed in detail, but no final decision was reached. Then, on November 23, 1970, I decided to meet the issue directly by submitting a request for a ruling to the Rules Committee, by letter to the Chairman of this Committee. Since I think this letter puts the case forward about as well as I can state it, I shall read it in full:

TEXT OF LETTER TO CHAIRMAN JORDAN

Dear Mr. Chairman: As I am informed that the Rules Committee plans to take up the question of appointing a girl page at the meeting this Wednesday, November 25, and as I have already let it be known that it is my intention to appoint such a page, I thought it would be useful for you to have a statement from me as to my position on this question, for the information of the members of the Committee.

A. The rules

Neither the Reorganization Act nor the Rules discriminate on account of sex.

As best I can, I have investigated whether any law or rule of the Senate would prohibit the appointment of a girl page. I find none, although no girl has, as far as I can tell, ever been appointed to such a position (the requirements for appointment to the position simply relate to age, schooling, dress, etc.) The specific requirements appear to be set forth in a form letter from the Sergeant at Arms . . .

I find that the question seems to have been previously presented to you for opinion, and that, by letter dated March 2, 1970, to another Senator, you indicated that, although it has been "the continuous policy of the Senate" to employ young boys, you found "no statutory prohibition barring girls from serving as pages . . ."

B. Official U.S. Government policy against sex discrimination

As you no doubt are aware, the Congress, by enacting Title VII of the Civil Rights Act and related legislation, has now made it national policy not to discriminate in employment against women. While the Act does not apply to Government employees, it would certainly be embarrassing and unjustified for the Senate to violate the very principle we have required of the public generally.

The Act, I am well aware, provides an exception for a "bona fide occupational qualification reasonably necessary to the normal operation of the particular . . . enterprise." (Sec. 703, Civil Rights Act of 1964). The Senate has, I understand, taken the position in the past that the work of the page—including long hours and carrying bulky papers—as well as the "physical facilities" of the cloakroom and Senate Chamber all do not lend themselves to adjustment to female pages.

I am concerned, however, whether such factors would be deemed bona fide occupational qualifications in a private employment subject to the Act. Indeed, even in the Senate there are many women, particularly secretaries and mail room employees, who work even longer hours than the pages, and whose work is equally strenuous. And I seriously doubt that the facts substantiate a claim that every boy who has served as a Senate page is physically stronger than every girl who has applied and been rejected.

The internal policy of the Executive Branch of the Government moreover, is completely in accord with the Civil Rights Act. Section 1 of Executive Order 11478, dated 8/8/69 by President Richard Nixon, relating to Equal Employment Opportunity in the Federal Government, reads as follows:

"Section 1. It is the policy of the Government of the United States to provide equal opportunity in Federal employment for all persons, to prohibit discrimination in employment because of race, color, religion, sex, or national origin, and to promote the full realization of equal employment opportunity through a continuing affirmative program in each executive department and agency. This policy of equal opportunity applies to and must be an integral part of every aspect of personnel policy and practice in the employment, development, advancement, and treatment of civilian employees of the Federal Government."

While the order applies to "civilian employees of the Federal Government" and says nothing concerning employees of the Legislative or Judicial branches, it would certainly ill behoove the Senate to practice a policy which we have outlawed for the public at large and which the President has outlawed for employees serving under him.

Finally, a word about the safety problems of working on Capitol Hill. I am well aware that there have been incidents of robbery and worse involving employees of the Congress. I am also aware that these incidents have affected both male and female employees. If Capitol Hill is not as safe a place to work as we would wish it to be, it is no safer for a teenage boy than a teenage girl, and in my judgment, the solution to the problem must be in better safeguards, not perpetuation of discrimination.

Nevertheless, it is my intention, if permitted by the Senate, to appoint a girl page who has relatives or family friends living in the area, who can act *in loco parentis* and be fully responsible for her. It is also my intention to appoint a girl at the upper end of the statutory age bracket, so that no question of physical stamina or ability to do the work should arise.

I hope very much that you will give this matter your most earnest consideration, and that the Rules Committee will sustain that

aspect of the view which you expressed in your own letter earlier—that there is no prohibition on the appointment of a girl Senate page.

With best wishes.

Sincerely,

JACOB K. JAVITS.

Mr. Chairman, I think you will note from my letter that, although I am not conceding that there ought to be any discrimination between girls and boys in this matter, I am prepared, in order to ease the transition, to make some special accommodations and set some special criteria for my first girl-page appointment: I pick a girl in the upper end of the permissible age spectrum, to avoid any question about physical ability to perform the work; and I pick a girl whose parents live nearby, to make sure there will be proper supervision.

On December 11, 1970, I announced my first appointment—a New York girl, Paulette Desell—who lives with her family in the Washington area.

After that announcement, I submitted Paulette's name to the Republican Conference, and was informed by Mr. Trice that the Republican Conference will certify her to the Sergeant at Arms—the appointive authority. In Mr. Trice's letter of December 11, 1970, he wrote:

"If and when Miss Desell presents herself to this office, the necessary forms will be executed and she will be certified to the Sergeant at Arms of the Senate, who is the appointive power."

I then informed the Sergeant at Arms of what was impending, but he replied, by letter dated December 30, 1970, that he would not accept such an appointment without prior approval of this Committee. In this letter, he wrote:

"As you are aware, the matter of authorizing girl pages is now pending in the Senate Committee on Rules and Administration. Chairman B. Everett Jordan has informed me that this subject is on the Committee's agenda for its next meeting.

"I presume your nomination of Miss Desell will be held in abeyance awaiting the Committee's action. I know that you appreciate my position in that this office is subject to the direction and control of the Rules Committee and I am unable to change the long-standing policies and precedents of the Senate without specific direction from the Committee."

And so it is up to you, Mr. Chairman, and the Committee, to resolve this question—and I hope very much that you will resolve it affirmatively and quickly, for it involves an issue fundamental to our law and our sense of fairness as a people.

IRA KAPENSTEIN IN MEMORIAM

Mr. PROXMIRE. Mr. President, Ira Kapenstein, a talented young leader of men, has died at 35. His fine service as Deputy Chairman of the Democratic National Committee and in the Post Office Department has been brought to the attention of the Senate. I would like to call attention to Mr. Kapenstein as a newspaperman and as a human being.

Mr. Kapenstein joined the Milwaukee Journal at the age of 20 in 1956 after being graduated from the University of Iowa. Within a short time his ability was recognized and he was assigned to cover politics. It was that assignment that displayed his keen mind and writing skills. He was always a thorough and fair reporter.

It was during that period when he discovered he was striken by cancer. His struggle was to continue more than 10 years. But he stood strong as a man to an adversity that might have licked other men. He was uncomplaining. He faced squarely a stern reality. He carried on. Indeed, he succeeded in three other careers despite his affliction.

All the time, he was considerate of his fellow men; truly concerned, for example, when a friend had a cold; going out of his way to be kind.

Ira Kapenstein was a real man and a compassionate human being. He will be missed.

My sympathy goes to his family and to his many friends.

THE DISABLED AMERICAN VETERANS—A HALF CENTURY OF DISTINGUISHED SERVICE

Mr. WILLIAMS. Mr. President, I wish to join Senators in honoring one of our Nation's most distinguished service organizations as it celebrates its 50th year of assistance to the wounded and disabled American combat veterans.

From the date of its founding in 1920, the DAV has assisted veterans, their dependents, widows, and orphans in obtaining benefits to which they have been entitled. In many cases, the good offices or power of attorney exercised on behalf of a disabled veteran by a DAV chapter have resulted in obtaining assistance for deserving individuals who were either uninformed of their rights or uncertain of how to apply for them.

Even more commendable at this time of overseas conflict, are the many programs of assistance to the disabled Indochina veterans now in military hospitals. In a war where vastly improved medical and rescue facilities have reduced the death rate, but thereby contributed to a higher proportion of injured and disabled survivors, the vocational rehabilitation and educational services of the DAV take on a renewed importance.

I congratulate the DAV on its constantly active program, and applaud its programs of assistance. Although it is an organization for which we wish there was no need, the fact of the matter is that there is a tremendous need for the DAV today, perhaps one of the greatest in its distinguished history. We must remember that the disabled veteran, who is responsible for neither the escalation nor the continuation of the present conflict, has nonetheless been required to undergo the greatest suffering, and endure the most lasting hardships. We have a responsibility to such men, and the most important of all of the DAV's functions, is to not allow us to forget this sacred trust.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. GAMBRELL). Is there further morning business? If not, morning business is concluded.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. BYRD of West Virginia. Mr. President, I ask that the Senate proceed to the further consideration of the pending business.

The PRESIDING OFFICER. The Senate will proceed to the consideration of the pending business, which the clerk will state.

The assistant legislative clerk read as follows:

The motion to postpone for one legislative day the motion to proceed to the consideration of S. Res. 9, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate.

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 assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR RECESS TO 11:45 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11:45 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF SENATOR FULBRIGHT TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that immediately following the recognition of the two leaders, under the standing order, on tomorrow, the able Senator from Arkansas (Mr. FULBRIGHT) be recognized for not to exceed 15 minutes just prior to the transaction of routine morning business.

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

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 9) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. THURMOND. Mr. President, filibuster, in its lexicographic sense as a noun, designates an armed adventurer, on land or sea, who wages unauthorized and irregular warfare. Historically, the Senate of the United States operates under a form of filibuster in the sense that unless a two-thirds vote is present to envoke cloture, the minority continues to be heard in accordance with the principles of free speech.

This is no "guerrilla warfare" of the Senate—it is a form of deliberation, debate, and discussion representing a very important aspect of our constitutionally ordained system of government. The U.S. Senate is not a homogeneous body. We would not wish it to be so. The body of American citizens are points of diversity,

and the Senate should reflect that diversity.

Mr. President, filibustering itself goes back to the time of the Roman senate. The filibuster was employed in the English Parliament by Charles Stewart Parnell. Under the Constitution of the United States, we found the filibuster in the very first Congress. Senator John Randolph of Roanoke occupied the floor day after day with dreary monolog, but the filibuster is not without its masters of ingenuity.

Huey P. Long of Louisiana had a political career spanning less than 20 years and a lifetime of only 42, yet this man had been well noted for his feat of continuous and almost uninterrupted talking.

He was born in 1893 in Winnfield, La. He never was graduated from high school and was never granted a college diploma. Yet, in 1 year, Huey Long emerged a certified lawyer from Tulane University at the age of 21. In 1918, he was elected railroad commissioner for the northern district of Louisiana and began his political career. This lowly beginning led him to the gubernatorial race in 1924 and a seat in the U.S. Senate in 1930. During his drive for the Presidency in September of 1935, he was gunned down by an assassin in Baton Rouge.

Mr. President, filibuster has had its lighter moments in history, and Senator Long added his charm and humor in their enactment. He highlighted presentations with biographical sketches of Frederick the Great, quotations from Victor Hugo, and details on how to fry oysters. His various menus and comments on cooking could have resulted in a book. Once the Senator remarked:

> Years from today there will be great jealousy over the fact that Senators will be claiming that they were among those who heard my memorable speech.

The practice of limiting debate known as the "previous question" was introduced in 1604 by Sir Henry Vane. "Previous question" was also cited in the Journals of the Continental Congress.

Mr. President, the first Senate in 1789 adopted 19 rules. Those relating to debate and the use of time in the Senate were:

> 2. No member shall speak to another, or otherwise interrupt the business of the Senate, or read any printed paper while the Journals or public papers are reading, or when any Member is speaking in any debate.
>
> 3. Every Member, when he speaks, shall address the Chair, standing in his place, and when he has finished shall sit down.
>
> 4. No Member shall speak more than twice in any one debate on the same day, without leave of the Senate.
>
> 6. No motion shall be debated until the same shall be seconded.
>
> 8. When a question is before the Senate, no motion shall be received unless for an amendment, for the previous question, or for postponing the main question, or to commit, or to adjourn.
>
> 9. The previous question being moved and seconded, the question from the Chair shall be: "Shall the main question be now put?" And if the nays prevail, the main question shall not then be put.
>
> 11. When the yeas and nays shall be called for by one-fifth of the members present, each Member called upon shall, unless for special reasons be excused by the Senate, declare, openly and without debate, his assent or dissent to the question.

Mr. President, in 1806, when the rules were modified, reference to the previous question was omitted. It was used only three times between 1789 and that modification, a period of 17 years. Until 1846, there were no further limitations on debate in the Senate.

On July 12, 1941, Henry Clay introduced a proposal of the "previous question." This proposal met with such opposition that it was abandoned as was Clay's proposed adoption of the "hour rule."

Mr. President, on July 27, 1850, Senator Douglas submitted a bill permitting the use of "previous question," as had Senator Clay. This again drew substantial opposition and the resolution was laid on the table. Not until 1862 was a proposal limiting debate adopted by the Senate, and this was at the time of the Civil War. The introduction by Senator Wade was directly related to the war.

In 1870, the U.S. Senate, on appeal, sustained a decision of the Chair that a Senator had the right to read whatever matter he wished under consideration during the course of the debate. Since 1872, a precedent has been set that a Senator cannot be taken from the floor for irrelevancy in debate.

Mr. President, in protest of the Anthony rule first adopted on December 7, 1870, Senator Edmunds said:

> I would rather that not a single bill shall pass between now and the 4th day of March than to introduce into this body (which is the only one where there is free debate and the only one which can under its rules discuss freely measures of importance or otherwise) a provision which does in effect operate to carry a bill either to defeat or success with only a five or fifteen minutes debate and one or two Senators on a side speaking. I think it is of greatest importance to the public interest, in the long run and in the short run, that every bill on your Calendar should fail than that any Senator should be cut off from the right of expressing his opinion and the grounds of it upon every measure that is to be voted upon here. . . .

For close to 200 years here in the United States of America, and for a time longer than that of which we have account, man has sought his right to self-expression. That sentiment remains with us today and will continue as long as man remains man.

What at first glance might seem to some to be a matter of little importance, must be studied and reflected upon. Extended debate in the Senate focuses national attention on matters of importance. Curtailment of this debate would threaten the survival of our great and free Government.

Mr. President, the Committee on Rules and Administration condenses for us the 1969–70 proposal to alter rule XXII as follows: At the beginning of the 91st Congress yet another strategy was devised by those who favored alteration of rule XXII, but felt themselves blocked by that very cloture rule from effecting a change. Proponents of change marshalled their support behind a single resolution, Senate Resolution 11, introduced by Senators CHURCH and PEARSON and cosponsored by 35 other Senators. It provided for invoking of cloture by three-fifths, rather than two-thirds, of those present and voting.

Their strategy required a favorable ruling by the Vice President, still Mr. Humphrey, that a simple majority could invoke cloture on any motion to take up, or on the resolution itself, when a change in the rules was being attempted at the start of a new Congress. On January 14, 1969, 5 days after debate had begun on Senate Resolution 11, Mr. CHURCH and 24 other Senators filed a cloture motion to limit debate on the motion to consider the resolution. This cloture motion was filed under the procedures set forth in rule XXII.

Mr. CHURCH then inquired of the Chair whether, if a majority of the Senators present and voting, but less than the two-thirds required by rule XXII, voted in favor of cloture, the cloture motion would have been agreed to. Mr. CHURCH justified his request for a favorable ruling with the argument that it was unconstitutional to require a two-thirds vote to invoke cloture on such questions in that it restricted the right of a majority of the Senate to determine its rules at the opening of a new Congress. This was a right, by Mr. CHURCH's reasoning, implied in the Constitution.

Mr. President, the Vice President agreed with Mr. CHURCH, saying:

> On a par with the right of the Senate to determine its rules, though perhaps not set forth so specifically in the Constitution, is the right of the Senate, a simple majority of the Senate, to decide constitutional questions.
>
> If a majority—this is the view of the Chair—but less than two-thirds, of those present and voting, vote in favor of this cloture motion, the question whether the motion has been agreed to is a constitutional question. The constitutional question is the validity of the Rule XXII requirement for an affirmative vote by two-thirds of the Senate before a majority of the Senate may exercise its right to consider a proposed change in the rules. If the Chair were to announce that the motion for cloture had not been agreed to because the affirmative vote had fallen short of the two-thirds required, the Chair would not only be violating one established principle by deciding the constitutional question himself, it would be violating the other established principle by inhibiting, if not effectively preventing, the Senate from exercising its right to decide the constitutional question.
>
> The Chair informs the Senate that in order to give substance to the right of the Senate to determine or change its rules to determine whether the two-thirds requirement of Rule XXII is an unconstitutional inhibition on that right at the opening of a new Congress, if a majority of the Senators present and voting but fewer than two-thirds vote in favor of the pending motion for cloture, the Chair will announce that a majority have agreed to limit debate on S. Res. 11, to amend Rule XXII, at the opening of a new Congress, debate will proceed under the cloture provisions of that rule.

This landmark ruling, subject, as the Chair said, to appeal without debate, caused considerable agony for those who opposed it and the altering of rule XXII. Senator Holland averred that it would "deprive the Senate of any change to discuss the constitutional aspects of this very serious matter."

On January 16, the Senate voted 51 to 47 to invoke cloture and the Vice President, in line with his earlier statement, ruled that cloture had been invoked. This decision was appealed and reversed on a 45-to-53 rollcall vote. Subsequently, on January 28, a second attempt to invoke

cloture, this time within the two-thirds structure of rule XXII, was attempted and failed, 50 to 42; thus ended another ploy for changing rule XXII.

Once again we have the problem of cloture before us, rule XXII has been debated again and again. It should be noted that again and again, the Senate has responded by voting an indication of support to the two-thirds ruling and a desire to allow the Senate its constitutional differences from the U.S. House of Representatives and its unique changelessness over the time encompassed by our 92 Congresses. House rules may be changed at the beginning of every Congress; the Senate continues its operation subject to the previous rules.

Two-thirds is noted to be the prevailing fraction in our U.S. Constitution. It requires a two-thirds vote of the Senate to ratify treaties, a two-thirds vote of both Houses overrides a veto, a two-thirds vote of both Houses is required to pass constitutional amendments, two-thirds of the Senate is needed to convict on impeachment, and two-thirds vote of each House is required to expel a Member.

Mr. President, the U.S. Senate has been praised by scholars and legislators alike for its deliberation and careful consideration. Hon. Robert Luce stated:

Many of the wise men who have served in the Senate have come to believe that it is important that there should be one place in the legislative journey where the opportunity for discussion is unfettered. They have found that this has not in the end prevented any decisions persistently wanted by the people, but on the other hand has stood in the way of much action that the country has come to conclude would have been unwise.

Prof. Lewis Froman, Jr., is quoted:

The ability of any Senator to speak for as long as he chooses is one of the most sacred of the institutions of the Senate and distinguishes it quite sharply from the House of Representatives, or, indeed, any other legislative body in the world.

U.S. Senator and former Vice President HUBERT HUMPHREY said of the Senate:

If I were to teach again a course in government, I would say if you really want to know the kind of manners and rules of conduct that you ought to have to assure the meaning of the First Amendment, particularly, as it comes to free speech, and the rights of redress for your grievances, the freedom of the press, the freedom to assemble . . . the Senate of the United States represents that in its fullest measure. And in that alone, it's worthwhile. If nothing else, that would make it a very worthwhile American institution.

Walter Lippmann has said:

The filibuster under the present rules of the Senate conforms with the essential spirit of the American Constitution, and it is one of the very strongest practical guarantees we have for preserving the rights which are in the Constitution.

In his speech upon leaving office, Vice President of the United States Adlai Stevenson said:

Of those who clamor against the Senate, and its methods of procedure, it may truly be said: "They know not what they do." In this chamber alone are preserved, without restraint, two essentials of wise legislation and of good government—the right of amendment and of debate. Great evils often result from hasty legislation; rarely from the delay which follows full discussion and deliberation. In my humble judgement, the historic Senate—preserving the unrestricted right of amendment and of debate, maintaining intact the time-honored parliamentary methods and amenities which unfailingly secure action after deliberation—possesses in our scheme of government a value which cannot be measured by words.

Mr. President, Prof. Raymond Wolfinger has said:

Unlimited debate is a rarity among national legislatures, and the glory of the United States Senate.

Prof. Lindsay Rodgers assessed the situation thus:

As the much vaunted separation of powers now exists, unrestricted debate in the Senate is the only check upon presidential and party autocracy. The devices that the framers of the Constitution so meticulously set up would be ineffective without the safeguard of senatorial minority action . . . Abolish cloture and the Senate will gradually sink to the level of the House of Representatives where there is less deliberation and debate than in any other legislative assembly.

In his doctoral thesis, former President Woodrow Wilson said:

The Senate's opportunity for open and unrestricted discussion and its simple, comparatively unencumbered forms of procedure, unquestionably enable it to fulfill with very considerable success its high functions as a chamber of revisions.

Mr. President, some would have us remove the glory of unrestricted debate from the Senate.

I might say, when I speak of unrestricted debate, that I mean one can speak of cloture being applied which requires two-thirds of the Members of this body present and voting. It is not unlimited debate. Two-thirds of this body can stop debate at any time. Others are proud of the unique role this debate provision has made possible. The U.S. Government has operated under a well designed constitution for almost 200 years at present, and has drawn the attention and the study of free nations all over the world. In America, citizens are able to find a voice in their government. Changes necessitate reaction, but we, like our forefathers, must be suspicious if immediate reaction is based on emotion and the facts are not adequately considered.

In the United States, there are places allowing quick reaction. The press amplifies public reaction "on the spot." Citizens contact their representatives. Concerned individuals form into groups to further their cause. The U.S. House of Representatives operates with few encumbrances in format. The President is acutely aware of how the public feels. Scholars, professors, and educators study the matter. With all these avenues of reaction noted, it becomes obvious that our Government has maintained itself so well and prospered due to these factors and factors other than these paths of immediacy. It has relied on the steady hand of the U.S. Senate. It has looked to the Senate for guidance that is based on its principle of unlimited debate—principles which allow all sides of the issue to be heard and all points brought forth and deliberated. It is this aspect of of our Senate that makes the Senate a body to be looked upon with respect. We would be removing this respect from the Senate if we were to remove ourselves from the foresight of the authors of our Constitution in respect to rule XXII.

Mr. President, William S. White, author of "The Taft Story," has furnished some "images" of the U.S. Senate in his story of the Senate, "Citadel."

It is a body like no other. The Institution lives in an unending yesterday where the past is never gone, the present never quite decisive and the future rarely quite visible. It has its good moments and its bad moments, but to the United States it symbolizes, if nothing else at all, the integrity of continuity and wholeness.

This Institution protects and expresses what is at the heart of democracy—distinction of the individual, integrity of the little state; and treasures the infinite variety present in our national life.

The Senate, therefore, may be seen as a uniquely constitutional place in that it is here, and here alone, outside the courts—to which access is not always easy—that the minority will again and again be defended against the majority's most passionate will.

Deliberately, the framers of our Constitution put Rhode Island on equal footing with New York. Deliberately, debate was considered as a vehicle by which all ideas would be expressed. Deliberately, even the wrong can be expressed again and again.

He who silences the cruel and irresponsible man today must first call that the brave and lonely man may be silenced tomorrow.

And those who mock the institution, and demand of it more efficiency, might remember that there is altogether a good deal of both at present in American life—today's pleading minority could become tomorrow's arrogant majority. They might recall, too, that the technique of communication, and with them the drenching power of propaganda, have vastly risen in our time when the gaunt aerials thrust upward all across the land. They might recall that the public is not always right all at once and that it is perhaps not too bad to have one place in which matters can be examined at leisure, even if a leisure uncomfortably prolonged.

They might be interested, for example, in the estimate of responsible politicians that at one time in our history—specifically in the 1920's—the Klu Klux Klan held political control, overt or in shadow, in as many as twenty-six American States. The point arises that this conceivably could have meant fifty-two pro-Klan Senators out of a total of ninety-six. The question follows thus "Would it really be wise to alter the Senate rules so that a simple majority could halt a filibuster by voting cloture, instead of a two-thirds majority of all Senators, or sixty-four, as at present:

The body pre-eminently is an amalgam of the States, a national institution only in the sense that it is not possible to avoid having the parts sum up to the whole, and thus to a considerable degree it is an amalgam of the sections.

Literally, the word Senate means an assembly of elders. The term originated in ancient Rome where the Senate was the supreme council of state made up of a hundred nobles.

It is in this light, the light of an organism having beginnings but never an end and holding a kind of limitless writ over the American life, that the Senate has one of its unique qualities.

And since, unlike the House, the Senate

is a continuing body, never ending and never wholly overturning from one Congress to the next, the Senate rules go on immutable from one Congress to another. It is not necessary to renew or continue them; they stand as unshakable in fact, almost, as the Constitution itself.

The Senate set out with no real limitation on how long a man might speak other than the limitation that his own conscience or sense of fitness might suggest.

Mr. President, in this biennial question of rule XXII one of the central issues of the debate is the question of whether the Senate was established as a continuing body, or did the Founding Fathers have in mind that the rules of the Senate should be continuing.

On this question, David Kammerman in his study prepared for the Senate Republican policy committee states on page 4 under the heading of constitutional provisions:

Article I, Section 3, (of the Constitution), provides for rotation of 1/3 of the Senate every two years. This provision has been compared with the requirement in the Constitution for biennial election of all House members: Unlike the case of the House of Representatives, the plan of rotation every two years has resulted, ever since the Senate organized for the first time in 1789, in there always being more than a majority of sitting Senators. The Senate has always thus been able to do business; since it always has had a quorum as required by the Constitution.

But what of other evidence pointing toward the precedent of the Senate as a continuing body. Mr. Kammerman goes on to point out that there are other provisions of the Constitution cited to establish this precedent. As he states:

Other provisions . . . cited . . . include (a) those dealing with the office of the Vice President and the President pro tempore; (b) those establishing the Senate's executive functions, as distinguished from its legislative functions; (c) the power of the President on extraordinary occasions, (to) convene both Houses, or either of them . . . ; (d) the limiting proviso in Article V (which deals with amending the Constitution), as follows: . . . no state, without its consent, shall be deprived of its equal suffrage in the Senate.

Mr. President, these then are some aspects of the Constitution cited for the precedent of the Senate as a continuing body.

But what of the views of the Founding Fathers on the character of the Senate? How did they think of the nature of the Senate. In the Federalist, No. 63, some insight into this thinking of the early Constitutionalists may be found. For in it James Madison—or Alexander Hamilton—wrote as follows: Yet however requisite a sense of national character may be, it is evident that it can never be sufficiently possessed by a numerous and changeable body. It can only be found in a number so small that a sensible degree of the praise and blame of public measures may be the portion of each individual; or in an assembly so durably invested with public trust, that the pride and consequence of its members may be sensibly incorporated with the reputation and prosperity of the community. The half-yearly representatives of Rhode Island, would probably have been little affected in their deliberations on the iniquitous measures of that State, by arguments drawn from the light in which such measures would be viewed by foreign nations, or even by the sister States.

Mr. President, I add, as a sixth defect, the want in some important cases, of a due responsibility in the Government to the people arising from that frequency of elections, which in other cases produces this responsibility. This remark will, perhaps, appear not only new, but paradoxical. It must nevertheless be acknowledged, when explained, to be as undeniable as it is important.

Responsibility, in order to be reasonable, must be limited to objects within the power of the responsible party; and in order to be effectual, must relate to operations of that power, of which a ready and proper judgment can be formed by the constituents. The objects of government may be divided into two general classes: the one depending on measures, which have singly an immediate and sensible operation, the other depending on a succession of well-chosen and well-connected measures, which has a gradual, and perhaps unobserved, operation. The importance of the latter description to the collective and permanent welfare of every country, needs no explanation.

And yet it is evident, that an assembly elected for so short a term as to be unable to provide more than one or two links in a chain of measures, on which the general welfare may essentially depend, ought not to be answerable for the final result any more than a steward or tenant, engaged for 1 year, could be justly made to answer for plans or improvements which could not be accomplished in less than a half dozen years. Now it is possible for the people to estimate the share of influence which the annual assemblies may respectfully have on events resulting from the mixed transactions of several years. It is sufficiently difficult, to preserve a personal responsibility in the members of a numerous body, for such acts of the body as have an immediate, detached, and palpable operation on its constituents.

Mr. President, the proper remedy for this defect must be an additional body in the legislative department, which having sufficient permanency to provide for such objects as require a continued attention, and a train of measures, may be justly and effectually answerable for the attainment of these objects.

This then is how some of the Founding Fathers conceived the Senate to be. A relatively small, continuing body which could continue to do business, thereby remaining responsible to its constituents and to the continuation of the operation of the Governmnet. And it is to this concept of a small stable body that the three-fifths proposition has its greatest threat.

For if the Senate is to continue as it has then there must be provisions given to the protections of the minority being ridden over roughshod by a ruthless majority. Also a Senate majority may not necessarily reflect the majority opinion of the people or even of the States. There may not have been time for public opinion to have formed on an issue and a prolonged debate can result in producing actions which will be in accord with public sentiment. A hasty majority vote could totally negate this.

Mr. President, the nature of the matters of legislation dictate that very often careful consideration must be given to them. A powerful majority must not be allowed to bypass this very important aspect of the Senate deliberative process simply by the sheer weight of its numbers. This is not the nature of the Senate as it was conceived in 1789 and it should not be allowed to be the nature of the Senate in 1971.

If anything continuity and responsibility should be the hallmarks of this Chamber. Continuity in the ongoing process of the American deliberative system of government and responsibility not only in its proceedings but to its constituents, the American people.

Mr. President, to gain a small insight into this awesome sense of responsibility of the Senate and its members we have only to look across to the House of Representatives. As it has been pointed out, under our governmental system, legislation can be sped through the House at a breakneck pace, with only scant debate under special rules set up by a partisan committee, it is imperative that a bulwark remain against such hasty passage of legislation and it is here in the Senate that this bulwark can be found. And the cornerstone of this bulwark is the responsibility found in prolonged and thoroughgoing debate.

As James Madison—or Alexander Hamilton—wrote: The necessity of a Senate is not less indicated by the propensity of all single and numerous assemblies, to yield to the impulse of sudden and violent passions, and to be seduced by faction leaders into intemperate and pernicious resolutions. Examples on this subject might be cited without number; and from proceedings within the United States, as well as from the history of other nations. But a position that will not be contradicted, need not be proved. All that need be remarked is, that a body which is to correct this infirmity, ought itself to be free from it, and consequently ought to be less numerous. It ought, moreover, to possess great firmness, and consequently ought to hold its authority by a tenure of considerable duration.

To this might well be added the freedom of prolonged debate. What authority could the Senate hope to possess without this safeguard other than that false authority of numerical superiority. I urge the Members of this body to consider these words of our great political ancestors and to envision what our legislative process would be under the three-fifths rule and to compare that picture with the vision of our forefathers.

Responsibility and continuation would have little meaning in that process for the Senate.

So let us give careful thought to these matters as we have this legislation under consideration; and let us preserve and protect this singular distinction and heritage of the Senate—freedom of debate and the protection of the minority.

Mr. President, many of those who would vote in favor of the resolution before us would rather have a rule which would allow for cloture to be invoked by a mere majority. In fact, many of our colleagues have advocated this preference publicly and here on the floor of this body. Therefore, those who have previously voted in favor of the resolution which would change the number of votes required to invoke cloture from two-thirds to three-fifths comprise various viewpoints as to what the rule should do.

It is obvious to me when I listen to the various arguments favoring a change in rule XXII that there are those in this body who are disregarding an important principle upon which this country was formed.

Our Nation was established in a form which relies quite heavily on the principle of federalism. One of the principal facets of federalism incorporated into the Constitution is the equal representation of the several States in the U.S. Senate.

While not incorporated into the Constitution, the practice of permitting unlimited debate in the Senate until 1917 strengthened immeasurably the concept of federalism in the practical application of our Government. In many ways, including the various cloture rules which have prevailed in the Senate since 1917, the concept of federalism has been weakened and our country hampered thereby.

Mr. President, at this time I shall continue a discussion I began last month on the important concept of federalism. I believe that a review of some of the facets of this concept would be helpful to a decision on the pending question.

Federalism in America was a byproduct of the English colonial order, rather than the brainchild of political theorists. Had the pattern of settlement developed all along the seaboard in one expansive colony and, therefore, been administered as one political entity, it is problematical whether federalism would have been incorporated into our political structure. Even in the settlement of English America, it was diversity of interests and purposes that dictated the plurality of colonies, rather than the other way around. In Virginia profit was the prime motive for the settlement efforts. In New England religious freedom was the prime motive, while in Georgia humanitarianism in the form of providing a new life for unfortunates in debtors' prison, mixed with a desire for protection of the other colonies from the Spaniards, were the motivating forces. These diversities were magnified, rather than diminished, under the influence of differences in geography and climate, after the colonies achieved a foothold. The political structure of each colony developed in accordance with the needs of the particular colony, and the differences were carried over into the State governments when the colonies became free. This political accommodation of diverse interests and purposes was the key to the success of the English colonial system, and the benefits of it were not lost on the politically sophisticated Americans of the Revolutionary period.

The emergence of federalism as a byproduct of historical occurrences, rather than as a designed institution to achieve a political end, does not detract from its potential as a worthy political device, but, indeed, accentuates its usefulness. In the absence of federalism, successful republican government is limited to areas in which there is substantial identity of geographical, climatical, and historical influences, for republicanism places the ultimate rule in the hands of some majority to the modified and limited dictates of which the minorities must conform. By the use of federalism, the need to require minorities to conform is minimized, thereby promoting individualism, and in individualism lies the seed of diversity.

One but need look to Europe for examples of the limited possibilities of republicanism without federalism. Republics in small geographic confines exhibit the greatest stability, as exemplified by Switzerland, the Netherlands, Belgium, and the Scandinavian countries. The French Republic, applied to a larger area and more diverse peoples, fluctuates between instability and absolutism, each occurring in turn as a reaction to the other. The British Empire, employing federalism in the form of dominionship and commonwealth devices, presents a graphic illustration of the possibilities of federalism grafted on colonialism.

If republicanism is the process for implementing self-government, federalism is the process for implementing local self-government. Local self-government is beneficial not only because it permits individualism, but also because of its contributions to the continuation of self-government at all levels. It is human nature for a person to be most apathetic about situations over which his individual conduct has the least influence. A citizen is therefore less motivated to exert himself in matters of government in which his activity plays a smaller relative part. The same citizen is much more inclined to direct his influence to the solution of a local matter where his activity shows the most direct result. In the local political arena, where there is a local political arena, the citizen acquired the experience and sophistication with which to exercise his obligations of citizenship in relation to the furthest removed level of government.

It is in local self-government, a product of federalism, that the real secret of domestic tranquillity lies. In no other way can the variances of human conduct be reasonably bounded, for requiring conformity over broad areas will inevitably lead to civil strife. For instance, a prohibition of gambling over the entire United States might conform to the will of the majority, but there is a strong likelihood that it would promote civil strife in some areas, such as Nevada. Strict nationwide regulation of fishing might be only an inconvenience to recreation in some areas of the country, but would possibly impair the earning of a livelihood in others. A change in the legal relationship of an inn or hotelkeeper and the guests would have a limited impact in the rural Midwest, but might change the pattern of economic existence in some resort States. Through the medium of local self-government, the laws can be adapted to whatever conditions exist, thus keeping civil strife at a minimum.

Although circumstances dictated that the Government of the United States be federal, it remained for the delegates to the Philadelphia Convention to shape the form of the federation. So ineffectual was the central government under the Articles of Confederation, that for all practical purposes the several States, at the time of the convention, each exercised the total powers of sovereignty. Sovereignty was vested in the people of each State, and the people of the individual States had vested the power of sovereignty in their particular State. Through the Constitution the several States delegated certain specific ones of the powers of sovereignty to the National Government. This creation of a common agent of the States in no way affected the retention of sovereignty by the people of each State, for sovereignty is indivisible, and the creation of the General Government could not make the people of all the States collectively sovereign in some matters, and leave the people of one State sovereign in others. It was the power of sovereignty, and not sovereignty itself, that was delegated to the National Government; and the delegation of powers was made by each State—a sort of subleasing—and was not a delegation by the people of the several States collectively. The ratification of the Constitution did not accomplish a withdrawal of powers from each State by its own people and a revesting of those powers in a new government. Two facts are therefore explicit in our constitutional government. First, the National Government was and is a creation of the States, and as such is an agent of the States. Second, sovereignty in our country rests totally in the people of any individual State, rather than in the people of the United States collectively.

The National Government holds the right to exercise the specific powers delegated to it, not by virtue of any power of sovereignty vested directly from a people; but by virtue of a contract between the States. The specific powers delegated cannot be withdrawn by an individual State because of the agreement with the other States embodied in the Constitution. The contract can be changed only by the contracting parties—the States; and by agreement, most features of the contract can be changed with the consent of less than all the States. Nothing illustrates better and more emphatically that the National Government is a creation of the States, rather than of the people, than the fact that the Constitution can be amended by the States through their legislatures, and not by the people themselves. The equal representation of the States in the Senate is not, of course, subject to the amendment process; and any change in this feature would require unanimous consent of the States and, indeed, any change without unanimous consent would have the effect of dissolving the Union.

As complicated as these relations may seem to the contemporary citizen of the United States, they were elementary to the citizens at the time of the Constitution's adoption. Indeed, they were so fundamental in the minds of the delegates to the Constitutional Convention that they saw no need to specifically spell out all of them. By the mere delegation of certain specific powers to the National Government, the delegates considered it implicit in the whole document that those powers not delegated remained where they had been theretofore. To the people of their era, it was abundantly clear that the National Government was intended to exercise only those powers delegated, but it is most fortunate for those in later generations that many insisted that the matter not be left to conjecture. Perhaps these wise persons anticipated the tremendous upsurge of apathy that was to occur in later generations. The inclusion of the 10th amendment removed any dobut as to the nature of the powers of the National Government, and the relationship of the National Government to the States and to the people. The 10th amendment provides:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people.

The 10th amendment did more than spell out that the National Government was to be one of limited powers, although it accomplishes that purpose. It also provides an insight into the relation of the States to the National Government and of the National Government to the people of each State. The powers not delegated were not reserved to the States collectively, but to each individually. The retained powers of sovereignty of each State were not in any way comprised by the Constitution. There was no pledge to achieve uniformity, nor even to strive for it, in the administration of the reserved powers. There was not even a pledge of the States to exercise all of the reserved powers in any way at all. The States, individually, had received their grant of sovereign powers from the people—I repeat, the people—of the States through the State constitution, some States receiving more, and some less, powers. In each instance, the people reserved the right to themselves to modify or change the powers granted to the State, and the 10th amendment recognized this fact by the verbiage "or to the people." The reservation of power was not to the people of the entire country, but to those in each State. The people in the territories were people of the country, but not being within a particular State, were not among the group who had granted power to a State in the original instance, and were not, therefore, among those to whom powers were reserved.

The Constitution did not create the General Government as a supreme one, but as one parallel to the State governments. It is a fallacy to assume that with regard to the delegated powers, the right of the National Government to regulate is exclusive, for it was not so intended. As a practical necessity, a direct conflict between the exercise of delegated powers by the National Government, and an exercise of powers by a State in the same field, must be resolved in favor of the exercise by the National Government; or else the original delegation could be nullified by the action of a State. In the absence of such a direct conflict, however, the only consistent interpretation of the Constitution is to acknowledge in the States a power to act in the same fields as those in which powers were delegated to the National Government. In those matters where exclusive power was intended for the National Government, the Constitution specifically prohibits State action. It is not the general exercise of powers by the States that is prohibited, however, but only specific actions. Not only the substantive provisions of the Constitution attest to this intention, but also the form and order of the Constitution. The principal delegations of powers to the General Government appear in section 8 of article I. In section 9 of the same article, the powers delegated are limited by certain specific prohibitions against the National Government in the exercise of those powers delegated. In section 10 of the same article, there is an enumeration of prohibitions of those State actions which would obtain such exclusiveness in the exercise of delegated powers by the General Government as was deemed necessary. The exercise of powers by a State were restricted by the Constitution, then, in only two instances: First, when the State action is in direct conflict with an action of the National Government taken pursuant to a delegated power; and second, when such action by the State is specifically prohibited by the Constitution. From this it is clear that the States did not necessarily surrender their power to act in fields in which power was delegated to the National Government.

The prohibitions against State action are not nearly so broad as even those limited powers delegated to the National Government, as readily appears from the provisions of section 10, article I, which is as follows:

Section 10. No State shall enter into any treaty, alliance, or confederation; grant letters of mark and reprisal; coin money; emit bills of credit; make anything but gold and silver coined a tender in payment of debts; pass any bill of attainder, ex post facto law, or law impairing the obligation of contracts, or grant any title of nobility.

No State shall without consent of (the) Congress, lay any imposts or duties on imports or exports, except what may be absolutely necessary for executing its inspection laws; and the net produce of all duties and imposts laid by any State on imports or exports, shall be for the use of the Treasury of the United States; and all such laws shall be subject to the revision and control of (the) Congress.

No State shall, without the consent of Congress, lay any duty of tonnage, keep troops, or ships of war in time of peace, enter into any agreement or compact with another State, or with a foreign power, or engage in war, unless actually invaded, or in such imminent danger as will not admit of the late.

In addition to the deprivation of sovereign powers of the States that accrues through these prohibitions of State action and the requirement of consistency with actions of the National Government taken under the delegated powers, the States incurred additional obligations under the Constitution through provisions regulating certain mutual relations among the States themselves. These provisions are contained in article IV, sections 1 and 2. Section 1 provides that each State shall give full faith and credit to the public acts, records, and judicial proceedings of every other State. Congress is appointed as the arbitrator of this agreement, and is authorized to prescribe the manner in which such acts, records, and proceedings must be presented in order to qualify for the agreed status. In section 2, each State agreed to extend the privileges and immunities enjoyed by its own citizens to the citizens of the other States. Each State also agreed to extradite escaped criminals to the State from which they escaped upon demand by such State.

On that point, Mr. President, I want to say it is remarkable that today some States have refused in some instances to conform to this requirement of returning escaped criminals. It is abhorrent. yet it is practiced, on occasion, in some States.

The third agreement in this section, which bound each State to refrain from freeing slaves escaping into it from another, became irrelevant when slavery was abolished. The National Government is in no way concerned with the provisions of section 2, compliance being left to the good faith of each State, and to the advantage of reciprocal treatment which inure from strict observance of the agreement. The provisions of section 2 also serve as irrebuttable evidence as to the nature of the Constitution as a compact or treaty between sovereign States.

The sovereign powers of the several States were thus impaired by the Constitution in three ways: By the delegation of certain powers to the general government, by mutual agreement to the prohibitions of specific State actions, and by agreement to four items of reciprocal conduct. Although these three areas contain the total impairment to State action embodied in the original Constitution, there is one remaining provision which restricts not the power of a State, but the sovereignty of the people of each State. This provision is contained in section 4 of article IV, and provides that the United States shall guarantee to each State a republican form of government. Despite the fact that prior to the adoption of the Constitution, each State did in fact have a republican form of government, the people of each State, being completely sovereign—and they remain so today except in this one instance—had the power to establish any form of government they desired, including a monarchy, a dictatorship, or, if they saw fit, a pure democracy. This power of sovereignty was surrendered by the people of each State upon the adoption of the Constitution. From a practical standpoint this surrender of sovereignty was and is inconsequential, for in no State have the people shown a disposition to deviate from a republican form. Realization of the full implications of this provision should serve as a re-

freshing reminder, however, that the pure democracy, on the tenets of which so many of the radical proposals of the current age are based, is as foreign to our Government in the United States as are any of the hated isms.

In any attempt to define the expanse of powers of each State which remain unimpaired by the compact of the States in 1788, it is necessary to reckon, not only with the provisions of the Constitution, but also with the fact that the people of each State are the source of sovereignty, both of those powers delegated by the States to the National Government, and of those reserved to themselves by the States. Of those delegated, any substantive power is subject to the sovereignty of the people of the several States, and through the prescribed method of amendment may be expanded, altered, returned to the several States, or revoked altogether. Except for those powers delegated to the National Government and those actions prohibited to the States, the several States retain all other powers exclusively, with one limitation—the total powers of sovereignty, at the will of the people, may be withheld from the State. Although subject to the same external limitations, the powers of one State may substantially exceed those of another State, whose people have seen fit not to vest certain of the powers of sovereignty in any government. Such a limitation by the people on their State government would be embodied in a State constitution. The term "reserved powers of the States," therefore, refers to those powers of sovereignty which may be granted to a State by the people, and exercised by the State without conflict with the U.S. Constitution.

While enumeration of the powers of the National Government requires only a quick reference to the Constitution, where they are fully listed, the reserved powers of the several States are so broad as to defy enumeration. Any definitive approach to the State powers must necessarily be from the standpoint of what they are not, although we can list almost without end powers that are included among State powers.

By almost any definition, the police power encompasses a broader range of State actions than any other of those reserved. Under some definitions, it is almost synonymous with the entire scope of reserve powers, being in no way restricted to the realm of criminal law. For instance, in *Sweet* v. *Rechel*, 159 U.S. 380, P. 398, the U.S. Supreme Court—by no means a defender of State powers—referred with approval to a reference to the police power as:

> The power vested in the legislature by the Constitution to make, ordain, and establish all manner of wholesome and reasonable laws, statutes, and ordinances, either with penalties or without, not repugnant to the Constitution as they shall judge to be for the good and welfare of the commonwealth and of the subjects of the same.

And from the same source, as expounded in *The License Cases*, 5 Howard 504, page 599, comes this comment on police powers:

> The assumption is that the police power was not touched by the Constitution but left to the States as the Constitution found it. This is admitted; and whenever a thing, from character or condition, is of a description to be regulated by that power in the State, then the regulation may be made by the State, and Congress cannot interfere.

These definitions of police power are broad enough to encompass the majority of reserved powers, and attest to the intention of the Constitution to implement federalism in substance, as well as in form.

At a minimum, the police power includes the right to take such actions as seem necessary to protect life and liberty. Since life and liberty—and the latter necessarily includes property—are of the primary importance to society, laws made to protect them must take precedence over those of secondary importance.

Under the broader definitions, police power would include the right to take action in the field of social conduct and welfare; but whether within the police power or without, there can be no question that such actions are within the scope of reserved powers of the State. No authority whatsoever is delegated to the National Government in this area. Through this reservation, one of the most beneficial applications of federalism is obtained. In no other field is there more variance from State to State than in the field of welfare needs and desires for governmental action by the people. Indeed, there is even nothing static about the variance from State to State, for even within a single State, the needs and desires of the people in this area fluctuate substantially with time. Laws designed at the national level to meet the maximum need in one locality would be highly wasteful in most areas, as well as distasteful; and one designed to meet the average need—if such there be—would be too little in one area, and too much in another. The exercise of this power by the States, rather than by the National Government, makes it possible to fit the remedy of governmental action to the specific need, without either squandering the resources of the citizenry or encouraging slough in areas where governmental action is unneeded.

Among the powers reserved to the States none is more important than the regulation of the public educational system. It is in the educational process that lies the control of the minds of men, and no easier path to despotic power exists than the one available in a power to shape and mold the thinking patterns of immature minds. So inherently dangerous is this awesome power, that it would be unthinkable to trust any one human or group of humans with its totality. The individual liberty of all posterity depends on the diversification of the power to control education. Under the federated republican constitutional government, prescribed for the United States, the control of education is dispersed at least to the level of the several States; even slight prudence dictates that it be dispersed even further to the hands of purely local authority. Americans should never forget examples of the establishment and perpetuation of totalitarian regimes in Germany and Italy, with the brainwashed consent of those subjected to the influence of an educational system in the control of a centralized power.

Although these are but a few of the many powers reserved to the States, they serve to illustrate that the total powers reserved are formidable, and constitute a broader jurisdiction by far than that comprised of the powers delegated to the National Government. It was the intention of the Constitution that neither the National Government nor the State governments be supreme: Each was to be supreme in its own realm, the two to operate on a parallel, with each accomplishing those tasks of government for which it was best suited. Strict limitations on jurisdiction were imposed on the General Government, whose influence extended over the breadth of the country; while residual jurisdiction was reserved to the several States, whose influence was bounded by the geographic limitations of State boundaries. The total power of sovereignty was thereby dispersed among the 14 governments—13 State governments and one central one—at the time the Constitution was adopted. The plan of decentralization permitted growth of the Nation without any weighing of the scales toward centralization. As a result, the total powers of sovereignty are now dispersed among 51 governments. No new power accrued to the National Government with the admission of new States, although its powers were extended thereby geographically.

Despite the absence of any delegation of additional powers to the General Government, or of any consequential new prohibitions against State actions, the balance between the powers of the National Government on the one hand, and those of the States on the other, has tipped heavily in favor of the former. Almost from the beginning, events and practices have worked for a dimunition of State authority, and what began as a slow, almost imperceptible process has now snowballed into such proportions that the whole concept of federalism is threatened with extinction. Once wholly autonomous States now appear doomed to conversion into mere subdivisions of an all-powerful centralized government, with the host of individual liberties, which flourished under the umbrella of the parallel governments of federalism, being squeezed to death in the formation of the triangle of pyramidal government with the top at Washington. So strong is the wave of centralization that only a completely awakened and alarmed public can turn the tide.

Unfortunately, some of the most adaptable tools for the maintenance of federalism and States' rights, designed for our use and protection by the authors of the Constitution, have been lost in the intervening years.

In this era, liberty is challenged worldwide on a scale unprecedented. We find ourselves in a position of leadership of the free world, not because of our material wealth, primarily, but because our political structure has permitted and encouraged the individual freedom of thought and action which promotes di-

versity in the form of independent initiative, which in turn has permitted our great material rewards.

The real path to liberty, stability, and tranquillity lies in a recultivation and renewed reverence for those sound and timeless fundamental concepts which are interwoven in such careful balance into our Constitution and the political structure therein established.

Mr. President, the existing rule XXII is the most suppressive of debate which has ever existed in the Senate. If any change in the rule is to be made which prevents cloture by the vote of any number of the Senators the wisest course would be to return to a requirement for a two-thirds vote of the membership of the Senate. Under no circumstances should cloture be made easy.

So, Mr. President, it is clear concerning the powers of the Central Government as contrasted with the powers of the State. It is hoped as time goes by that the people of this country will not permit the powers retained to the States under the Constitution to be eroded and the right of the people to be degraded and that we can retain the original intent of the framers of the Constitution to have the separation of powers of the three branches and the division of powers between the States and the National Government.

These are bulwarks of protection to our democracy.

Retaining rule XXII is right in line with many provisions of the Constitution where a two-thirds vote is required in so many instances to accomplish action, as I have pointed out here today.

Mr. President, I yield the floor.

SANCTIONS AGAINST RHODESIA

Mr. BYRD of Virginia. Mr. President, the United States is permitting the Soviet Union to maintain a stranglehold on its supply of chrome ore—a material vital to the national defense.

This situation results from America's participation in United Nations economic sanctions against Rhodesia, the small African country which is the source of two-thirds of the world's supply of chrome ore.

Now the Congress is being asked by the administration to release chrome ore from the national stockpile to ease the shortage of this commodity resulting from the Rhodesian embargo.

Release of chrome ore from the stockpile is not the appropriate remedy for the present situation of the United States.

The current step for this Nation to take would be to end its foolish policy against Rhodesia and resume trade with that nation.

The story leading up to our present shortage of chrome, and our dependence on the Soviet Union, goes back more than 5 years.

On November 11, 1965, Rhodesia declared her independence of Great Britain.

The United Nations Security Council, at the urging of Great Britain, adopted a resolution condemning Rhodesia as "a threat to international peace and security." The resolution called on the Security Council to take steps to end Rhodesian independence.

Despite the fact that Rhodesia, in declaring independence, was only taking the same step that the United States took in 1776, the U.S. Ambassador to the United Nations actively supported the resolution against Rhodesia.

In arguing the case in favor of sanctions against Rhodesia, Arthur Goldberg, then U.S. Ambassador to the United States, said this:

> What is happening now in Rhodesia is an effort to perpetuate the control of 6 percent of the population over the other 94 percent . . .

Is it not a fact that in the Soviet Union the members of the Communist Party, comprising about 1 percent of the population and acting through a few leaders, control the other 99 percent of the people of that nation of nearly 200 million?

Is it not a fact that a handful of men control the destinies of all the people of Albania?

Is it not a fact that a handful of men control all the people in Bulgaria and in Rumania and in Yugoslavia?

Is it not a fact that Fidel Castro almost singlehanded, operating through a small Communist cadre, controls the lives and fortunes of nearly 7 million Cubans?

Is it not a fact that in the world's largest nation, China, the lives of nearly 700 million persons are controlled by a small Communist dictatorship?

Yet the United Nations has not imposed sanctions on any of these Communist countries—nor has the United States asked the U.N. to impose any such sanctions.

However, the United Nations did see fit to impose sanctions on Rhodesia.

And pursuant to the U.N. resolution, our Government severed diplomatic ties with the Ian Smith government and called for a voluntary boycott of Rhodesian products.

These voluntary sanctions caused great hardships on the Rhodesian people, but they did not succeed in forcing the downfall of the Smith government.

The next step was the U.N. Security Council's resolution of April 9, 1966, calling on Great Britain to use force to prevent the movement of oil to Rhodesia.

These first two steps were not successful in bringing down the Smith regime, so in December 1966, the Security Council considered mandatory sanctions against Rhodesia under article 41 of the U.N. Charter.

The U.S. Ambassador again actively supported this measure, assuring the Council that the United States would, to use his words, "apply the full force of our law to implementing this decision."

The Council voted to invoke article 41—the first such vote, and the only such vote, for mandatory sanctions in the history of the United Nations.

The United States promptly complied. President Johnson issued an Executive order on January 5, 1967, declaring it to be a criminal offense for any American to engage in the import of a wide range of Rhodesian products, and severely restricting U.S. exports to that country.

Still, it did not bring about the downfall of the Smith government.

So, on July 31, 1968, the President of the United States issued Executive Order No. 11419, barring all United States imports from and exports to that country.

The Smith government still survived. As a matter of fact, the economic sanctions are a failure.

Last summer, the special committee of the United Nations charged with enforcing the Rhodesian sanctions issued a 337-page report which in effect admitted that the embargo policy has not worked.

It cited 60 reports of evasions of the sanctions during 1969 and confessed that 31 nations, of which 27 are U.N. members, do not even answer inquiries from the committee.

The fact is that in spite of the sanctions, Rhodesia's export trade rose from $237 million in 1968 to $336 million in 1969.

But if the sanctions are a failure, they nevertheless have had serious consequences.

For one thing, imposition of a mandatory embargo brings the United Nations just one step short of armed intervention.

Article 42 of the United Nations Charter makes this point quite clear, in this language:

> Should the Security Council consider that the measures provided for in Article 41 would be inadequate or have proved to be inadequate, it may take action by air, sea or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by land forces of the Members of the United Nations.

That is what the charter says.

Is the United States prepared to take part in a war to bring the Rhodesian Government to its knees?

The United States is in a vulnerable position—its action is unprincipled and wrong. It is unjust.

Besides that, we are in the absurd position of demanding economic sanctions against a nation at peace with us and yet do nothing about seeking economic sanctions against North Vietnam, against whom we are fighting in Southeast Asia.

While the United States has gone along with the British-sponsored embargo of Rhodesia, ships flying the flag of Great Britain have continued to carry cargo to North Vietnam.

Last year 40 British ships called at Haiphong. In 1969, the total was 74; and in 1968, it was 114.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I am glad to yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Is the Soviet Union supplying any weaponry to the Vietcong and the North Vietnamese?

Mr. BYRD of Virginia. The Soviet Union through recent years has been the major supplier of sophisticated weapons going to the North Vietnamese.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for another question?

Mr. BYRD of Virginia. I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Are those weapons being used to maim and kill American boys in Indochina?

Mr. BYRD of Virginia. Yes. The weap-

ons supplied by the Soviet Union to the North Vietnamese have been used and are being used to kill and wound Americans who are being drafted from their homes and sent to Southeast Asia.

Mr. BYRD of West Virginia. I thank the Senator for yielding.

Mr. BYRD of Virginia. I thank the Senator from West Virginia for his contribution.

Mr. President (Mr. WEICKER), in line with the economic sanctions policy against Rhodesia, the United States last year closed its consulate in Salisbury; but Britain maintains its consulate in Hanoi.

It would seem that so far as the British are concerned, cooperation in policies of embargo is a one-way street.

The whole logic of the policy of economic sanction against Rhodesia is outrageous.

Everything the United Nations has done has been based on the finding that Rhodesia is "a threat to international peace and security."

Now in what way, may I ask, does Rhodesia threaten anyone?

The answer, of course, is that it does not.

On the other hand, North Vietnam is a definite threat to peace. Yet the United Nations does nothing to apply economic sanctions against this proven aggressor.

Former Secretary of State Dean Acheson has accurately summed up the United Nations' action against Rhodesia. He called it "barefaced aggression, unprovoked and unjustified by a single legal or moral principle."

The United States is a participant in that "barefaced aggression." If we were to follow the course of morality and good sense, we would abruptly and firmly change our policy and abandon sanctions against Rhodesia.

It is not moral and legal principles alone that are involved here. Considerations of economics and national security also dictate that the United States should end its Rhodesian embargo.

Prior to the imposition of the sanctions, Rhodesia furnished approximately 85 percent of the imports of metallurgical chrome ore coming into the United States.

With the sanctions in effect, the United States has had to turn to the Soviet Union for chrome ore.

The Russians are well aware of the importance of this commodity to the United States. They are charging us more than twice the price which we formerly paid to Rhodesia for chrome.

But more important, the Soviets could easily shut off our supply in the event of an emergency.

In October 1969, Fred Russell, Deputy Director of the Office of Emergency Preparedness, told a House Foreign Affairs subcommittee that—

> There is no way to see the chromium ore needs of the United States being met without chromium ore from Rhodesia.

Today, as a short-term measure, the Office of Emergency Preparedness is seeking to withdraw chrome ore from the national strategic stockpile.

The national strategic stockpile now has 4.5 million tons of chrome ore. The administration is seeking release of 1.3 million tons, which would leave 3.2 million tons on hand.

This 3.2 million tons would be about 100,000 tons more than the amount required to fulfill the so-called "strategic objective," or emergency reserve, for the United States.

But interestingly, this strategic objective was set just 1 year ago—on March 4, 1970.

Before that time, the objective was 3.6 million tons, a figure which had been set less than a year earlier—on May 13, 1969.

If the amount requested by the administration is withdrawn from the stockpile, the remaining total will exceed the new strategic objective, but it will be about 400,000 tons short of the earlier objective.

Now why is metallurgical chrome ore vital to the defense of the United States?

This chrome ore is essential for the manufacture of stainless steel, and large quantities of it are needed to make jet aircraft and other military necessities.

So chrome is vital to our national defense.

The strategy of the administration appears to be based on the hope for possible settlement of the Rhodesian crisis in the near future, so that Rhodesian ore might once more flow to the United States.

But there is nothing on the diplomatic horizon suggesting that the impasse over Rhodesia will be resolved in the near future.

And if it is not resolved, what are we to do? Throw the whole stockpile into meeting current industrial needs?

Furthermore, there is no assurance that Rhodesian ore would come to the United States eventually if we persist in our sanctions policy much longer.

It is only logical to assume that Rhodesian ore is finding other outlets, and that it would be difficult for the United States to get back into the market after a long period of embargo.

Before long, in other words, Rhodesia will not need America's business.

One would think that if anyone would rejoice over the proposed release of chrome ore from the stockpile, it would be the American metal industry.

This industry has suffered from shortages and high prices for chrome.

Yet officials of the Foote Mineral Co., a leading producer of ferroalloys, said recently that they oppose the release from the stockpile as being only a short-term answer.

Dr. Wayne T. Barrett, President of the firm, had this to say:

> What we need is not a release, because that is only a short-term answer to the over-all problem of making high-grade chrome ore available to the United States . . . The release of this stockpile material will take the pressure off of those who could bring about the end to the sanctions against Rhodesia. This will relieve the pressure for a period of one or two years, and we think it very important that this pressure be maintained and that we solve the long-range problem of availability of Rhodesian chrome ore.

I agree with Dr. Barrett. I believe the pressure should be maintained—and not just from the metal industry, but from the Congress and the American people.

We have followed a foolish policy toward Rhodesia.

Morally, it is wrong.

Legally, it is dubious.

Economically, it is costly.

And it could jeopardize the security of the United States.

I urge the President to reverse our present policy and resume trade with the peaceful African country of Rhodesia.

Mr. President, many of the important points concerning the present chrome crisis were developed by Fulton Lews III in a recent series of broadcasts.

It was Mr. Lewis who cited the plan for withdrawal from the strategic stockpile and who interviewed the officials of the Foote Mineral Co.

Mr. President, I ask unanimous consent that the text of three broadcasts by Fulton Lewis III be included at this point in the RECORD, together with the text of a column by James J. Kilpatrick, concerning the folly and ineffectiveness of the embargo policy against Rhodesia.

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

BROADCASTS BY FULTON LEWIS III

THE CHROME ORE CRISIS: PART 1

Of all of the news reporters and commentators in the nation, I confess that I stand out as the one who has devoted the most time and attention to the issue of U.S. economic sanctions against the African nation of Rhodesia. There are two reasons for this: The first is that this is a critically important issue which affects our own national security and industrial prosperity; the second is that I feel you are entitled to the facts of this situation—and if my colleagues in the news media have elected to play down the Rhodesian story, I must compensate for this information vacuum by giving the issue a little more coverage than it might normally deserve.

Today, a new and very important chapter in this story was written, but before we get to that, let's recap very briefly some of the background. In January, 1967, then President *Lyndon Johnson* issued an executive order making it a criminal offense for Americans to engage in any trade with Rhodesia. That order was issued in compliance with a decree of the United Nations Security Council, a world-wide embargo against Rhodesian goods, which in turn was based on a charge that Rhodesia had illegally declared its independence from Great Britain and further that Rhodesia was guilty of racial discrimination against its predominantly black population. I have discussed both of those charges in the past at some length over this microphone, and I think I have documented fairly conclusively just how ridiculous those charges are. We need not go into that further now.

As a result of the U.S. participation in the sanctions against Rhodesia, we have cut ourselves off completely from a country which in years past had been a major supplier of many important goods. The most important of these is metallurgical grade chrome ore which is essential to the production of stainless steel, a metal which in turn is critically important to vast areas of our national industrial production and, of course, to our national defense effort.

The top Cold War planners in the Soviet Union are very much aware of the importance of metallurgical grade chrome ore to the United States. Back in 1957, for example, a major general in the Soviet army wrote a book entitled "Strategy and Economics." Published therein was a chart which listed "Critical Materials in a U.S. Military Jet Airplane." The very first item listed was "Chrome." The amount of chrome in a U.S.

military jet was estimated at 3,659 pounds. In the third column it was noted that the United States must import no less than 92 percent of this mineral.

Continuing to look at this situation from the Kremlin's point of view, statistics released recently by the U.S. Bureau of Mines show that 96.2 percent of the world's chrome ore reserves lie in the southern portions of the African continent, mostly in Rhodesia, some small deposits being in South Africa. The remainder is accounted for as follows: the U.S.S.R.—1.8%; Turkey—.4%; the United States—.3%; Finland—.3%; Canada—.2%; communist Albania—.1%; and the others—.4%. Clearly, then, Rhodesia, as possessor of the greatest and richest grade deposits of metallurgical grade chrome ore, has a very prominent position of importance in the strategic aspects of the Cold War.

Prior to the economic sanctions, roughly 85 percent of all U.S. chrome ore imports came from Rhodesia. Actually, the ore was purchased from subsidiaries of U.S. companies in that country, and the price was a bargain: $25 per ton. Now, of course, nothing is being imported from Rhodesia and American firms have been placed in the awkward position of having to turn to the world's second largest source of chrome ore which just happens to be the Soviet Union. As this dependency has grown, the Kremlin has slowly but steadily hiked up the price for its ore. The latest increase, assessed officially just last month, boosted the price for Soviet ore by another 25 percent—up to $75 per ton or three times what we were paying for a much superior grade of Rhodesian ore just four years ago.

In October, 1969, Fred Russell, the Deputy Director of the Office of Emergency Preparedness, gave the following alarming testimony to a House Foreign Affairs subcommittee regarding what American industrialists are beginning to call the "chrome ore crisis": "Assuming that the U.S.S.R. would continue to ship chromium ore to the United States at the present level indefinitely, realizing that the other known amounts of chrome ore elsewhere in the world gradually are becoming exhausted, and knowing that U.S. needs are increasing each year, there is no way to see the chromium ore needs of the United States being met without chromium ore from Rhodesia."

Coming from a spokesman for the agency which is charged with ensuring the defense capabilities of the United States, the importance of Russell's testimony cannot be overstated.

The warnings, though, have been repeatedly ignored by both the Johnson and Nixon Administrations and increasing the "chrome ore crisis" has become more critical. The attitude of Administration officials has been to take various stop-gap measures to temporarily relieve the problems of chrome ore shortages—simultaneously federal officials have been praying that somehow, soon, the Rhodesian problem might resolve itself.

As one of the stop-gap measures, the government authorized American companies to tap the so-called "commercial" chrome ore stockpile until finally last year it was completely exhausted. That left only the "strategic stockpile" and earlier this month the Nixon Administration moved to authorize the sale of approximately 30 percent of that reserve which had been set aside for our national defense in the event of an emergency.

Ironically, the sales request was sent to the Congress by the same Office of Emergency Preparedness which only a year and a half ago confessed, in Fred Russell's testimony, that "there is no way to see the chromium ore needs of the United States being met without chromium ore from Rhodesia."

You would think that the domestic ferroalloy companies would be pleased that the Administration had acted to help satisfy their chrome ore needs for this calendar year but to the contrary leaders of this industry met here today in the first of a series of concerted efforts aimed at first protesting the Administration's action and secondly finding some long-term solution to the current chrome crisis.

At today's session, held behind closed doors at the General Services Administration, Dr. Wayne T. Barrett, the president of Foote Mineral Company—one of the nation's leading ferroalloy producers, charged that the Office of Emergency Preparedness may have been under "political pressure" to take the proposed steps. First and foremost, Dr. Barrett said, the State Department is insisting that the "strategic" stockpile be released for sale to relieve pressures from industry to drop the economic sanctions against Rhodesia. And secondly, the new Nixon red-ink budget has forced the government to seek additional revenues which would be gained from the sale of chrome ore holdings even at the expense of our national security.

The domestic ferroalloy companies are understandably concerned over the fact that U.S. ore holdings will be depleted to the point where, in an emergency, they could meet the nation's industrial and military needs for only two years. Unless there is a change in the government's policy toward importation of Rhodesian ore, the O.E.P. will undoubtedly ask for further releases from the stockpile next year and perhaps again in 1973, at which point the domestic "strategic" supply would be totally exhausted and the United States would become totally dependent upon the U.S.S.R. for a mineral which is vital to our national defense.

Administration officials argue that, should a serious chrome ore emergency develop, the United States could always drop the economic boycott against Rhodesia and resume the currently illegal chrome ore imports. The American steel companies, though, feel this is faulty—even dangerous—thinking. They emphasize that it would take at least six months and possibly even a year to fully reactivate the now semidormant Rhodesian chrome ore mining operations to the point where a resumption of normal imports could be resumed. And then there is a serious fear that, should such an emergency develop, Rhodesia might decide not to resume trade with the United States. Although a staunch ally of the U.S. philosophically in the Cold War against communism, the Ian Smith government has hinted that it intends to weather the current storm of sanctions on its own. It has quietly found some new customers for Rhodesian chrome (most notably Japan) and gradually the "illegal" sale of ore is being increased to the point where Rhodesia will not be needing the United States as a customer. As Dr. Barrett stated it this morning to the General Service Administration officials, "There is no reason now—in view of our shabby treatment of this nation—to expect anything but icy neutrality in the event of a war."

The domestic ferroalloy industry regards 1971 as the "year of decision" on the issue of Rhodesian chrome. Next year there will be the political campaigns and few national politicians, it is believed, would risk the possible loss of black votes by taking a stand which could be even remotely regarded as "pro-Rhodesian." By 1973, of course, the chrome ore crisis will have already reached emergency levels.

There is one move afoot, though, which might alleviate the current problem. A group of concerned Congressmen, headed by Texas Republican Jim Collins, will soon propose a bill which would prevent the U.S. government from banning the import of any strategically important commodity from NON-communist countries if that commodity IS being purchased and imported from any communist countries. It's a common sense suggestion which few in either the House or Senate could logically oppose even though the net effect of the Collins bill would be to quickly end the ban against the importation of chrome ore (which has been officially declared a "strategic" commodity) from Rhodesia (a non-communist nation) since we are currently buying chrome ore from a communist country (the Soviet Union).

I think you can see now why this is such a critically important issue—this matter of Rhodesia and our chrome ore situation. For the next two broadcasts, I will have here at this microphone with me two men who will further enlighten us on this issue—Dr. Wayne T. Barrett and John Donahey, the president and public relations director of the Foote Mineral Company, which is one of the nation's principal importers of metallurgical grade chrome ore. We'll hear in their words just how serious this situation is, and just how this chrome ore crisis affects each and every one of us.

(Wednesday, February 17, 1971, Washington, D.C.)

THE RHODESIAN SANCTIONS—PART 2

I discussed some new developments in the overall story of the U.S. economic sanctions against Rhodesia—how the Nixon Administration, as a stop-gap measure to try to alleviate current domestic chrome ore demands, has asked the Congress to free some 30 percent of the ore in the nation's "strategic" stockpile, the reserve which is set aside to be used in the event of a national emergency. That ore, some 1,300,000 tons of it, is to be sold to the domestic ferroalloy industries.

Before the sanctions against Rhodesia, U.S. companies imported the vast bulk of their metallurgical grade chrome ore from that African nation, at a price of only about $25 per ton. Since the sanctions, they have been forced to turn to the world's second largest supplier, the Soviet Union which, recognizing our dilemma and dependency and the awkward situation, has hiked up the price for its ore to $75 per ton, the latest price increase of 25 percent coming just last month.

Here at this microphone with me now to discuss this matter further are two men who know this chrome ore issue very well. Dr. Wayne T. Barrett is president of the Foote Mineral Company, one of the nation's leading ferroalloy producers. Mr. John Donahey is the company's public relations director. Dr. Barrett just yesterday attended a meeting of ferroalloy producers at the General Services Administration here in Washington, and issued a press release saying what the nation really needs is not a stockpile release but what it really needs is a resumption of Rhodesian chrome ore imports. Dr. Barrett, let's start first by asking what is metallurgical grade chrome ore? What's the difference between that and regular chrome?

Dr. BARRETT. The difference in the grade of the ore. Metallurgical chrome ore contains about 50 percent chromium oxide and has a high ratio of chromium to iron, the other major impurity. The other grades are lower in chromium, and higher in iron. The lower grades cannot be used to make the ferroalloys, the ferrochromium that is needed to make stainless steel.

LEWIS. All right, then, stainless steel is one of the principal products in which metallurgical grade chrome ore is used. Is that the reason that metallurgical grade chrome ore is classified as a strategic item? Is it really strategically important to the United States?

Dr. BARRETT. It most certainly is. Chrome is needed to make stainless steel. It cannot be—the chromium cannot be replaced with any other element. So, in order to have stainless steel, one must have ferrochromium. One needs stainless steel in the production of aircraft, in the production of automobiles, in the production of many specialty steels, which the defense of this country depends upon.

LEWIS. When I think of chrome as a layman, I think of automobile bumpers and hub caps.

BARRETT. That's a very small part of it.

LEWIS. But it's a lot more important than that.

BARRETT. Yes, it is.

LEWIS. According to the Bureau of Mines statistics, about 96.2 percent to be exact of this metallurgical grade chrome ore is concentrated in the southern region of Africa, specifically in Rhodesia and South Africa. Mr. Donahey, can you give us a further breakdown as to where this chrome is located?

DONAHEY. Well, it doesn't have much to be broken down but of the remaining 4 percent, 2 percent of that would be in Russia and the Iron Curtain countries, whereas all the rest of the free world would account for the other 2 percent. Now Turkey is generally regarded as the third largest producer but it's interesting that they only have in reserve about four tenths of a percent of the world's total chromium, as far as we know. And more to the point, the country of Rhodesia has two thirds of the high grade metallurgical chrome which Wayne was talking about earlier. The type of chrome which is critical and under discussion here today.

LEWIS. So of the metallurgical grade chrome ore deposits or reserves in the world, about two thirds of this is located in Rhodesia and because of the sanctions we can't touch it.

DONAHEY. That's right.

LEWIS. Now, prior to the economic sanctions against Rhodesia, back in January of 1967, your company was importing most of your ore from that African nation. Do you remember roughly how much?

DONAHEY. Well, we were importing at least 40 percent of our requirement.

LEWIS. Forty percent of your requirement from Rhodesia?

DONAHEY. That's correct.

LEWIS. Now, what have the sanctions done to the Foote Mineral Company?

DONAHEY. Well, of course, there has been no chromium from Rhodesia since the imposition of sanctions. And since the mines in Rhodesia had only one customer, that being the Foote Mineral Company, this has denied us, of course, chrome ore at very low cost. So we have to go out to world markets and buy it and, as you appreciate, with the increase in prices of Russian ore, world prices have substantially increased so that it has meant a great cost to our general operations.

LEWIS. Dr. Barrett, I think I know the answer to this, but how would you speculate, or why would you speculate that the Russians are increasing the price so steadily?

Dr. BARRETT. Well, it's very simple: They have a monopoly. And therefore they can get almost any price they want.

LEWIS. So communists, on occasions, can be pretty good capitalists?

LEWIS. Dr. Barrett, in my own mind I've been trying to re-cap just briefly why all of this is important to the average American citizen. Obviously, the No. 1 area of importance is national security. The fact that metallurgical grade chrome ore, which we used to import from Rhodesia, but which we can no longer import from Rhodesia, is a vital part of our national security program, and we now find ourselves in the awkward, really dangerous situation where we're now very much dependent upon the Soviet Union for this ore. What about, though, just commercially? You are now paying three times more for chrome ore . . .

BARRETT. Almost—that's correct.

LEWIS. Just about three times more than you used to be paying. Doesn't this affect your prices to the consumer?

Dr. BARRETT. It certainly has. It takes about three tons of chrome ore to make a ton of ferrochromium so that as the price has gone up almost three times our costs have gone up very substantially. It has been necessary during the past 12 months, 18 months, to pass on these extra costs to our customers in the form of price increases. This has made the cost of producing stainless steel and other specialty steels higher, and so the American public in the long run must pay for higher priced materials—higher priced stainless steels. This has caused a real inflation in these products.

LEWIS. A fantastic inflation when you think it's tripled in only four years. Mr. Donahey, what has happened to the chrome ore mines in Rhodesia?

DONAHEY. Well, as far as we know, and we do not have complete knowledge of what goes on, these mines are operating and are operating at a very substantial rate, under, of course, the guidance of the Rhodesian government. Now, it is believed that the entire output of the Rhodesian mines is being sold at this point. That it is not being stockpiled—it is being mined for sale all over the world.

LEWIS. So we're being the nice guys. We're obeying the sanctions. Apparently, there are some cheaters somewhere because someone is buying this ore which is being mined in Rhodesia.

DONAHEY. That is correct.

LEWIS. Who's the villain?

DONAHEY. We cannot state. However, you'll appreciate that the buyers of chromite would have to be industrially developed nations having obviously ferroalloy furnaces. And I think you can see which nations would be interested in chromite, and the indirect indications in the press releases would seem to show that perhaps half a dozen nations are buying on a regular basis.

LEWIS. I saw one report that indicated Japan might be one of the principal buyers.

DONAHEY. Well, this is a report that has recurred and there are reports of other nations that back the U.N. sanctions as being buyers of this same chrome.

LEWIS. I also saw one report relating to a country that is not a member of the U.N.—Red China—indicating that some of this chrome might be finding its way into Red China which Red China used to buy its chrome ore from the Soviet Union but because of the Sino-Soviet split it has decided to turn elsewhere. Is it conceivable, is it possible that Red China could be getting its chrome ore from Rhodesia?

DONAHEY. It is certainly conceivable. They have no restriction as far as the U.N. is concerned. What it would impose as far as logistics is concerned is something else again.

LEWIS. You both were in Washington on Tuesday to discuss the Administration's decision to release 30 percent of our ore from the strategic stockpile. What is your view toward that decision, Dr. Barrett?

BARRETT. I think it's a bad decision for the long-term security of this country. I think it is a bad decision for the ferroalloy producers long term in this country. It will help short term because it will make available some chrome ore to the producers. But the overall result of this whole Rhodesian sanctions is truly absurd. What has happened is this: That Rhodesian chrome ore is going out to every country, or many countries, except the United States . . .

LEWIS. Our competitors.

BARRETT. . . . our competitors. It is being converted into stainless steel, which is being imported into the United States at low prices, competing with our U.S. producers, who must depend upon the ferroalloys, the ferrochromes, which we are buying from Russia at the high prices. So our overall policy has been to hurt our own domestic industry, to in effect export jobs—jobs in producing stainless steel and ferroalloys. This has been the net result of this whole thing. This is why we have opposed this release of the chrome ore from the stockpiles. This is very shortsighted.

LEWIS. Dr. Wayne Barrett, president of the Foote Mineral Company, and Mr. John Donahey, public relations director. I thank you for being here. I would like to resume this discussion tomorrow.

(Thursday, Feb. 18, 1971, Washington, D.C.)

THE RHODESIAN SANCTIONS—PART 3

Let's continue our discussion regarding some new developments in the overall story of the U.S. economic sanctions against Rhodesia. The developments, of course, being the fact that the Nixon Administration, as a stopgap measure to try to alleviate domestic chrome ore demands has asked the Congress to free some 30 percent of the ore that has been held in this nation's strategic stockpile. That's the reserve that is set aside to be used normally in the event of a national emergency. The Administration has insisted that that ore, about 1,300,000 tons of it, is to be sold to the domestic ferroalloy industries. Of course, before the sanctions against Rhodesia, American companies were importing the vast bulk of their metallurgical chrome ore from the African nation of Rhodesia, the price back then, was only $25 per ton. But since the sanctions these companies have been forced to turn to the world's second biggest supplier, the U.S.S.R., which, recognizing our dilemma, has hiked up the price for its ore to about $75 per ton.

Here at this microphone again with me now to discuss this matter further are two men who are experts on this issue. Dr. Wayne T. Barrett is president of the Foote Mineral Company in Pennsylvania, which is one of the nation's major ferroalloy producers, and Mr. John Donahey is the company's public relations director. Dr. Barrett, on Tuesday, attended a meeting of ferroalloy producers at the General Services Administration. He then issued a press release saying that what the nation really needs is not a release from the strategic stockpile but a resumption of Rhodesian chrome ore imports. Dr. Barrett, let's start our resumption of our conversation by getting you to expand a little bit on that. What do you mean what we need is not a release from the strategic stockpile?

Dr. BARRETT. What we need is not a release, because that is only a short-term answer to the overall problem of making high grade chrome ore available to the U.S. We need this to make stainless steel in the United States. The release of this stockpile material will take the pressure off of those who could bring about the end to the sanctions against Rhodesia. This will relieve the pressure for a period of one or two years, and we think it very important that this pressure be maintained and that we solve the long-range problem of availability of Rhodesian chrome ore.

LEWIS. I know this is speculative, but why do you think the Administration is taking this step? The President, of course, or rather the White House, has explained that one of the reasons for this sale from the strategic stockpile is to get some badly needed dollars into the U.S. Treasury. Do you think that's the only reason?

BARRETT. I think that's one of the most important reasons. The Administration does want to dispose not only of its chrome ore stockpiles but stockpiles of many other materials in order to generate hard cash now. It will, as I say, take the pressure off the Administration to solve the problem of Rhodesia.

LEWIS. I just have the feeling that maybe the Administration is trying to buy a little bit of time, and there are a lot of prayers going on over at the White House that maybe this Rhodesian mess will resolve itself sometime between now and the time that we're going to reach critical emergency chrome ore shortages. What is going to be the net result to the industry of the decision to release 30 percent of chrome ore from the strategic

stockpile? Does this, in any away, relieve the pressure on you to buy the ore from the Soviet Union?

BARRETT. It will relieve the pressure a little bit on us, and the other ferrochrome producers to buy ore from the Soviet Union, but only for a short period of time.

LEWIS. Mr. Donahey, let's speculate along these lines. Let's say I'm right and that the Administration is just trying to buy time, and let's also say, and I think this is a fairly safe prediction, that nothing is going to happen to have the Rhodesian issue resolve itself in the next 12 months, or let's even say the next 24 months. So next year we're faced with the same crisis, and the Office of Emergency Preparedness decides that we'll release another 30 percent from the strategic stockpile. And let's say that their reasoning is that in the event of a national emergency there wouldn't really be any problem because then and there we could drop the sanctions against Rhodesia and just quickly bring in Rhodesian ore.

DONAHEY. Well, of course, this we feel is one of the biggest fallacies in some of the reasoning that is applied to this problem, because, as I had mentioned yesterday, to the best of our knowledge, all the Rhodesian chromium mines are sold out. That means that the product is going to other customers than the U.S. And probably, as good common sense would tell you, there are long-term commitments involved in these contracts which might cover two, three, five years. There is, of course, in the world a great deal of competition for critically needed raw materials, and many countries, and you know them as well as I, are trying to tie up critical materials for long periods of time. And so, I think we're being very naive in thinking that if we should drop the sanctions tomorrow we could go in and get Rhodesian chromium. Furthermore, there is no real incentive for the Rhodesians to have to trade with us at this point. They have demonstrated that they can support the chromium business without selling a pound to the United States.

LEWIS. So in a sense maybe we have overlooked the fact that Rhodesia doesn't need us as a customer.

DONAHEY. This is exactly correct, and I think one of the problems is that we do not have a long-range national materials policy. We haven't had for many years, and we are in a competitive world. We are standing the very great risk of finding, after delaying any action on Rhodesia, that we have lost what are the most superb reserves of critical chromium, high grade metallurgical chromite in the world.

Dr. BARRETT. And, if I might add, the irony of the while thing is that our own sanctions have proven to Rhodesia that she does not need the U.S. We did it to ourselves.

LEWIS. Mr. Donahey, let's look at the worst. We use up 30 percent of our strategic stockpile this year. Let's say that the Rhodesian issue hasn't been resolved. 1972 comes along. The Office of Emergency Preparedness decides to dip into the strategic stockpile once again. 1973 comes along and the same thing happens again. Let us speculate that we use up the strategic stockpile just as we used up the commercial stockpile, and let us go ahead and speculate that you are right that Rhodesia does not need the United States as a customer. In the event of an emergency, then, what happens?

DONAHEY. Well, we lay ourselves open and make ourselves so vulnerable that I shudder to think what would occur. It's almost as though you're asking what happens if we disarm unilaterally, is it not? Because there is no question of the fact that you cannot sustain any kind of a war effort without chromium.

LEWIS. So this product, this chromium ore, this mineral is THAT important to our national defense?

DONAHEY. Yes. Absolutely.

LEWIS. 1971 has been termed the year of decision regarding the chrome ore crisis. Why?

DONAHEY. I think we're talking about whether there will be Congressional action in 1971. I should say that the 91st Congress, if you had made a study of those who had come out openly and made public statements, let's say, against the Rhodesian sanctions, you would find that fully one third of all the Congressmen and Senators were represented in that group, leaving two thirds unaccounted for, but it seemed at least, superficially, that a majority in each House would have welcomed an end to the sanctions.

Now what the 92nd Congress will do we have no idea. Most of those Congressmen who would have welcomed an end to the Rhodesian sanctions are back in, and the general, somewhat more conservative nature of the 92nd Congress might create a situation that would find this possibility of introducing legislation to override the sanctions. Now, of course, one of the big problems is that there are some racial overtones of this political issue which we have not brought up here, and should not properly be brought up in discussing the defense aspect and the economic aspect. But nevertheless, Congressmen are a little bit more sensitive toward the race issue in election year than they would be in a normal year.

LEWIS. Which would be in 1972—and I agree with you there would be a whole lot of Congressmen who would not take a stand in an election year which might even be remotely considered pro-Rhodesian because of the fact that it might run the risk for them, of losing some black votes. So there wouldn't be any Congressional action on this issue in 1972, and, of course, by 1973, that is the critical point. That is the emergency year.

DONAHEY. Well, in any event, what we feel is that we must avoid the very thing you have described. That is procrastination from year to year until your stockpile is so depleted that you do create a true national emergency. We hope that we, among others, will take a strong stand on this and make views known to the people in Congress, and elsewhere in the government, and that out of all this perhaps there will be some groundswell of opinion, or some strong leadership arise to take the bull by the horns and try to get something done or at least underway before that fateful year of 1973 arrives.

LEWIS. Dr. Barrett, are you optimistic that this Rhodesian issue is going to be resolved in the next few months?

Dr. BARRETT. I'm not sure that it will be resolved in the next few months. I think it will be resolved, and I think it will be resolved in the next one or two years. It is a complicated issue, with political overtones, but the need is so great that I think people will see what needs to be done.

LEWIS. Dr. Wayne T. Barrett, president of the Foote Mineral Company, and Mr. John Donahey, public relations directors, I thank both of you for being here.

[From the Washington (D.C.) Evening Star, July 28, 1970]

U.N. HUFFS AND PUFFS, EMBARGOED NATIONS THRIVE

(By James J. Kilpatrick)

UNITED NATIONS, N.Y.—The Security Council went through one of its recurring exercises in huffing and puffing a few days ago, the better to build up its wind, and wound up, as usual, by sweating hypocrisy from every pore.

The object of these dumbbell exertions was South Africa, or more accurately, South Africa, France, and Great Britain. The nominal purpose of the resolution finally adopted, 12–0, was to condemn violations of the embargo on shipment of arms to South Africa. But South Africa pays no more attention to the Security Council than a Great Dane pays to a yapping Pekingese. France is and largest supplier of arms to South Africa, and finds it profitable to stay that way. Britain's new Conservative government last week decided to consider resumption of limited arms shipments.

The Council's impotence as to South Africa is matched by its impotence as to Rhodesia. The only difference is that the U.N.'s hypocrisy toward Rhodesia, a small country, is meaner and more contemptible than its hypocrisy toward South Africa, which is large.

Last month the U.N.'s special committee on enforcement of Rhodesian sanctions brought in its third report. This bulky paper, running to 337 pages, is quite unintentionally, one of the funnier documents of the summer. The U.N., it will be recalled, has formally ostracized Rhodesia from the family of nations as a punishment for her multiple sins. These sins are first, that Rhodesia had the indecency to secede from the British Commonwealth; second, that her franchise falls short of one-man, one-vote; and third that Rhodesia constitutes a threat to the peace.

The first and second sins are none of the U.N.'s business. The third is a transparent falsehood. Yet Rhodesia remains, in theory, utterly isolated from the commerce of the civilized world, a pauper, a leper, an "illegal regime" that must be starved and whipped to its knees.

Somehow the sanctions have not worked out that way. As the committee unhappily acknowledged, the sanctions "have not been fully effective and have not led to the desired results." And why is this? It is because much of the world is paying less and less attention to them. Reports of evasions, far from declining in number, are soaring: There were 60 such reports last year. But 31 countries, including 27 members of the U.N., will not even answer the committee's mail.

"The committee notes," said the miserable authors of this report, "that many of the replies received from certain governments to its requests for information about their investigations of suspected evasions have been incomplete, and that lengthy periods have elapsed in some cases before replies have been received."

It is all very sad. Plainly, the illegal regime is thriving. By Britain's own estimate, Rhodesia's export trade—in the very teeth of the sanctions—jumped from $237 million in 1968 to $336 million in 1969. Immigration to Rhodesia is increasing. Last year saw a record 254,000 tourists strolling the peaceful streets of Salisbury.

The Rhodesian government will not have the kindness to die. It has announced plans for more airfields, public parks and game preserves to attract even more visitors. And in the private sector, sighed the committee, "the illegal regime is reported to have completed five new hotels in 1969, with more than 20 major hotel projects in various stages of implementation."

"The picture of ineffectiveness painted by the committee in June has since been confirmed in Salisbury. On July 16, Rhodesia's minister of finance made his annual report. Last year saw a profitable trade balance, a nice surplus in the treasury, a 19 percent gain in mining operations. As one consequence, Rhodesia is reducing its income taxes in order to attract still more executives, professionals, and technicians.

When does the dumb show stop? An honest United Nations, applying moral suasion to the world as it is, could perform a useful purpose. But nothing of value is gained so long as the U.N. proclaims empty embargoes and imbecile sanctions upon a world as the world is not.

ORDER FOR A STAR PRINT OF S. 317

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from

Connecticut (Mr. RIBICOFF), I ask unanimous consent that a star print be made of S. 317, the "Interstate Taxation Act," deleting references on pages 3 and 32 to "Title VI—Taxation of Individuals".

By an inadvertent error, those words were included in the bill. No substantive change will appear as a result of this deletion.

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

ORDER FOR HOUSE JOINT RESOLUTION 337 TO BE HELD AT THE DESK

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that House Joint Resolution 337 authorizing the President to proclaim the second week of March 1971, as Volunteers of America Week, be held at the desk.

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

OBSCENITY AND THE BUREAUCRACY

Mr. COOK. Mr. President, last year the Congress approved, and very wisely I think, an amendment to the Postal Reorganization Act, Public Law 90–375, which provided that an individual may ask the Postal Service that he not be sent any sexually oriented advertisements through the mail. I ask unanimous consent to insert at this point in the RECORD 39 U.S.C. 3010(b).

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

§ 3010. MAILING OF SEXUALLY ORIENTED ADVERTISEMENTS

(b) Any person, on his own behalf or on the behalf of any of his children who has not attained the age of 19 years and who resides with him or is under his care, custody, or supervision, may file with the Postal Service a statement, in such form and manner as the Postal Service may prescribe, that he desires to receive no sexually oriented advertisements through the mails. The Postal Service shall maintain and keep current, insofar as practicable, a list of the names and addresses of such persons and shall make the list (including portions thereof or changes therein) available to any person, upon such reasonable terms and conditions as it may prescribe, including the payment of such service charge as it determines to be necessary to defray the cost of compiling and maintaining the list and making it available as provided in this sentence. No person shall mail or cause to be mailed any sexually oriented advertisement to any individual whose name and address has been on the list for more than 30 days.

Mr. COOK. Mr. President, as you will note, the law is quite simple. Next I would like to insert a paragraph explaining this new law from a Post Office Department general release No. 141(S), dated November 15, 1970.

Participating citizens will need only give their names and addresses to the postal service to guard against being sent sexually oriented ads, even if they have never received such materials.

The explanation is also quite simple.

Mr. President, I would also like to share with my colleagues a letter from Judge Henry V. Pennington, a circuit court judge in Danville, Ky. His comments on the application form for coming under the protection of this law can be applied, I believe, to almost every law the Congress passes.

We pass a simple law; the bureaucrats complicate it.

Let me read his letter to me:

FEBRUARY 24, 1971.

DEAR SENATOR COOK: Just thought you might be as amazed as I to see what has been concocted for the taxpayer himself to do to prevent receipt of obscene mail. The instructions remind me of the Bar Examination.

Sincerely yours,

HENRY V. PENNINGTON.

Mr. President, I ask unanimous consent to insert in the RECORD the form that a citizen of the United States is required to fill out in order to have his name removed from any mailing list.

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

U.S. POSTAL SERVICE APPLICATION FOR LISTING PURSUANT TO 39 USC 3010

INSTRUCTIONS FOR FILING

Starting February 1, 1971, you can take advantage of a new law to protect you and your family from receiving sexually oriented advertisements in the mails. Here's how the new law (39 U.S. Code 3010) works. You list your name with the Postal Service, stating that you wish not to receive any sexually oriented advertisements through the mails. You may also list the names of any of your children under 19 years old who live with you or who are under your care, custody, or supervision. The Postal Service compiles a Reference List of such names and makes the list available, at a fee, to mailers. The law prohibits any commercial solicitation of names on the Reference List. After 30 days from the date your name is added to the Reference List, any mailer who sends you a sexually oriented advertisement subjects himself to both civil and criminal legal action by the U.S. Government.

The new law defines a "sexually oriented advertisement" as any advertisement that depicts, in actual or simulated form, or explicitly describes, in a predominantly sexual context, human genitalia, any act of natural or unnatural sexual intercourse, any act of sadism or masochism, or any other erotic subject directly related to the foregoing. Material otherwise within the definition of this subsection shall be deemed not to constitute a sexually oriented advertisement if it constitutes only a small and insignificant part of the whole of a single catalog, book, periodical, or other work the remainder of which is not primarily devoted to sexual matters.

To add your name (and any children's names) to the list, simply fill out Application for Listing, attached hereto, in accordance with the instructions:

(1) If you wish NOT to receive any sexually oriented advertisement through the mail, simply fill out Part II of this form and give it to any Postal Service representative. Your name and those of any minor under 19 you include will be added to the Reference List maintained by the Postal Service. Each adult must file a separate application. Please retain this portion of the Application (Part I) as it contains your application number which should be included in any further communication on this matter.

(2) The name that you insert in the space provided should be the name by which you customarily receive mail. You may, if you wish, file separate applications for varying forms of your name.

(3) If you change addresses, it will be necessary to execute a new application.

(4) Birth dates of minor children must be shown. When a minor reaches his 19th birthday, he will automatically be deleted from the list. If he then desires to be placed on the list, he must file a new application on his own behalf.

(5) Your name and address will be placed on the Postal Service's list as soon as practicable but some time will be required to process your application. The 30-day period starts only after your name goes on the Postal Service's list.

(6) It is imperative that the form be complete, legible and signed. If not, the application will not be processed and your name and address (including any minor children) will not be included on the list.

(7) If there are insufficient places on the form to list all minor children, you must complete and sign additional forms.

(8) If any children receive mail at an address other than yours, it will be necessary to file a separate application for each such child.

(9) If the application is made on behalf of a corporation, association, firm, partnership, or other business entity, it should show the name of that entity and must be executed on its behalf by the owner or other authorized officer of the entity. A separate application for such an entity must be filed for each address at which it maintains an office for the receipt of mail.

(10) You may have your application canceled by so notifying your local post office. Otherwise, the listing will terminate 5 years from the date your name is placed on the list. If you wish to be continued on the list, a new application must be filed at that time.

(11) If you receive a sexually oriented advertisement in the mail after you have been on the list for 30 days, you should print on the envelope (or other cover) of the sexually oriented advertisement the date on which you received it and affix your signature immediately below that statement. For example, the notation should read, I received this item on April 2, 1971. Signed: John Q. Public." Since the law generally prohibits opening of first-class mail by someone other than an addressee, make certain you open the mail piece that you believe has been mailed to you in violation of this law prior to turning it over to the Postal Service. Otherwise, further action to enforce the law may not be possible.

(12) Take the violative mail piece to any post office for further official action.

(13) If application form is not available, furnish the necessary information as instructed by your Postal Service representative.

INSTRUCTIONS FOR COMPLETING PART II, FORM 2201

1. Read ALL instructions before completing Part II.

2. Print (DO NOT WRITE) information.

3. Make sure your numbers and letters are printed like this: 1 2 3 4 5 6 7 8 9 0 A B C D E F G H I J K L M N O P Q R S T U V W X Y Z.

4. Use a No. 2 lead pencil.

5. Print large. Do not print in blue area.

6. Do not fold, staple, tear or smudge.

7. Enter all dates as year, month and day. Example: *February 18, 1971* should be written as year, 71; month, 02; day, 18.

8. If space allotted is insufficient, print without regard to blue area.

9. IMPORTANT: Be sure to sign the form in the space provided.

10. If you have a question regarding the preparation of the form see any Postal Service representative.

11. When the form is completed, give it to any Postal Service representative.

Date signed: Year, Mo., Day.

Print last name below.
Print first name below, mi.
Print street No. below.
Print street name, route, or P.O. box No. below.
Print apt. No. below.
Print city or town below.
Print State abbreviation, ZIP code.
Print last name below.
Print first name below, mi.
Year, Mo., Day.
Also list children.
Signature.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 9) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. JAVITS. Mr. President, in the course of the debate on rule XXII, the floor has essentially been controlled by Senators who oppose the amendment of Senators CHURCH and PEARSON. In my judgment, the country really has not been alerted as to what is at stake and just what power there is in the filibuster, and how it can throttle and thwart legislation; and it has done so.

The reason for this seems to be the constant theory that the filibuster was the invention of some of our southern colleagues to block action on civil rights legislation. It is interesting to note that by no means is there any unanimity now even among our southern colleagues on that subject, as there used to be, as great waves of enlightenment have swept through the South, as they have through other parts of the country.

However, I think the matter I have in mind is best illustrated by two points. First, I think the days when the filibuster was a powerful weapon to suffocate civil rights legislation are gone. I myself see no more really significant civil rights legislation as likely in the future which can be blocked by a filibuster. Either it will have such overwhelming support as not to be blocked by a filibuster, or, most likely, no such major measures will be proposed.

And second, Mr. President, there are now rather interesting uses of this very weapon by those who are considered to be liberals. This is a very new change. This is critically important for the attention of the country, because at one and the same time that this filibuster weapon has been employed by liberals, they are the advocates of change, and it is that question, I think, which is highly deserving of consideration, because the complexion which the opponents of an amendment to rule XXII would put upon those who wish to amend it is that they desire to suffocate debate. Mr. President, nothing could be farther from the truth. We are ourselves interested in debate, and will ourselves utilize rule XXII if it remains as it is; and yet we deeply feel that this is not the way to govern, that it endangers the country, and that there comes a time when every demand for full and free debate has been satisfied, and it is time to act. It is the paralysis of action, not the suffocation of debate, Mr. President, which is involved in our desire to amend this rule to make it three-fifths instead of two-thirds, as it is at present.

This is a critically important point to make to the country. To give examples as to how the filibuster could be and has been used to suffocate action, rather than any question about giving the Senate time for deliberation and debate, I was very much interested, Mr. President, to read the letter which my very distinguished colleague the Senator from North Carolina (Mr. ERVIN) sent to all of us in connection with this debate.

The theory is that if only the majority will show, as Senator ERVIN says, its true depth and strength, then the implication is that their measure will carry. Again I say, Mr. President, nothing could be farther from the truth. They can show all the depth and strength they like. We have now had three cloture votes in which, in each case, we got a decisive majority. But does the minority, which can block cloture, show any signs of saying, "We are devotees of the principle that where the majority has shown the true depth and strength of its position, we will allow them to vote"?

Not at all. The filibuster goes on as ever, unabated, and will, Mr. President, until any hope of amending rule XXII, or, for that matter, any other rule the amendment of which a determined minority would oppose is abandoned.

There has always been a kind of assumption around here that if a majority wants anything and sticks to it, it will get it—the same sort of idea as Senator ERVIN'S about the true depth and strength of the majority position, using his words. Again, nothing could be farther from the truth. The fact is that it is the depth and strength of the minority which is demonstrated, and their depth and strength brings about the paralysis of the majority, and there is no way out of it.

So far, Mr. President, we have been relatively lucky in that in critical matters, in the final analysis, we have either invoked cloture as we did on civil rights bills, or, after a long period of time, we were permitted to vote, and I use that word advisedly.

But tomorrow, Mr. President, the subject of a filibuster could be something absolutely essential to America's defense or tranquility or freedom, and it could be just as easily blocked as we now see an effort to amend the rules is being blocked.

So, Mr. President, I point out to those who have adopted what has heretofore been considered the conservative position that liberals themselves are increasingly in the position of trying to stop what we consider to be wasteful, dangerous, or unwise legislation, and that this measure or various measures of filibuster can be very well employed in that effort. For example, in respect to the SST, where affirmative action is required, there certainly is a determined enough minority in this body to block action on that. We have problems in respect to the ABM and the MIRV program, in trying to deal with problems of expense in the Defense budget, and perhaps ultimately to limit that type of armament even if in respect to international agreement. There again, the votes have been exceedingly close, and a determined minority can very definitely, whatever may be the interests of the country in the judgment of the great majority, frustrate the will of that majority.

Does anyone seriously believe, for example, that there are not 34 Senators who have almost come to the point where they will challenge appropriations for the continuation and expansion of the Indochina war by invoking a filibuster? So, Mr. President, speaking very frankly, the days when the filibuster was considered to be a weapon to kill off civil rights legislation are gone forever. Indeed, liberals are now in a defensive position with regard to civil rights legislation. In recent years a number of us have tried to stop restrictive riders on appropriations bills. We have fought the adoption of antibusing legislation and we have opposed legislation specifically designed to restrict the right to demonstrate and protest without violence. If anyone should now favor the filibuster rule it is the liberals, for we have succeeded in achieving our major civil rights goals—in terms of legislation— and from now on, as far as the liberals are concerned, we can use the filibuster to prevent inroads on the civil rights legislation we already have.

But, Mr. President, it is we who are arguing and have argued, through the fifties and the sixties and on into the seventies, for reform of rule XXII. The reason is that it is a bad rule, that it is really an extraconstitutional restraint on the action of Congress, that it is unjust, and that it subjects the Senate to ridicule in the eyes of the American people.

Can we continue to wonder at the fact that many young people have given up on the establishment—that they see no hope in operating through the authorized channels—when the Senate of the United States can be tied in knots by a handful of Members? Are we willing to admit to the American people that we acquiesce in this system which allows 34 Members to determine what matters we shall vote on? Are we willing to sidestep the great issues of the day—war and peace, the economy, welfare reform, revenue sharing—because one-third of our Members do not want to even consider them, let alone vote on them?

Mr. President, that is, as I see it, the position the liberal mind takes in this country. We do not want to see this great legislative body paralyzed—particularly at this time in our history when the balance of power between the Executive and the Legislature seems so heavily weighted in favor of the Executive. If we agree to assume these shackles voluntarily, if we willingly impose upon ourselves this crippling rule how can we legitimately lament assumption of power by the Executive? If we are to retain our status as an equal branch, and if we are to exercise the responsibilities that go with that status, we must be free to act on all crucial matters.

If I cannot convince my colleagues on the merits of this change, let me once again state the practical effects of keeping the rule: increasingly, it will be used

to block legislation which the liberals oppose. Remember this prediction when we take up the SST, the trade bill, and the ABM. If you do not agree that no question should be denied an up-or-down vote because 34 Senators oppose, then I assure you that these questions will also be considered in that light.

Mr. President, another aspect of the issue with which I would like to deal, because it concerns the amendment which the Senator from Michigan (Mr. HART) and I have proposed, which used to be known as the Douglas amendment, is an amendment which would make cloture obtainable upon a vote of a constitutional majority of the Senate, to wit, 51 Members.

It has always been pictured as the likely end of the road should there be a further reduction in the two-thirds rule. Mr. President, I should like to point out that there was a reduction in that rule in 1959 in terms of the two-thirds present and voting, rather than the constitutional two-thirds of the Senate, and that this was not pursued with any majority cloture idea.

In addition, neither Senator HART nor I, nor any other Member of the Senate, has sought majority cloture as that word is used—in other words, where debate can be closed off by a majority of a quorum of the Senate. What we have sought is the limitation of a constitutional majority, thereby engaging in the assumption, in so important a matter as this, that 51 Senators were actually present and wanted to close off debate, in that way assuring against any improvident decision or affirmative decision by a small group.

But what has been little noted in addition to the fact that it does call for 51 Members to vote affirmatively on that question—and it seems to me that that is very adequate protection for what we are trying to protect, which is the right of free and open debate—is that the resolution which Senator HART and I have introduced has one other advantage: It guarantees a period of debate; and, interestingly enough, the two-thirds rule does not.

It is very significant that a determined majority of two-thirds—and it is possible that either party could amass that in this Chamber, if we are looking at it at a party level, and certainly an issue could amass that in this Chamber within a day could throttle debate by the remaining minority allowing each Senator only 1 hour of further debate.

The amendment Senator HART and I have introduced gives 20 calendar days—that is, 20 working days—after the cloture motion is filed, before it is voted on, in order to afford in that interim, should the motion carry, a very full and fair debate by the Senate.

In addition, it changes—and this, I think, is a most desirable change—the existing rule as to how we operate after cloture has been voted.

Under our amendment, the 100 hours which are available to the 100 Members, instead of being allocated 1 hour apiece to each Member, without the right of transfer are allocated between the contending sides, so that each has 50 hours, and any Member who wishes it is guaranteed his 1 hour.

It seems to me that that is a much fairer arrangement; and if we act favorably on changing the rule at all, I think we ought to consider very seriously including that arrangement in any change of the rule.

Mr. President, I should like to recapitulate the situation we face. The fact is that now the situation has shifted. For example, in the last Congress it was the liberals who engaged in extended debate respecting, for example, the trade bill, which we considered to be highly protectionist. This demonstrated a use for the rule which, it seems to me, should interest the more conservative Members of the Senate in changing the rule, as the whole situation now really involves the capability of the Senate to act and is no longer confined to the narrowed question respecting the ability to prevent action from taking place on civil rights bills which were opposed in this way for many years.

Under these circumstances, it seems to me that the extra constitutional aspect of the filibuster is emphasized and made very clear, in that we are perfectly willing—now that this could be a weapon in our hands, as it has been a weapon in the hands of the opponents of civil rights legislation for decades—we are willing, nonetheless, to cause the rule to be amended, because we are deeply committed to the constitutional principle that the legislative arm should have the right, after full and fair debate, to vote, rather than to utilize for ourselves—and it is now turned in that direction—this weapon which was so useful to those of ideological views other than our own for so many decades.

Mr. President, those who are prophets of doom that the Senate will thereby lose its deliberative aspect are not accurate at all in their prediction, because I think that we would be the last people in the world to want the Senate to lose its deliberative aspect, considering the matters which liberals will be compelled to debate in this Chamber, and we have no such idea at all. Indeed, the Senate has had a very checkered history on this subject. In its early history, it was possible to close off debate by the mere vote of a majority. Then, for a long number of years—approximately 75 years—there was no rule by which debate could be ended in any way. A debate could go on as long as any Member wished to speak. That was found onerous as we approached modern times, and in 1917 a cloture rule, a rule by which the debate could be ended, was put upon the books. That rule, since slightly modified, called for a two-thirds vote of the Members of the Senate in order to close off debate.

Subsequent efforts to change this rule have been unsuccessful, especially in the years since 1959, when the question was first raised as a constitutional question—the right of the Senate, just as there is a right in the House of Representatives, to change its own rules without regard to the existing rules because of the constitutional provision that each House shall make its own rules.

In that connection, I should like to deal with what is about to ensue in the Senate within the next few days. First, Mr. President, a motion will be presented tomorrow, the fourth in the series, seeking cloture of debate upon this issue. That motion will come up for consideration on Tuesday next.

I am today writing Vice President AGNEW, informing him of my intention on Tuesday next to ask for a ruling—and I confidently expect that this will be so—that if a majority votes to impose cloture, cloture will thereby have been imposed, and that the Senate should then, by ruling of the Chair, proceed to vote, without further debate upon the matter before it, on the ground that we are operating now, in respect of this particular rule change, under the Constitution and not under the rules of the Senate, by virtue of the fact that the rules of the Senate are inhibitory of that constitutional right and that, hence, the Senate rules must to that extent yield to general rules of parliamentary practice which allow of debate being closed after a reasonable time for debate by the determination of a majority of the Senators.

In that respect, I am asking the Vice President to follow the precedent set by Vice President HUMPHREY in 1969 in ruling that cloture had been so invoked and then submitting an appeal which was made at that time and which will undoubtedly be made again from that ruling directly to the Senate, to be decided without debate.

At that time, the practice proceeded as follows: The Senator from Idaho, who was then, as now, the proponent of the three-fifths amendment, propounded the following question to the Vice President:

> If a majority of the Senators present and voting, but less than two-thirds, vote in favor of this motion for cloture, will the motion have been agreed to?

In reply, then-Vice President HUMPHREY made the following ruling:

> On a par with the right of the Senate to determine its Rules, though perhaps not set forth so specifically in the Constitution, is the right of the Senate, a simple majority of the Senate, to decide constitutional questions.
>
> If a majority, but less than two-thirds, of those present and voting, vote in favor of this cloture motion, the question whether the motion has been agreed to is a constitutional question. The constitutional question is the validity of the Rule XXII requirement for an affirmative vote by two-thirds of the Senate before a majority of the Senate may exercise its right to consider a proposed change in the Rules. If the Chair were to announce that the Motion for Cloture had not been agreed to because the affirmative vote had fallen short of the two-thirds required, the Chair would not only be violating one established principle by deciding the constitutional question himself, he would be violating the other established principle by inhibiting, if not effectively preventing, the Senate from exercising its right to decide the constitutional question. The Chair does not not intend to violate both these principles.
>
> It is the view of the Chair, just as it was the view of an earlier President of the Senate, that, at least at the opening of a new Congress, "the majority has the power to cut off debate in order to exercise the right of changing or determining the rules."

In that regard, Mr. President, Vice President HUMPHREY in 1969 was referring to a ruling made by the now President but then Vice President Nixon at

the opening of the 85th Congress in January 1957.

I now continue with the ruling of the Chair by Vice President HUMPHREY:

In response to the parliamentary inquiry of the Senator from Idaho, therefore, the Chair informs the Senate that in order to give substance to the right of the Senate to determine or change its rules and to determine whether the two-thirds requirement of Rule XXII is an unconstitutional inhibition on that right at the opening of a new Congress, if a majority of the Senators present and voting but fewer than two-thirds, vote in favor of the pending motion for cloture, the Chair will announce that a majority having agreed to limit debate on Senate Resolution 11, to amend Rule XXII at the opening of a new Congress, debate will proceed under the cloture provisions of that Rule.

The Chair notes that its decision that debate will proceed under the cloture provisions of Rule XXII is subject to an appeal if it is taken before any other business intervenes. The Chair would place the appeal before the Senate for an immediate vote since Rule XXII provides that appeals from the decision of the Chair, under cloture procedure, shall be decided without debate.

Now, Mr. President, that is what the Vice President then proceeded to do, and he was reversed on an appeal from his ruling by the Senate. In other words, a majority voted for cloture, and the Chair announced that a majority having voted that that represented cloture and that he would then apply rule XXII, and an appeal was promptly taken from his ruling, and on the vote, that appeal was sustained and the Chair was reversed.

Mr. President, we are told many would like to say we are a continuing body. The fact is that one-third of the Senate is replaced every 2 years, as has been done this time. Therefore, there is no assurance whatever that if the Vice President of the United States should rule in the way I have described that Vice President HUMPHREY ruled, an appeal would be sustained. The fact is that the precedent established by the chairman could properly be followed by another occupant of that chair and the Senate would then have its choice as to whether it would or would not sustain or overrule that appeal. That is not a precedent, because it is entirely susceptible to change with a newly constituted Senate, which this is.

So, Mr. President, I feel that it is essential to raise that issue and I hope very much that the Vice President will make the ruling that now Senator HUMPHREY but then Vice President HUMPHREY did.

I say that for this reason: It has been pointed out time and again—this is only laboring the obvious—that if there is another ruling—to wit, that the point of order which may be made by me is submitted by the Vice President to the Senate and that that question is itself debatable, then we are exactly back where we started. It is that kind of ring-around-the-rosy which gets us nowhere except at a dead end, of which I speak.

The young people in this country and many, many other Americans just cannot understand why we cannot catch up with ourselves in a situation of this kind, why we cannot change our own rules of procedure except by complying with them, notwithstanding that an absolute majority of the Senate—and that is very clear—wants to act and wishes to change the rules. It only emphasizes the fact that this situation builds in, really, an extraconstitutional provision; namely, that one-third of the Senate can deny action on any measure notwithstanding that the Constitution contemplates that legislation shall be made by a majority of each House. But we have our feet so entangled in this web of circumstance that we cannot find our way out.

I believe, Mr. President, that it is essential, before one can say that this effort will again come to naught, that the Vice President of the United States, constitutionally the Presiding Officer of the Senate, be given the opportunity to make a ruling upon which the Senate can then act.

But I wish to point out that if he does not make that ruling, then we are finished, because there is no way to close debate from the floor except by a motion which the Chair will accept as a way of closing debate.

The whole Senate will accept it, as well as the Chair, if it comes in accordance with rule XXII; but, otherwise, it is the Senate power, the one-third plus one, which remains absolutely final and there is just no way of undoing it, if it doubles back on itself, unless the Presiding Officer makes the constitutional ruling, which in my judgment must be made. If he leaves it to the Senate, then there is no way out of the situation.

So, Mr. President, I believe that it is only just and fair that this matter be put to the present Vice President, and I shall do so on Tuesday next.

Mr. President, I have made these observations today because I think it critically important to our country that those who desire a rule change—and I am for the three-fifths and hope that the three-fifths is voted. But I think it is also essential that the country understand what is the situation and the power which is being vested in the hands of one-third of the Senate merely by virtue of the fact that we cannot find our way out of this tangle and, further, that the only way we can find our way out of it is the way the Constitution points to, as ruled by Vice President HUMPHREY, and as I hope very much that Vice President Agnew will similarly rule.

I point out that if he does not, then it is absolutely impossible to break the bonds in which we have tied ourselves. I hope very much that for those reasons, and the highest interests of our country, that he does.

Finally, I consider the argument that some effort is being made by those of us who propose the change to stifle, curtail, or abort debate as being absolutely irrelevant because I have demonstrated if anything that it is we, on our side, who will have the greatest use for the filibuster in the days ahead.

The constitutional capacity of the Congress to act, even if it acts in a way which liberals do not like, is much more important to us than the use of the filibuster as a weapon.

I hope very much that the country will see it that way and that we may have the necessary support which enables us at long last to regain and recapture the power of the Senate to act. This is very much of a piece with other problems between the executive and the legislative as to how their respective powers may be exercised. I have my view respecting the war powers of the President and the Congress.

The important thing is that we have lost a great deal of our power as elected representatives of the people because of our inability to cope with involvements like this in rule XXII.

We have lost the power of the people that our form of government intends us to have and that the best interests of the people and the Nation intends us to have.

I feel it my duty to do everything I can to break these bonds in which we as a Senate seemingly have tied ourselves.

Mr. President, I yield the floor.

DETROIT NEWS OFFERS $10,000 FOR CLUES ON CAPITOL BOMBERS

Mr. GRIFFIN. Mr. President, the Detroit News deserves the commendation of the Senate and the Nation for its offer published today of a $10,000 reward for information leading to the identification and conviction of those who planted a bomb in the U.S. Capitol.

I believe the Congress should consider offering a similar reward and I am considering the introduction of a resolution to that end.

Somebody, somewhere may have valuable information which can help to bring to justice the person or persons who have desecrated the Capitol of the United States.

This is the largest reward the Detroit News has offered, I understand, since it launched its "Secret Witness" program 4 years ago. Many crimes, including 15 murders, have been solved under the "Secret Witness" program, which accepts anonymous information.

Mr. President, I ask unanimous consent that the Detroit News article announcing the reward offer be printed in the RECORD.

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

$10,000 REWARD OFFERED BY NEWS IN CAPITOL BOMBING

(By Boyd Simmons)

The Detroit News today offered a $10,000 reward for information leading to the identification and conviction of the person or persons responsible for Monday's bombing of the U.S. Capitol.

The reward is offered through the newspaper's "Secret Witness" program, which has solved many crimes, including 15 murders, in its four years.

The information can be submitted anonymously.

At first glance, the chances of anyone in Michigan knowing who planned and carried out the bombing in Washington would appear remote.

However, The News is aware that the Weatherman plot to conduct a wave of terrorist bombings throughout the nation was born secretly in Flint in December, 1969, and it was a Detroit News reporter, John E. Peterson, who broke the story.

It is also aware that the Students for a Democratic Society, from which the violent Weatherman sprang, was organized in Port Huron and that many other radical, militant and anti-war organizations have strong roots in the state.

So there may be someone in Michigan who knows.

Since the paper possesses a crime-solving weapon of proven effectiveness in the "Secret Witness" program, which has been able to protect the identity of its information sources, it decided to make the attempt to identify the bombers.

Anyone with information can call the special reward phone, 222–2122, or mail in his tip to Post Office Box 1333, Detroit, Mich., 48231, following instructions in the accompanying coupon.

The bomb that exploded shortly after 1:30 a.m. Monday in the 170-year-old Capitol had been placed near the Great Rotunda, a landmark known to virtually every tourist who has visited Washington.

The explosion cracked interior walls on the first floor of the Senate (north) wing, shattered windows, blew doors off hinges and damaged nearby offices and a barbership.

Investigators believe the blast was caused by 15 or 20 sticks of dynamite attached to a timing device.

A half-hour before the explosion, a male voice called the Capitol police and told them to evacuate the building, saying a bomb would go off in 30 minutes and stressing:

"This is the real thing."

The Associated Press and a New York newspaper later received a five-page, single-spaced letter, dated Feb. 28, the day before the bombing, but postmarked March 1, in Elizabeth, N.J., "Weather Underground."

It stated, in part:

"We have attacked the Capitol because it is . . . a monument to U.S. domination over the planet. The invaders of Laos will not have peace in this country.

"Young people here will do everything we can to harass, disrupt and destroy this murderous government."

Despite some skepticism as to the letter's veracity, it remains the main clue.

The letter was turned over to the FBI, which is investigating bombing.

Any tips received by The News will be turned over to the FBI, once anything that might identify the sender is removed.

Neil Welch, the agent in charge of the FBI office in Detroit, enthusiastically welcomed The News' reward offer.

QUORUM CALL

Mr. GRIFFIN. 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. WILLIAMS. 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 legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

VOLUNTEERS OF AMERICA WEEK

Mr. BYRD of West Virginia. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 337.

The PRESIDING OFFICER (Mr. BEALL) laid before the Senate the joint resolution (H.J. Res. 337) authorizing the President to proclaim the second week of March 1971 as Volunteers of America Week, which was read twice by its title.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection?

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

RECESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

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

Thereupon, at 3.23 p.m. the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 3:38 p.m. when called to order by the Presiding Officer (Mr. BEALL).

EXECUTIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate go into executive session to consider two nominations that were reported earlier today by the Judiciary Committee, the nominations being at the desk; and I ask unanimous consent that, notwithstanding rule XXVI, the Senate proceed to the immediate consideration of the nominations.

The PRESIDING OFFICER. Is there objection?

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

U.S. MARSHAL

The PRESIDING OFFICER. The first nomination will be stated.

The legislative clerk read the nomination of H. Brooks Phillips of Mississippi, to be U.S. marshal for the northern district of Mississippi.

The PRESIDING OFFICER. Without objection, the nomination will be considered; and, without objection, it is confirmed.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Robert V. Denney of Nebraska, to be a U.S. district judge for the district of Nebraska.

Mr. HRUSKA. Mr. President, I move that the nomination be approved.

The PRESIDING OFFICER. Without objection, the nomination will be considered; and, without objection, it is confirmed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

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

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

PROGRAM FOR TOMORROW

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows: The Senate will convene at 11:45 a.m., following a recess. Immediately following the approval of the Journal, if there is no objection, and the recognition of the two leaders or their designees under the standing order, the very distinguished junior Senator from Arkansas (Mr. FULBRIGHT) will be recognized for not to exceed 15 minutes.

Following that, under the previous order, there will be a period for the transaction of routine morning business, not to exceed 45 minutes, with statements limited therein to 3 minutes.

Following the transaction of routine morning business on tomorrow, the Senate will pursue its further consideration of the pending business.

The Senate, under the previous order, when it completes its business tomorrow, will recess until 11:45 a.m. on Monday next. For the information of the Senate there will be no votes tomorrow.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 9) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. BYRD of West Virginia. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER (Mr. BEALL). The question is on agreeing to the motion of the Senator from Alabama (Mr. ALLEN) to postpone until the next legislative day the consideration of the motion of the Senator from Kansas (Mr. PEARSON) that the Senate proceed to the consideration of Senate Resolution 9, a resolution to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. BYRD of West Virginia. I thank the Presiding Officer.

RECESS TO 11:45 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 11:45 a.m. tomorrow.

The motion was agreed to; and (at 3 o'clock and 40 minutes p.m.) the Senate took a recess until tomorrow, Friday, March 5, 1971, at 11:45 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 4 (legislative day of February 17), 1971:

U.S. DISTRICT COURTS

Robert V. Denney, of Nebraska, to be a U.S. district judge for the district of Nebraska.

DEPARTMENT OF JUSTICE

H. Brooks Phillips of Mississippi to be U.S. marshal for the Northern District of Mississippi for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Thursday, March 4, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

And you shall do what is right and good in the sight of the Lord, that it may go well with thee. Deuteronomy 6: 18.

Eternal God, who art the author of life and the companion of our pilgrim ways, awaken within us the realization that Thou art ever with us, that Thou hast a purpose for each one, and that life consists in finding Thee and in walking with Thee in Thy way. Before Thee we stand seeking guidance for this day, wisdom to make wise decisions, and strength with which to serve our people as best we can.

We commend our Nation to Thee. Bless all who govern that they may lead our people in the paths of peace, freedom, and good will. Bless all who are governed that, following wise leadership, they may not shrink from the disciplines that accompany liberty. Remove from us all narrowness and all pettiness that in a passion for what is right and good for all we may keep ourselves dedicated to Thee and to our beloved country. Bless our returning Congressmen and may our fellowship be an experience of abounding joy.

In the Master's name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries.

THE LOW AND HIGH INTEREST FORCES ARE NOW ON PUBLIC RECORD

(Mr. PATMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PATMAN. Mr. Speaker, last November, the Republican Party spent lots of campaign funds trying to convince the American people that they were not the high-interest-rate party.

Yesterday, we had a vote—the first recorded teller vote—and the high interest forces were plainly separated from the low interest group in the House. The vote was on a motion to strike section 3 of H.R. 4690—a bill which allows the Treasury Department to market $10 billion of long-term Government obligations without regard to the 4¼-percent interest rate ceiling. For all intents and purposes, this was a backdoor scheme to destroy congressional control over interest rates and to reimpose a high interest policy on the American people.

On the vote to strike this provision—and thus retain the 4¼-percent ceiling—the low-interest forces lost on a 212-to-180 vote.

Of the Republicans voting, 91 percent voted on the high interest side of this issue. On the other side, 73 percent of the Democrats voted to retain the 4¼-percent ceiling. They voted for low interest rates.

Of the 212 Members on the high interest side of this issue, there were 151 Republicans and only 61 Democrats. Voting for low interest were 166 Democrats and 14 Republicans. Only 9 percent of the Republicans cast a vote for low interest rates.

Mr. Speaker, I want to commend the Democratic leadership and the solid group of Democrats that stood with their party on this issue yesterday. We have not heard the end of this issue and we now have 180 Members who are willing to resist the pressures that are always present when this House tries to defend the public interest on monetary policy.

Mr. Speaker, I hope that the news media will carry out the full purpose of the recorded teller vote and publish the results so that the public may make their own judgments.

SOVIET JEWS RELIEF ACT OF 1971

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, today I am introducing the Soviet Jews Relief Act of 1971.

This is a simple bill, but behind it stands a noble American principle—that this Nation has always been and should always remain a haven for the oppressed of other lands. The bill authorizes 30,000 special visas outside the regular immigration quota system for Soviet Jews who are permitted to leave the Soviet Union and wish to come to this country.

Up through the earlier part of this century, the United States had no restrictions on immigration, and every schoolchild can recite the successive waves of persecuted minorities who sought our shores and enriched our national life—Pilgrims, Huguenots, Catholics, Quakers, Germans, Italians, Irish, Slavs, and so many other national groups. Even with our immigration laws we have, to our credit, preserved this tradition. Special legislation permitted more than 30,000 Hungarian refugees to settle here after the suppression of their 1956 revolution. Similarly since 1968 over 10,000 Czechoslovakian refugees were assisted in coming to the United States. It should be remembered that more than 565,000 Cubans have made the United States their new home through exemptions from the immigration laws.

I think it is important to enact a bill for the relief of Soviet Jews at this time, even though I recognize that they may be prevented from availing themselves of it. Soviet leaders, and the Jews behind their guarded borders, must be told that Americans of all faiths, acting through their elected Congress, deplore Soviet treatment of a proud minority and will make them welcome here. Enactment of this bill, then, is both a real invitation and an expression of conscience. And in a real sense it is a challenge to the Soviet Union to open wide her doors and permit the Jews who are vilified there to leave. It will contrast sharply with the neglect of the Jews by mankind 30 years ago when so many countries, ours included, refused sanctuary to many of those Jews who escaped or would have been permitted to leave Nazi Germany through negotiations had visas been available.

The adoption of this bill will be more than just an American gesture. I hope it will spark men in other nations—Great Britain, France, Italy, Australia, and for reasons of history, West Germany—to enact similar legislation. Such a worldwide movement will have practical value in encouraging the Soviet Union to permit Jewish emigration from the Soviet Union of those Jews who wish to leave and the symbolic value of this offer of sanctuary will hopefully not go unheeded in Moscow.

The special refugee quota of 10,200 available under present law for refugees from the Eastern Hemisphere has been oversubscribed for the past 2 years and would not meet the need if the Soviet Union were to open her doors and permit the emigration of Soviet Jews on any modest scale.

Of course many Soviet Jews who are permitted to leave will choose to go to Israel. This will be their choice but the enactment of this bill at this crucial time will remain always an act of American generosity in a time of need.

JAPANESE LOBBY

(Mr. DORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, the powerful Japanese textile industry and its Washington lobby obviously are calling the tune in textile import negotiations. Mr. Speaker, the American textile indus-