NOMINATIONS

Executive nominations received by the Senate March 24 (legislative day of March 23), 1971:

U.S. COAST GUARD

The following-named officers of the Coast Guard for promotion to the grade of lieutenant (junior grade):

Glenn G. Kolk
Edward J. Beder, Jr.
Michael F. Flessner
Gary R. McGuffin
Michael D. Allen
Frank J. Tintera, Jr.
Harold W. Henderson
David R. Moore
Charles R. Weir
Joel A. Thuma
John K. Kirkpatrick
David S. Belz
Donald R. Dickmann
Thomas L. Davis
Richard D. Crane
Douglas C. Phillips
James B. Friderici
Michael D. Gentile
James B. Clarke
Rodney L. Cook
James R. Beach
Timothy L. Terriberry
David J. Reichl
William B. Thomas
John H. Baker III
James G. Marthaler
Gerald A. Gallion
Robert D. Sirois
Harold D. Ketchen
Thomas L. Mills
Paul C. Jackson
James S. Carmichael
Kevin L. Ray
Richie M. Keig
Peter C. Olsen
Joseph L. Bryson
Michael D. Cooley
Gregory S. Voyik
William E. Kozak
Roy J. Casto
Alan F. Walker
Terrance M. Edwards
Mark A. Ohara
Gale W. Fisk
Ronald A. Marcolini
Robert J. Williamson, Jr.
Thomas J. Zieziulewicz
Peter Q. Pichini
William H. Anderson
Lawson W. Brigham
John F. Hughes
Ernest J. Blanchard IV
Larry F. Lanier
Terry M. Cross
Dennis R. McLean
James Q. Neas, Jr.
John E. Hodukavich
Ralph A. Yates
George P. Waselus
Horton W. Johnson
David E. Wilson
Jeffrey N. Compton
William L. Beason, Jr.
Ralph D. Utley
Thomas B. Taylor
Roger C. Cook
Julius B. Sadilek
Henry J. Rohrs, Jr.
Anthony S. Tangeman
Richard W. Brandes
John R. Mitchell
Frederic N. M. Squires III
Douglas B. Stevenson
Anthony R. Souza
Stephen R. Rottier
Paul L. Hagstrom
Philip E. Sherer
Anthony T. Mink
Edward J. Dennehy
George F. Johnson
Kenneth M. Zobel
Thomas E. Bernard
Andrew Malenki III
Alan E. Spackman
Steven A. Macey, Jr.
John A. Gaughan
Charles R. Brown
Albert J. Sabol
W. A. McDonough, Jr.
Kenneth C. Kreutter
David T. Jones
Bruce B. Stubbs
Richard S. Muller
Allen K. Boetig
Myron F. Tethal
John H. Fearnow
John E. Quill
Melvin W. Garver
Terrance P. Hart
James S. Brown
Jonathan M. Vaughn
David B. Irvine
Dennis M. Pittman
Edmund F. Labuda, Jr.
Thomas M. Howard
Marc Pettingill
Kim I. MacCartney
Michael R. Adams
John M. Murphy
Stephen M. Riddle
David J. Maloney, Jr.
Frederick H. Sellers, Jr.
John F. McGrath, Jr.
Guy T. Goodwin
James C. Olson
Samuel J. Apple
John L. Beales
David Dahlinger
Timothy G. Balunis
Robert L. Pray
Donald G. Bandzak
Thomas B. Rodino
David G. S. Binns
Lawrence V. Kumjian
Thomas W. Purtell
Edward A. McKenzie
Chester J. Walter
Donald B. Parsons, Jr.
William W. Pickrum
Richard M. Cool
Christopher Desmond
Thomas X. Worley
Robert J. Vollbrecht
Victor J. Guarino
Theophilus Moniz
Donald B. Erisman
Ernest C. Card
Douglas J. Arnold
Robert E. Pearce
James J. Rao, Jr.
Warren E. Dutton, Jr.
Paul Mularchuk
Richard J. Guhl
Bruce L. Blandford
James Perozzo
Jack D. Asbury
Donald T. McNulty
Paul T. Pelzer
William F. Meininger
Ronald T. Via
James H. Davis
Wayne T. Shipman

The following named Reserve officers to be permanent commissioned officers of the Coast Guard in the grade of lieutenant:

James H. Ferguson
David F. Withee
Robert C. North

CONFIRMATION

Executive nomination confirmed by the Senate March 24 (legislative day of March 23), 1971:

OFFICE OF ECONOMIC OPPORTUNITY

Frank Charles Carlucci III, of Pennsylvania, to be Director of the Office of Economic Opportunity.

HOUSE OF REPRESENTATIVES—*Wednesday, March 24, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

This is the victory that overcometh the world, even our faith.—I John 5: 4.

O God, our Father, who art the light of the world and the lover of every human soul, let Thy spirit of righteousness and good will arise within us as we worship Thee in spirit and in truth. Burn away the barriers that separate us from our fellow men and build within us the spirit which makes for unity among men, good will in our Nation and peace for our world.

We pray that we may have the power of Thy presence to live through these Lenten days without stumbling and without stain. May our spirits strengthened by courage and vision rise to meet the trying tasks of these disturbing days.

Again we pray for our prisoners of war and for their loved ones. Grant that they may soon be released and returned to their families where love and joy wait to greet them. Make us worthy of their suffering and help us devote ourselves to greater freedom for all people.

In the spirit of Christ 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.

FURTHER LEGISLATIVE PROGRAM

Mr. BOGGS. Mr. Speaker, I take this time to announce that on tomorrow we will call up House Resolution 317, to create the Select Committee on the House Restaurant. The resolution has been approved by the Committee on Rules.

CAPITOL POLICE DESERVE OUR THANKS

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SIKES. Mr. Speaker, my attention has been called to recent incidents in which Capitol Police have been censured by both Congressmen and staff members because the police asked for identification or sought to examine briefcases and packages. This is incomprehensible. The police are simply trying to protect those of us who work here and to save the Capitol buildings from further desecration. They should have the fullest support of every Member of Congress in what they are doing. The minor inconvenience in showing identification or in taking a moment to open a briefcase or package for inspection simply should serve to remind us of the responsibility these officers must bear.

I commend the members of the Capitol Police force. They have one of the most difficult security jobs in the world. They are charged with safeguarding Members of Congress and their staffs. As officeholders, we naturally seek to make ourselves available to the public and to accept people at face value. This makes the policeman's job doubly hard. The Capitol buildings are probably among the most accessible structures anywhere. It is almost impossible to watch every approach all of the time. Yet the Capitol Police handle these complex and difficult tasks in a very effective way.

They deserve our thanks for the service they render to us and to the Nation.

PERSONAL ANNOUNCEMENT

Mr. SEIBERLING. Mr. Speaker, as I was unavoidably detained in a conference on Tuesday, March 16, I was not present to vote on House Joint Resolution 465, the supplemental appropriation for the Department of Labor, rollcall No. 21.

Had I been present and voting, I would have voted "yea" in support of the appropriation.

CORPORATION FOR LEGAL SERVICES ACT

(Mr. CELLER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CELLER. Mr. Speaker, recently, legislation was offered by many of our colleagues of both parties which would take an important step toward true equality under the law. This bill, which would establish a National Legal Services Corporation, will help to insure that every American, regardless of economic status, will have his day in court. Our system of justice is based on the adversary process—and that process cannot and will not operate unless legitimate grievances are aired in a court of law with competent advocates on both sides.

The legal services program of the Office of Economic Opportunity has proven itself to be successful. So successful, in fact, that it has gained the confidence of the poor on one hand and raised

the opposition and fears of persons who are afraid to have their actions and procedures tested in legitimate forums on the other.

As a result of the opposition, the legal services program has become hampered by political controversy unrelated to its mission of representation. The creation of the National Legal Services Corporation will insulate the lawyers and clients from these unwarranted and debilitating political machinations.

As a result, the adversary system is in the great tradition of the independent bar and the inviolability of the lawyer-client relationship will be protected. Equally as important, the poor will be able to express legitimate grievances within the system.

ANNIVERSARY OF GREEK INDEPENDENCE

(Mr. VIGORITO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VIGORITO. Mr. Speaker, this week we mark the anniversary of Greek independence. The celebration of all independence days have profound significance, but the marking of Greek Independence Day is of especial significance for many reasons.

Greece is the cradle of our culture, it is the wellspring from which flows all that Western civilization holds most dear and precious. Our values, our form of government, our desire for freedom and independence all comes from centuries of Greek tradition.

The Greeks have always placed a high premium on freedom. They have always showed the world that they preferred to fight for the preservation of their independence rather than willingly submit to conquering oppressors. When eventually they were forced to submit to alien tyrants, they proudly maintained their spiritual independence for many centuries. And finally, in 1821 when they saw a chance of regaining their freedom and national independence, they staged a revolt which in the course of many years of bloody warfare, led to the birth of modern Greece.

We have followed the course of events in Greece with keen interest and heartfelt sympathy. There never was, and let us hope that there may never be, any doubt as to where our wholehearted sympathy and national interest lie when freedom-loving Greeks have pitted themselves against foreign oppressors and totalitarian tyrants.

I hope, that not only during this week but throughout the year, all Americans will think back on what great debt we owe to Greece—and to Greek-Americans—and continue to sympathize with their cause and join with them in their longing for true freedom.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE A REPORT

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be given permission until midnight on Thursday, March 25, 1971, to file its report on H.R. 6531, a bill to amend the Military Selective Service Act of 1967; to increase military pay; to authorize active duty strengths for fiscal year 1972; and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

FULL FUNDING FOR MASS TRANSIT

(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, yesterday a group of mayors met with the President on a number of issues, including the cutback in mass transit funds. Last year the Congress authorized the Department of Transportation to commit $600 million on urban mass transportation capital grants. But in his budget, the President indicated that spending would not be more than $400 million.

I understand that the President indicated to the mayors yesterday that he is "flexible" on this matter. Certainly this posture holds some promise, and Members of this House should be encouraged to press for the full commitment of the mass transit funds authorized by Congress and should congratulate the President if he permits the commitment of the $200 million now withheld.

DELAWARE FIRST TO RATIFY 26TH AMENDMENT

(Mr. duPONT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. duPONT. Mr. Speaker, it is a great honor for me to take the floor this afternoon and bring to the attention of the Members of the House that the first State in the Union still leads the Nation. Yesterday afternoon we passed overwhelmingly in this Chamber the 26th amendment to the U.S. Constitution giving 18-year-olds the right to vote. Within 30 minutes of the signing of that measure by the President pro tempore of the Senate, both Houses of the Delaware Legislature ratified the amendment and Delaware became the first State in the Union to extend this franchise to our younger citizens.

I supported the proposal when I was in the Delaware Legislature a year ago, and I supported it here on the House floor yesterday.

I am glad to see us continuing to lead the way. From what I have seen the young people are going to make good citizens, they are going to use the right to vote, and they are going to use it responsibly. We are giving them the opportunity to participate within the system rather than to make their views known in other ways in the streets.

We are also avoiding chaos in the 1972 election and saving all our States a great many dollars.

I commend my colleagues in the Congress, particularly my former colleagues in the Delaware State Legislature, and especially Senator Margaret R. Manning, who has led this fight. We can all be proud, those of us from Delaware, that our State is continuing to be the first State and continuing to lead the Nation.

MERGING OF VOLUNTEER EFFORTS

(Mr. LENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LENT. Mr. Speaker, the President's plan to merge the volunteer efforts now scattered through the Government is a necessary and welcome first step toward expanding the opportunities for volunteer service.

There is much to be done in America. The critical problems of our time are concentrated in no single State, no special area, nor among any one group. There are the myriad problems of the poor. Children need help with schooling. The elderly have special needs requiring special attention. The entire community can benefit from volunteer action on common problems in housing, health, and the environment.

The problems are there and so is the spirit. I hope the new agency will serve as a bridge to enable all Americans to share in a noble effort and thereby serve their communities and their country.

MISGUIDED STUDENTS OFFER COMFORT TO CASTRO

(Mr. GROVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROVER. Mr. Speaker, there are current newspaper reports of a group of university students traveling to Cuba again this year to help with the sugar harvest.

I am distressed as are most freedom-loving Americans that even one misguided young American-born radical would offer comfort and help to dictator Castro in his times of agricultural, economic, and well-deserved political disaster by participating in the annual pilgrimage to the Cuban canefields.

Unbiased observers and refugees give evidence of a total police state in Cuba with martial law and complete deprivation of civil rights, human rights, or freedom of speech, movement, or public assembly.

We should be grateful that the vast majority of our young people are sound and rational thinkers who, while realizing our shortcomings, also count our blessings, and who would work within our system to reorder priorities and readjust inequities as they see them.

Perhaps the State Department should develop an exchange program—one prisoner of Cuban tyranny and repression for each local radical who seeks liberation from the constitutional rights and freedoms of America.

In any event a clandestine trip to New Brunswick for a Cuban cattle boat should not be the lot of young lovers of dynamic oppression and systematic slavery. Let us fly them to Havana first class at Government expense—one way.

PERSONAL ANNOUNCEMENT

Mr. HELSTOSKI. Mr. Speaker, having been assured that there would be no votes taken on Tuesday, March 16, I had scheduled several conferences at my district office and obtained an official leave of absence for that day.

Because of this, I was not present when the conference report on the debt limitation and tied to the social security increase was brought up for adoption and I am recorded as being absent on rollcall No. 20. Had I been present, as I would normally be if these assurances had not been given, I would have voted "yea" on the conference report. I would like the RECORD to show that fact.

PROVIDING FOR CONSIDERATION OF H.R. 7, RURAL TELEPHONE BANK

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 339 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 339

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes, and all points of order against section 2 of said bill for failure to comply with the provisions of clause 4, rule XXI are hereby waived. After general debate which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 7, it shall be in order in the House to take from the Speaker's table the bill S. 70, and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 7 as passed by the House.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 339 provides an open rule with 2 hours of general debate for consideration of H.R. 7 to create a rural telephone bank. Due to a transfer of funds, all points of order are waived against clause 4 of rule XXI of Rules of the House of Representatives and, after passage of H.R. 7, it shall be in order to take S. 70 from the Speaker's table and amend it with the House-passed language.

The purpose of H.R. 7 is to improve telephone service in the rural areas.

A rural telephone bank would be created to provide non-Federal financing to supplement the existing telephone loan program administered by the REA. The bank would be managed by a board of 13 directors—the REA Administrator, the Governor of the Farm Credit Administration, three Presidential appointees from the Department of Agriculture and two from the general public, and six members representing the rural telephone systems—initially appointed by the President and thereafter elected by stockholders.

The capital investment of the United States would be at the rate of $30 million annually from repayments on outstanding rural telephone loans until the total reached $300 million. The bank would pay 2 percent on the money provided by the Government.

Intermediate rate loans would be made until June 30, 1985, and would be returned as soon as practicable after that date. The interest rate on these would be based on the market yield of Government obligations with comparable remaining periods to maturity, but not exceeding 4 percent. A second type of loans would be made at rates reflecting the cost of money to the bank.

The bank would be authorized to obtain borrowed funds through the sale of its debentures up to eight times the amount of paid-in capital and retained earnings.

The legislation would provide a long-term credit institution which would do two things: First, it would bring in capital from the private money sector to supplement the present loan program and, second, it would establish a credit institution that would eventually be owned and controlled by its patrons.

Mr. Speaker, I urge the adoption of House Resolution 339 in order that H.R. 7 may be considered.

Mr. LATTA. Mr. Speaker, the fact that H.R. 7 will be before the House today proves that if one keeps introducing these bills long enough and they continue to report them out of the legislative committees as a matter of practice, they will finally get out of the Rules Committee. We have had this bill, or one similar to it, before the Rules Committee for the past two Congresses, apparently without the support or merit needed to report it, but it finally made it to the floor today.

It would be difficult to show any pressing need for this piece of legislation. In fact, I represent a rural area of Ohio, and I have not had a single company contact me in support of this legislation in all of its years before the Congress.

This bill would establish a telephone bank with an investment by the people of $300 million—$300 million over a 10-year period.

In the other body today they are going to be voting on the SST project, and a lot of publicity has been given to the amount of money involved in this project. In fact, there is $292 million involved in the SST this year but there is $300 million involved in this bank bill.

The purpose of the bill is to create a new Government-sponsored financial institution, the Rural Telephone Bank, which would be charged with the responsibility of providing additional non-Federal sources of capital for rural telephone systems in order to improve existing telephone service in our rural areas.

The financial structure of the telephone bank would include: First, capital subscribed by the United States which ultimately would be replaced by capital paid in by each borrower—5 percent of each loan; second, capital subscribed by borrowers and potential borrowers as investments; and, third, funds received from the sale of debentures in the private money market to an amount not to exceed eight times the paid-in capital plus retained earnings. Any loan made by the bank will have to be supported by sound loan security and eligibility requirements.

In order to get the new bank started, the Government would be required to furnish $30 million annually for 10 years from the repayments on currently outstanding rural telephone loans. Over the 10-year period the Government would contribute $300 million, which sum would eventually be repaid by the bank. During this period, the telephone bank would pay a return to the Government at a rate of 2 percent per year.

Two types of loans would be available. First an "intermediate rate loan" which would be made until June 30, 1985, at an interest rate based on the market yield of Government obligations with comparable remaining periods to maturity, but not exceeding 4 percent. This would be available only to borrowers requiring such subsidized assistance to achieve the objectives of the program, because the committee recognizes the inability of some telephone borrowers to pay the full market rate of interest, and; second, loans would also be made at rates reflecting the cost of money to the bank. At the same time, this legislation does not change the authority of the REA to make 2-percent loans to any qualified borrower operating in rural areas except as set forth in section 412 of the bill. Section 412 aims at encouraging borrowers under the REA's 2-percent loan program to seek loans for telephone service loans from the newly created telephone bank as their own equity position improves. When a borrower's net worth reaches 20 percent of its assets, the Administrator of the REA must require a borrower to obtain, or try to obtain, its financing from the telephone bank or other sources before seeking a 2-percent loan from REA.

The administration, through the Department of Agriculture, has submitted its own proposal creating a telephone bank. It has been introduced in the House by several Members. In the Senate, S. 70 has been passed, March 1, 1971, and is now on the Speaker's table.

Minority views are filed by the gentleman from California (Mr. TEAGUE) and the gentleman from Pennsylvania (Mr. GOODLING) opposing the bill because it perpetuates the old 2-percent loan program, pays the Government only a 2-percent return on its investment, and turns the bank over to borrower control

when only two-thirds of the Government's investment has been repaid. They also point out that better methods of achieving this purpose exist, methods which do not have the defects of H.R. 7.

I believe we ought to take a good, hard look at this bill to see whether or not it is really needed.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from California (Mr. TEAGUE).

Mr. TEAGUE of California. Mr. Speaker, first I should like to compliment the Committee on Rules for at least having delayed for 6 years in reporting out what I consider to be an atrocious piece of proposed legislation.

I should like to have all Members realize that no hearings have been held on this bill for more than 2 years. No report was even requested from the executive branch of the Government. It was passed out in about 5 minutes.

I do not blame my friend the chairman for having accomplished this. It was passed out with no question over the fact that we have nine new members on the committee.

I felt there should have been hearings so we would at least know what this proposal really is. As the gentleman from Ohio just said, this involves a 10-year investment of $30 million a year by the taxpayers in this new telephone bank at a return of only 2 percent a year. The capital is to be returned only when the directors of the bank find it practicable to do so, which could well mean never. There is no assurance whatsoever that we will get our money back on this so-called investment.

Here is something else which I think is terribly important. This is different from the REA electric cooperative program which has to do with REA co-ops. About 70 percent of these companies, small telephone companies, are privately owned commercial companies and money-making corporations. You might be interested in a compilation which appears on page 28 of the committee report which shows how very profitably these companies have been operating. Here we are proposing to give these money-making companies, many of which are family owned pay themselves good salaries and dividends on top of that—we are proposing to give them 2 percent or perhaps 4 percent money with 50-year loans at that rate. Now, who would not like to get such a proposition? If they need to refinance in order to modernize their equipment, there are other ways that they can do it. Co-ops can borrow from the bank for cooperatives and other companies can borrow from commercial banks. They can certainly go to various utility commissions throughout the country and get rate increases to accomplish such modernization as needs to be done.

Mr. Speaker, I repeat this is a very bad bill. I see no reason why we should take up the time of the House considering it, and I hope the rule will be defeated.

Mr. LATTA. Mr. Speaker, will the gentleman yield to me?

Mr. TEAGUE of California. Yes. I will be glad to yield to the gentleman.

Mr. LATTA. Will the gentleman agree with me that these telephone companies now can secure 2-percent money?

Mr. TEAGUE of California. Yes, they can. We have appropriated about $125 million a year for these companies to borrow at a 2-percent rate. That program will be continued. In addition to that, we will be putting up $300 million here at the three different rates, one of which is 2 percent and one not to exceed 4 percent and one which will probably be at the cost of money, but which I doubt will often be used.

Mr. LATTA. Let me ask the gentleman one further question.

Were there any hearings held in the Committee on Agriculture on this bill during this new Congress?

Mr. TEAGUE of California. No. I stated when I first started there have been no hearings on this bill or on any suggested bill which was sent up in draft form by the executive department for 2 years. No report was even requested.

POSTMASTER GENERAL MUZZLES EMPLOYEES

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

(By unanimous consent, Mr. GROSS was allowed to speak out of order.)

Mr. GROSS. Mr. Speaker, earlier this year Postmaster General Winton M. Blount put on a display of arrogance seldom matched by any Washington bureaucrat when he issued an order to muzzle hundreds of thousands of American citizens.

The Postmaster General swung the axe on the constitutional rights of these men and women because they happened to be postal employees.

At an early stage in his or her formal education, every American child is taught that provision of our Constitution which guarantees without reservation or restriction the right of citizens to petition Congress. What is not too well known is that it took an act of Congress in 1912—Lloyd-LaFollette Act—to spell out, once and for all, that the guarantee applies to Federal employees, including postal workers.

When Mr. Blount appeared before the House Post Office and Civil Service Committee on June 3, 1969, in support of his postal corporation bill, I was referring to the Lloyd-LaFollette Act when I questioned him as follows:

Mr. Blount, the one question I want to get out of the way real quick is this: Does your bill repeal section 7101 of title 5 of the United States Code which states that a postal employee may not be reduced in rank or pay or removed from the postal service for petitioning Congress?

The Postmaster General responed:

No, the section is not repealed. The new section 209, on page 12, specifically provides that chapter 71 of title 5, which includes section 7101, shall apply.

Thus, Mr. Blount cannot plead ignorance of the law as an excuse for the edict he handed down on January 12, 1971; an edict which reads as follows:

It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service.

Mr. Speaker, this is overbearing Big Brotherism at its worst. It is demeaning, and I for one have no intention of permitting this dictatorial, unconstitutional order to go unchallenged.

Therefore, I have written to each of the 180 postmasters in the Third Congressional District of Iowa and asked that on the post office bulletin board be posted a letter I have writen so that postal employees will be properly informed of their constitutional rights.

In that letter, I invite every employee to feel free to communicate with me at any time, and with the assurance that I stand ready to assist any employee if an attempt is made to intimidate such employee through use of this outrageous edict.

Mr. Speaker, I insert my letter to the postmasters at this point in the RECORD:

MARCH 18, 1971.

DEAR MR. POSTMASTER: So employees of your office will be properly informed of their constitutional rights, I will appreciate it if you will post this letter on your bulletin board.

Although postal employees enjoy the same constitutional right to petition Congress as all other citizens, it actually took an Act of Congress in 1912 (Lloyd-LaFollette Act) to spell out, once and for all, that the guarantee applies to federal employees, including postal workers.

When Postmaster General Winton M. Blount appeared before the House Post Office and Civil Service Committee on June 3, 1969, in support of his postal corporation bill, I was referring to the Lloyd-LaFollette Act when I questioned him as follows:

"Mr. Blount, the one question I want to get out of the way real quick is this: Does your bill repeal section 7101 of title 5 of the United States Code which states that a postal employee may not be reduced in rank or pay or removed from the postal service for petitioning Congress?"

The Postmaster General responded: "No, the section is not repealed. The new section 209, on page 12, specifically provides that chapter 71 of title 5, which includes section 7101, shall apply."

Despite this unqualified response, Postmaster General Blount, on January 12, 1971, issued a "Memorandum to Postmasters and Regional Officials" and included with it a "background" paper on "Congressional Procedures for the U.S. Postal Service." That paper carries the following edict (emphasis supplied):

"It is *mandatory* that postal employees *immediately cease any direct or indirect contacts with Congressional offices* on matters involving the Postal Service."

I would hope that no postal employee will be intimidated by this shocking and arrogant attempt to "muzzle" him or her—in direct violation of his or her constitutional rights. *This office stands ready to assist any employee who is so intimidated.*

Sincerely,

H. R. GROSS.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. TEAGUE of California) there were—ayes 27, noes 15.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 366; nays 26, not voting 40, as follows:

[Roll No. 28]

YEAS—366

Abbitt	Dellenback	Hunt
Abernethy	Denholm	Hutchinson
Abourezk	Dennis	Ichord
Abzug	Derwinski	Jarman
Adams	Dickinson	Johnson, Calif.
Addabbo	Diggs	Johnson, Pa.
Anderson, Calif.	Dingell	Jonas
	Donohue	Jones, Ala.
Anderson, Ill.	Dow	Jones, N.C.
Anderson, Tenn.	Downing	Jones, Tenn.
	Drinan	Karth
Andrews, Ala.	Dulski	Kastenmeier
Andrews, N. Dak.	Duncan	Kazen
	duPont	Keating
Annunzio	Dwyer	Kee
Arends	Eckhardt	Keith
Ashley	Edmondson	King
Aspin	Edwards, Ala.	Kluczynski
Aspinall	Edwards, Calif.	Koch
Badillo	Eilberg	Kuykendall
Baring	Erlenborn	Kyl
Barrett	Esch	Kyros
Begich	Eshleman	Landgrebe
Belcher	Evans, Colo.	Landrum
Bennett	Fascell	Leggett
Bergland	Findley	Lennon
Bevill	Fish	Lent
Biaggi	Fisher	Link
Biester	Flood	Lloyd
Bingham	Flowers	Lujan
Blackburn	Flynt	McClory
Blanton	Foley	McCloskey
Blatnik	Ford, Gerald R.	McClure
Bolling	Ford, William D.	McCollister
Bow		McCormack
Brademas	Forsythe	McDade
Brasco	Fountain	McDonald, Mich.
Bray	Fraser	
Brinkley	Frelinghuysen	McEwen
Brooks	Frenzel	McFall
Brotzman	Frey	McKay
Brown, Mich.	Fulton, Pa.	McKevitt
Brown, Ohio	Fulton, Tenn.	McKinney
Broyhill, N.C.	Fuqua	McMillan
Broyhill, Va.	Galifianakis	Madden
Buchanan	Garmatz	Mahon
Burke, Mass.	Gaydos	Maillliard
Burleson, Tex.	Gettys	Martin
Burlison, Mo.	Gibbons	Mathias, Calif.
Burton	Goldwater	Mathis, Ga.
Byrne, Pa.	Gonzalez	Matsunaga
Byrnes, Wis.	Grasso	Mayne
Byron	Gray	Mazzoli
Cabell	Green, Oreg.	Meeds
Caffery	Griffin	Melcher
Camp	Griffiths	Metcalfe
Carey, N.Y.	Gubser	Mikva
Carney	Gude	Miller, Ohio
Carter	Hagan	Mills
Casey, Tex.	Haley	Minish
Cederberg	Halpern	Minshall
Chamberlain	Hamilton	Mitchell
Chappell	Hammer-schmidt	Mizell
Chisholm		Mollohan
Clancy	Hanley	Monagan
Clark	Hansen, Idaho	Montgomery
Clausen, Don H.	Hansen, Wash.	Morgan
	Harrington	Morse
Cleveland	Harsha	Mosher
Collier	Harvey	Moss
Collins, Ill.	Hastings	Murphy, Ill.
Colmer	Hathaway	Murphy, N.Y.
Conable	Hawkins	Natcher
Conte	Hays	Nedzi
Conyers	Hechler, W. Va.	Nelsen
Corman	Heckler, Mass.	Nichols
Cotter	Helstoski	Nix
Coughlin	Henderson	Obey
Culver	Hicks, Mass.	O'Konski
Daniel, Va.	Hillis	O'Neill
Daniels, N.J.	Hogan	Passman
Danielson	Holifield	Patman
Davis, Ga.	Horton	Patten
Davis, Wis.	Howard	Pelly
de la Garza	Hull	Perkins
Delaney	Hungate	Pettis
Peyser	Sandman	Sullivan
Pickle	Sarbanes	Symington
Pike	Satterfield	Talcott
Poage	Saylor	Taylor
Podell	Scherle	Teague, Tex.
Poff	Scheuer	Thompson, Ga.
Powell	Schneebeli	Thomson, Wis.
Preyer, N.C.	Schwengel	Thone
Price, Ill.	Scott	Tiernan
Price, Tex.	Sebelius	Udall
Pryor, Ark.	Selberling	Van Deerlin
Purcell	Shipley	Vander Jagt
Quie	Shoup	Vanik
Quillen	Shriver	Veysey
Railsback	Sikes	Waggonner
Randall	Sisk	Waldie
Rarick	Skubitz	Wampler
Rees	Slack	Watts
Reid, Ill.	Smith, Calif.	Whalen
Reid, N.Y.	Smith, Iowa	Whalley
Reuss	Smith, N.Y.	White
Rhodes	Snyder	Whitten
Riegle	Spence	Widnall
Robinson, Va.	Springer	Wiggins
Robison, N.Y.	Stafford	Williams
Rodino	Staggers	Wilson, Bob
Roe	Stanton, J. William	Winn
Rogers		Wolff
Roncalio	Stanton, James V.	Wyatt
Rooney, N.Y.		Wydler
Rooney, Pa.	Steed	Wylie
Rosenthal	Steele	Wyman
Rostenkowski	Steiger, Ariz.	Yates
Roush	Steiger, Wis.	Yatron
Roybal	Stephens	Young, Fla.
Runnels	Stokes	Young, Tex.
Ruppe	Stratton	Zablocki
Ruth	Stubblefield	Zion
Ryan	Stuckey	Zwach

NAYS—26

Archer	Devine	Michel
Ashbrook	Giaimo	Pirnie
Baker	Goodling	Rousselot
Bell	Gross	Schmitz
Betts	Grover	Teague, Calif.
Broomfield	Hall	Terry
Burke, Fla.	Hosmer	Vigorito
Clawson, Del	Kemp	Ware
Crane	Latta	

NOT VOTING—40

Alexander	Green, Pa.	Myers
Boggs	Hanna	O'Hara
Boland	Hébert	Pepper
Celler	Hicks, Wash.	Pucinski
Clay	Jacobs	Rangel
Collins, Tex.	Long, La.	Roberts
Corbett	Long, Md.	Roy
Dellums	McCulloch	St Germain
Dent	Macdonald, Mass.	Thompson, N.J.
Dorn		Ullman
Dowdy	Mann	Whitehurst
Edwards, La.	Miller, Calif.	Wilson, Charles H.
Evins, Tenn.	Mink	
Gallagher	Moorhead	Wright

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Mann.
Mr. Alexander with Mr. Collins of Texas.
Mr. Miller of California with Mr. McCulloch.
Mr. Thompson of New Jersey with Mr. Corbett.
Mr. Charles H. Wilson with Mr. Myers.
Mr. Celler with Mr. Whitehurst.
Mr. Boggs with Mr. Long of Maryland.
Mr. Dent with Mr. Dowdy.
Mr. Evins of Tennessee with Mr. Edwards of Louisiana.
Mr. O'Hara with Mr. Wright.
Mr. Boland with Mr. Dellums.
Mr. Moorhead with Mrs. Mink.
Mr. Clay with Mr. Pucinski.
Mr. Roberts with Mr. Roy.
Mr. St Germain with Mr. Green of Pennsylvania.
Mr. Gallagher with Mr. Rangel.
Mr. Dorn with Mr. Macdonald of Massachusetts.
Mr. Jacobs with Mr. Long of Louisiana.
Mr. Hanna with Mr. Hicks.
Mr. Ullman with Mr. Pepper.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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.

DEVELOPMENT OF THE NATIONAL CENTER FOR VOLUNTARY ACTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (NO. 92–74)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

America is a nation unique in the political history of the world. More than any other nation, it is the sum of the energies and efforts of all of its people. The American tradition of voluntary involvement—of freely committing one's time and talents in the research for civic improvement and social progress—gives an extra dimension to the meaning of democracy. In the past decade, the Federal Government has built on this tradition by developing channels for joining the spirit of voluntary citizen service in America with public needs, both domestically and abroad. Many of these efforts have had marked success. But the circumstances in which these efforts were conceived have changed.

National and international needs have altered. The opportunities for voluntary service must be adapted and improved to meet these new needs.

Recognizing that private channels of voluntary action are a vital source of strength in our national life, I have supported the establishment and development of the National Center for Voluntary Action. The National Center is a private, non-profit partner in the effort to generate and encourage volunteer service. The center works to promote the establishment of local Voluntary Action Centers, as well as to assist in the expansion of voluntary action organizations already in existence. It stimulates voluntary action by providing information on successful voluntary efforts, and it assists in directing those who wish to volunteer services to areas and endeavors in which their services are needed.

The National Center for Voluntary Action is functioning now to fill a vital need in the private voluntary sector. Now we must turn our attention to bringing Government volunteer programs into line with new national priorities and new opportunities for meeting those priorities. We must take full advantage of the lessons of the past decade, and we must build on the experience of that period if we are to realize the full potential of voluntary citizen service. This is no longer a matter of choice. We cannot afford to misuse or ignore the considerable talents and energies of our people. In the coming years, the continued progress of our society is going to depend increasingly upon the willingness of more Americans to participate in voluntary service

and upon our ability to channel their service effectively.

One matter of consequence to the problems of properly channeling volunteer services and expanding government's role in the development of volunteer resources is the proliferation of government volunteer programs. It was perhaps inevitable that these programs would be generated almost at random across the spectrum of government concern for human needs. This occurred in a period when the Federal Government was still attempting to define its relationship with, and its purposes in, the area of voluntary service. Now the role of government has been confirmed and its responsibilities and obligations are clear. Meeting these responsibilities and obligations will be a long, difficult, and challenging adventure. But it is an adventure we can look to with excitement and with the knowledge that the only sure source of failure can be a failure of the will of the American people. I do not believe it will fail.

The foundation for a greatly expanded government contribution to volunteer service already exists. Now we must consolidate that foundation in order to build on it. To accomplish this, I propose a reorganization of the present volunteer service system. Accordingly, I herewith transmit to the Congress Reorganization Plan No. 1 of 1971, prepared in accordance with chapter 9 of title 5 of the United States Code. Reorganization would bring together within a single agency a number of voluntary action programs presently scattered throughout the executive branch of the Federal Government. The new agency would be called Action.

COMPOSITION

Under the reorganization plan Action would administer the functions of the following programs:

—Volunteers in Service to America: VISTA volunteers work in domestic poverty areas to help the poor break the poverty cycle.

—Auxiliary and Special Volunteer Programs in the Office of Economic Opportunity: At present the National Student Volunteer Program is administered under this authority. This program stimulates student voluntary action programs which deal with the problems of the poor.

—Foster Grandparents: This program provides opportunities for the elderly poor to assist needy children.

—Retired Senior Volunteer Program: RSVP provides opportunities for retired persons to perform voluntary services in their communities.

—Service Corps of Retired Executives: SCORE provides opportunities for retired businessmen to assist in the development of small businesses.

—Active Corps of Executives: ACE provides opportunities for working businessmen to assist in the development of small businesses.

After investigation I have found and hereby declare that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in section 901(a) of title 5 of the United States Code. In particular, the plan is responsive to section 901(a)(1), "to promote the better execution of the laws, the more effective management of the executive branch and of its agencies and functions, and the expeditious administration of the public business;" and section 901(a)(3), "to increase the efficiency of the operations of the Government to the fullest extent practicable."

The reorganizations provided for in the plan make necessary the appointment and compensation of new officers as specified in section 1 of the plan. The rates of compensation fixed for these officers would be comparable to those fixed for officers in the executive branch who have similar responsibilities.

The reorganization plan should result in more efficient operation of the Government. It is not practical, however, to itemize or aggregate the exact expenditure reductions which would result from this action.

Upon the establishment of Action, I would delegate to it the principal authority for the Peace Corps now vested in me as President and delegated to the Secretary of State. In addition, the function of the Office of Voluntary Action, now operating in the Department of Housing and Urban Development, would be transferred to the new agency by executive action.

Finally, I will submit legislation which would include the transfer of the functions of the Teacher Corps from the Department of Health, Education, and Welfare to the new agency. This legislation would expand authority to develop new uses of volunteer talents, it would provide a citizens' advisory board to work with the director of the new agency, and it would provide authority to match private contributions.

GOALS

Although reorganization is only a step, it is the essential first step toward the goal of a system of volunteer service which uses to the fullest advantages the power of all the American people to serve the purposes of the American nation.

In pursuing this goal, the new agency would, first, expand the testing and development of innovations in voluntary actions. Health services, housing, the environment, educational development, manpower, and community planning are just a few of the areas in which we would act to accomplish more through voluntary service, and I intend to ask for additional funds and additional authority for Action to explore new approaches to these and other problems.

In the future, we are going to have to find new ways for more people to fulfill themselves and to lead satisfying and productive lives. The problems are of concern even now, but they must be put in perspective quickly because they will soon be upon us. I believe at least some of the answers will be found in volunteer service. Action would work to find those answers and apply them.

Second, there are many Americans who want to contribute to our national life through voluntary citizen service, but who cannot serve full time. Their contributions must not be wasted. Volunteers in full-time service would work with part-time volunteers and the new agency would develop and provide opportunities for more people to give part-time service.

Third, Action would bring together in one place programs which appeal predominantly to younger Americans with those that appeal to older Americans, and would work to bring the energy, the innovative spirit, the experience, and the skills of each to bear on specific problems. The generations in America share America's problems—they must share in the search for solutions so that we all may share in the benefits of our solutions.

Fourth, Action would develop programs for combining foreign service with domestic service to accommodate volunteers interested in such an opportunity. I believe that young people in particular would be interested in the chance for this experience and would greatly benefit from it. I know there would be great value, for example, in permitting those who have served the needs of the poor abroad to turn their skills and experience to helping the poor at home, and vice versa. In addition, if volunteers are to reap the full benefit of serving, and if they are to be able to provide others the full benefit of their service, then we must open the doors to a fuller exchange of ideas and experiences between overseas and domestic volunteer efforts. These exchanges would considerably enhance the value of the experience gained in these endeavors by broadening the areas in which that experience is applied.

Fifth, at the present time valuable professional skills offered in voluntary service are too frequently limited by narrow categorical programs when their broader application is urgently needed. For example, the contributions of businessmen made through SCORE and ACE are provided only through the Small Business Administration. We know that the skills of business can be used in many areas where they are not used presently. Action would open new channels for service and would permit a more extensive utilization of business and other vocational and professional abilities.

Finally, by centralizing administrative functions of the volunteer services, the new agency would provide a more effective system of recruitment, training, and placement of full-time volunteers than the present circumstances permit. It would provide a single source of information and assistance for those who seek to volunteer full-time service. And it would permit more effective management of services than is currently possible in the administration of volunteer programs, as well as the more efficient use of resources.

PRINCIPLES

In restructuring our system of volunteer services, we can accomplish the goals which I have set forth. But we must do more than this. We must restructure our thinking about volunteer services. We must determine how to use our volunteer resources to accomplish more than they accomplish now. We need an increased effort to stimulate broader volunteer service, to involve more volunteers, and

to involve them not simply as foot-soldiers in massive enterprises directed from the top, but in those often small and local efforts that show immediate results, that give immediate satisfaction—those efforts that return to citizens a sense of having a hand in the business of building America. Part of our rethinking of this matter must look to the past so that we may properly meet the needs of the present and prepare for the possibilities of the future.

Volunteer service in poverty areas is a case in point. We already have considerable experience in dealing with the problems of poverty through the use of volunteers. Now we must build upon this experience and find new ways to use more effectively the volunteers presently serving in poverty areas, as well as in all other areas, and to stimulate new programs so that additional numbers of volunteers can assist in the solution of community and national problems.

In line with this effort to build on what we have learned, Action would function with particular concern for these basic principles:

—It would encourage local initiative, and would support local programs to solve local problems.

—Where appropriate, the new agency would assign volunteers to assist, and work under the technical supervision of other Federal agencies, State and local agencies or organizations, and private sponsors.

—The services of local part-time volunteers would be sought and supported in the effort to accomplish specific jobs. They would be assisted, when necessary, by full-time volunteers.

—Universities and colleges, State, city and private organizations must be engaged in the effort to broaden opportunities for volunteer service and under the new agency they would be assisted in these efforts.

—Finally, to meet the increasing need for skilled volunteers Action would give increased emphasis to recruiting and applying the skills of trained craftsmen and professional workers.

FUNDING

To insure that the new agency has the financial resources to begin working toward the goals I have outlined, I will seek for this agency an additional $20 million above the budget requests I have already submitted for the component agencies. These funds would be directed primarily to finding new ways to use volunteer services.

CONCLUSION

The early nineteenth century observer of America, Alexis de Tocqueville, was intrigued by the propensity of Americans to join together in promoting common purposes. "As soon as several of the inhabitants of the United States have taken up an opinion or a feeling which they wish to promote in the world, they look out for mutual assistance, and as soon as they have found one another out, they combine. From that moment they are no longer isolated men, but a power seen from afar. . . ."

Though we have seen the success of Government volunteer efforts in the past ten years, I believe voluntary citizen service is still little more than a power seen from afar. In relation to its potential, this power is virtually undeveloped. We must develop it.

There are those today, as there always will be, who find infinite fault with life in this Nation and who conveniently forget that they share responsibility for the quality of life we lead. But our needs are too great for this attitude to be accepted. America belongs to all of its people. We are all responsible for the direction this Nation will take in the century ahead, for the quality of life we will lead and our children will lead. We are all responsible, whether we choose to be or not, for the survival and the success of the American experience and the American dream.

So there is little room for the luxury of making complaints without making commitments.

America must enlist the ideals, the energy, the experience, and the skills of its people on a larger scale than it ever has in the past. We must insure that these efforts be used to maximum advantage. We must insure that the desire to serve be linked with the opportunity to serve. We must match the vision of youth with the wisdom of experience. We must apply the understanding gained from foreign service to domestic needs, and we must extend what we learn in domestic service to other nations. And in all these endeavors, I believe, we can bring the power seen from afar to focus clearly on the problems and the promise of our time.

RICHARD NIXON.

THE WHITE HOUSE, *March 24, 1971.*

FEDERAL VOLUNTEER PROGRAM

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, thousands of Americans are today being offered a chance to serve their country through the creation of a new volunteer agency. This new agency, proposed by President Nixon, will bring together the now uncoordinated efforts of a wide variety of smaller agencies. It will provide for better direction and a new sense of unified effort.

President Nixon's plans for the new agency go well beyond the simple concept of providing willing volunteers to meet the many tasks confronting both our Nation and the world. An expanded effort would be made to develop exciting innovations in the field of voluntary action. Health services, the environment, housing, and education are just a few of the areas where new approaches and meaningful action may be generated by the work of the new agency.

America has a proud history of volunteer service by its people. It is a history that runs from the tradition of neighbors helping neighbors in the earliest frontier days to the proud work of the Peace Corps vounteers working in 60 countries overseas today. The President's action will take that tradition ever farther, and I am pleased to be able to support it.

FEDERAL VOLUNTEER PROGRAM

(Mr. BAKER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BAKER. Mr. Speaker, the President has given us a practical and realizable means of mobilizing volunteer action to attract the problems of our Nation. By building on the experience of several Federal volunteer programs already in existence, the new agency can expect to have an immediate and beneficial impact. Of special merit is the role local initiative will play. The new agency will guide and counsel, and act as a clearinghouse for proposals involving volunteer action. But the real stimulus is from the cities and the States. It is there, at the local level, where people live with the problems they hope to solve, that the success of the new agency will be measured. But this expression of faith in the American people entails no real risk, for there are great human resources ready to serve if the leadership and framework are available. President Nixon has provided the leadership—and he has proposed the framework. It is up to us to insure that that framework is strengthened by our support.

RURAL TELEPHONE BANK

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. POAGE).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 7, with Mr. HAMILTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. POAGE) will be recognized for 1 hour, and the gentleman from Oklahoma (Mr. BELCHER) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and Members of the House, I know some of the Members wonder why you are considering this bill, H.R. 7, at this time. You have been seeing it for some time. In three successive Congresses the Committee on Agriculture has reported out a bill either exactly like this or very similar to it. It was last reported by a vote of 23 to 3 on the 10th day of February. A very similar bill was passed about a week ago by the Senate by a unanimous vote.

Mr. Chairman, there must be some reason why legislation of this kind would

continue to appear on the program of this House, and would receive so much general support when it is presented. I think the reason is very clear, and it is twofold. There is an outstanding need for additional financing of the rural telephone systems. And here I know that there is much confusion, and I am sure that some of you were confused when the title of the bill was read, because it refers to the Rural Electrification Administration.

Many of the Members are not aware that the financing of the rural telephone systems, both corporate and cooperative, is now done through the Rural Electrification Administration. This bill has nothing to do with loans to electric cooperatives, or electric companies. It relates solely to telephone operations regardless of the nature of their incorporation.

I would point out that there was considerable opposition to this measure by those who felt that if it proved the success which we trust that it will, that it then would be used as a means of financing the electric cooperatives. Many of the electric cooperatives thought that that was a good idea, and for some years they sought to be included. But in the meantime they gave up in disgust because of the long delay of the Congress. They decided that those of their members who had some resources would pool what resources they had.

But I would point out in the past—there was an agreement between the ranking minority member of our committee and myself that we would not, at least during that session of the Congress, bring up any legislation that would extend this principle to the electric cooperatives. While I can only speak for myself, at the moment I feel sure the ranking minority member agrees with me that we are not going to bring up any legislation now that relates to the electric cooperatives.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. McMILLAN. Is it not correct that the passage of this bill does not set any precedents or criteria for any other legislation?

Mr. POAGE. No—frankly, I think we are setting a precedent. But I think it is so clear that the precedent would be meaningless so far as the electric cooperatives are concerned because we have an understanding here, and I am sure the gentlemen himself as the ranking majority member of the committee will agree, that we will not bring out at this session of the Congress—and I cannot bind those down the road forever—but certainly this session we will not bring out any legislation that will extend this principle to the electric cooperatives. While I would not say it does not set a precedent, I would say it becomes utterly meaningless so far as establishing anything relating to the electric cooperatives is concerned.

Mr. McMILLAN. I thank the gentleman very much.

Mr. POAGE. I thank the gentleman very much.

Mr. Chairman, I do want it completely understood that what we are talking about in this bill is only telephone systems. The rural telephone systems need help and need it desperately. They need financing. Of course, there are lots of institutions in the United States which need financing but these telephone systems have all been built on the assumption that they could get some financing from the REA.

Now the Committee on Appropriations has in the last few years been appropriating about $125 million a year to provide for the financing of the telephone systems as distinguished from the electric cooperatives. That has not been enough to meet the needs. There is approximately $500 million of pending loans right now, most of which certainly would qualify, and represent real needs.

There is an estimate of the REA that during the next 15 years we will need $3½ billion to finance the rural telephone system.

I had some figures here a moment ago. I have them here—I think we should bear in mind that these systems serve the most sparsely settled areas of our country. The average density of the REA financed telephone lines is 3.9 customers per mile. The average density in the Bell System is something over 40 customers per mile. Even though they have most of the long lines, they have something over 40 customers per mile as opposed to less than four customers for the rural systems. In other words, Bell has more than 10 times as many customers for each mile than do the rural systems. Obviously, the major companies can be expected to serve and make a profit whereas these rural companies are suffering a loss.

So we find there is a need for financing the rural systems. I do not think anybody can deny that. They need additional capital. Now how do they get the needed capital at the present time? I want to make it clear just what is happening under existing law.

At the present time we are authorized to finance these rural systems through the REA with 2-percent interest. This is done through the appropriation process, and the Appropriations Committee is providing about $125 million a year. Those loans, of course, are quite expensive to the Government. I am not opposed to it. I am for it. I think that just as we are subsidizing most of the housing being built in the United States today, so must we recognize that we must provide assistance for the rural areas. We must provide some kind of cheaper interest. I am not objecting to the 2-percent interest. I am for it. But what I do want to make clear—and I want every Member here to realize this, and I wish we had the full membership on the floor—this bill does not change the existing authority in the present program. It merely sets up a system which will, over the years, make the need for subsidized financing substantially less than it is today.

It sets up a banking system based upon the principle we used when we established the land bank a great many years ago. The same principle has been applied to the intermediate credit banks, the PCA's and the banks for the cooperatives. In all of those institutions the Government advanced the original capital. I believe it was $80 million originally in the land bank. The Government put lots more into it before it got through. But all of that money has been repaid. The Government advanced the original capital. Every time a borrower made a loan from the land bank, he had to invest 5 percent of the amount of that loan in the stock of the land bank.

The same thing has happened in the banks for cooperatives. The same thing is provided in this bank. We set up a system whereby the Government will advance, not a vast sum, but $30 million a year, no more than $30 million a year. It cannot be $30 million just taken out of the General Funds of the Treasury. It can only come from the repayments of the outstanding 2-percent loans. That is the only source that the Appropriations Committee can use to get the money, and the Appropriations Committee must appropriate that money before it can be used. We are not authorizing back-door spending. We are saying that the Appropriations Committee will have the right to appropriate not to exceed $30 million a year, and from no other source than the repayments that come in from the presently outstanding loans, to buy capital stock in this bank.

When the Government puts money into the capital stock, there is a provision in this bill that the banks sale of debentures cannot exceed eight times the amount of the bank's capital. You understand that that is the way any bank operates, that it loans a great deal more money than its capital stock. The land banks have the authority today to borrow 20 times their capital stock—20 times. This bank is limited to eight times, all because we are trying to protect this thing so it will be absolutely sure that we are not imposing any kind of risk or obligation on the Government.

The bank then will sell its debentures in the open market. The Government does not guarantee those debentures. I want that real plain. The Government does not guarantee the debentures of the bank. The Government does not guarantee land bank debentures either. The Government simply lets the bank handle it as a business proposition, just like any other bank. That is what we establish here. We believe that with such a system, it will be possible to provide a good deal of credit without digging into the Public Treasury.

If the Appropriations Committee sees fit to let us buy a $30 million worth of class A stock the first year from the proceeds of the repayments on outstanding loans rural telephone loans, then that bank could, theoretically, loan as much as $240 million which could be generated by the sale of debentures at the rate of eight times the bank's capital.

As a practical matter, it would probably lend no more than approximately $150 million which would represent five times the bank's capital. That will be money they will probably get by the sale of the debentures in the open market. That will enable the bank to loan more money than the Appropriations Committee has been providing for the whole system in

the last few years—and it will not be all Government money.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield briefly at that point?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, it is not true that the borrowers from the land bank pay the going rate of interest that the Government itself must pay for its borrowing plus a small handling charge?

Mr. POAGE. The Government does not now put any money into the land bank. The land bank is completely paid out and is privately financed in its entirety.

Mr. TEAGUE of California. During the time the Government did have an investment in the land bank, was it not true the borrowers from the land bank paid the going rate of interest rather than a subsidized interest?

Mr. POAGE. They paid the same kind of interest rate that will be required here, exactly the same kind, because the interest rate will be determined by what the bank can get for its debentures. They cannot lend money they do not have, and they cannot get money unless they sell their debentures. It is the same thing with the land bank.

As to the subsidy in the land bank, let me call the attention of the gentleman to where the subsidy is. There is not any now, let me make that plain, but there was a subsidy in the land bank for a long time. It was through the Commissioner loans, and the loans were made at less than the going rate of interest and they were made out of the Treasury, not out of the sale of debentures. The land bank loaned Government money for many years through what is known as the Land Bank Commissioners and they did subsidize those loans.

Mr. TEAGUE of California. But how can this bank make loans at 2 percent or 4 percent if, as the gentleman said, they must make loans at what it costs them to get their capital?

Mr. POAGE. I do not think this bank can possibly make loans at 2 percent, and there is no such provision in the bill.

There is a provision for an intermediate type of credit.

Mr. TEAGUE of California. Not to exceed 4 percent.

Mr. POAGE. Correct, and that goes only to certain types of borrowers who it is felt are entitled to receive some kind of special consideration.

Mr. TEAGUE of California. I was not aware that there was much 4 percent money running around loose these days.

Mr. POAGE. I do not think there is. I think the 4 percent money carries a subsidy of 2 to 4 percent, does the gentleman not agree, under the present situation.

Mr. TEAGUE of California. Mr. Chairman, I thank the chairman of the committee.

Mr. POAGE. Mr. Chairman, I thank the gentleman from California.

Mr. Chairman, I would call attention to the fact that this bill just does not do anything to change the existing program. It is in addition to, not in place of. It allows the Administrator of REA to continue to make loans, just as the present law allows. We do not repeal that. But we do provide that if a telephone system has as much as 20 percent equity—that is not an awfully big equity—but if it has as much as 20 percent equity then it has to go to the bank and it cannot get the money from the Administrator of REA. It has to go to the bank.

We try to take care of those systems where there is not the ability to pay the interest rates that the bank must have, as the gentleman from California pointed out. The bank must certainly have more than the Government has been getting. We know there are telephone systems in this country that simply could not pay these rates. There are telephone systems that do not have any equity. There are telephone systems that do not have one subscriber for 5 miles of line. So we provide that if the telephone system does not have as many as three subscribers per mile, that it can still borrow from the current REA under the present terms. We do not change those laws.

We provide if it has less than 20-percent equity in the system it can still go to the administrator. If it has more than that, it has to come to the bank.

That relieves the administrator of a substantial amount of money that he would otherwise have to loan, and to the extent that it relieves him of even $1 it saves the Government some money.

This is not something adding to the expense of the Government. This is something that will, over the years, save the U.S. Government some money.

I know it can be said that, "We do not intend to finance those companies." Of course, if we do not intend to finance these rural electric systems we can close out the whole program and we can, of course, save the Government some money. We can save the Government some money by cutting out the highway program. We can save the Government some money by cutting out the courts.

But if we are going to carry on the program, then every dollar that is loaned by this bank is a direct saving to the U.S. Treasury. I challenge anybody to stand up here and show that it is not. I hope they will try. Every dollar that is loaned by this bank saves the Government; to the extent the Government does not make 2-percent loans, to the extent the bank loans, that is a savings to the U.S. Government.

I believe that is a pretty good deal, when we can carry on a program that is as needful as this rural telephone system is and at the same time remove some of the load from the U.S. Treasury.

That is what this bill will do. I believe it is a good bill. I hope the House will pass it.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Chairman, I thank the gentleman for yielding to me.

I am not a member of the Agriculture Committee, but I was the administrator of the rural electrification program during the Eisenhower administration.

During the early history of this program the telephone program was going nowhere. As a matter of policy in REA, we decided that the independent telephone companies of our country should be brought into the operation of the rural telephone program, because a cooperative, in order to work, needed a central exchange. The independents had the central exchange, but they did not have the funds to serve the rural areas because the count per mile was very low. The program started to move when we changed that policy with the result that today we have wide representation and a great extension of telephone service to rural America.

I would like to point out that there has been a problem for an independent serving rural areas arising out of the lack of capital funds and the lack of income to finance expansion. Under the terms of this bill I believe we are moving in the right direction to solve this problem.

I understand there is some difference of opinion between the Office of Management and Budget and the Committee as to certain details of this bill, but I hope in conference it can be worked out so that we will have a program which will serve rural America.

When I was administrator of the rural electrification and telephone programs, I proposed a revolving fund type of financing that would leave in the program the money already there for purposes of further lending to assure REA electric and telephone borrowers a source of money in the future. At that time my plan was frowned upon, but I am happy to see now a recognition of the need to move in the direction of getting off the Government's back through establishment of a separate facility which assures financing in the future.

I am not familiar with every detail of this bill, but I am familiar with the need. I am familiar with what this program has done. I want to assure my colleagues of its great potential for making a great contribution to rural America.

The rural electric program had already made a remarkable contribution to a better life in rural America.

I found that out very forcibly a couple of weeks ago when we had a snowstorm while I was home in Minnesota. The power lines were down, because of the storm, and we had 40 cows to milk by hand. I want you to know that I and one other man milked until midnight. We started over again early the next morning and kept right on milking until noon. When the power came on I really appreciated the REA that much more.

Mr. Chairman, I want to congratulate the committee and especially BOB POAGE and PAGE BELCHER, who as chairman and ranking minority member of the committee, have been great in their efforts to develop this program.

I hope we can work out a financing bill that will be adequate to do the job.

I congratulate the committee and intend to support the bill.

Mr. MAYNE. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. Yes. I yield to the gentelman from Iowa (Mr. MAYNE), a member of the Agriculture Committee.

Mr. MAYNE. I certainly want to commend the gentleman from Minnesota for the excellent statement he is making and for the years of dedicated and effective service he has given to this Nation and especially to our farming population as

national director of the REA during the Eisenhower administration.

Mr. Chairman, I rise in strong support of this bill which will greatly strengthen telephone service to rural America, and urge all Members of the House to join me in voting "yes."

Mr. BELCHER. Mr. Chairman, I yield 10 minutes to the gentleman from California (Mr. TEAGUE).

Mr. TEAGUE of California. Mr. Chairman, I feel as though I am fighting kind of a lonely battle up here, but I am going to keep trying, anyway.

There were several points I made when we had our little discussion on the adoption of the rule. I have some more and I would like to repeat those that I previously made, also.

First of all, I would like to tell you that there were no hearings on this bill for 2 years. No report was requested from the Department of Agriculture.

I think this next point is something that very few people realize, but it is terribly important.

We are not just talking about poor little rural cooperative groups here. Seventy percent of these rural telephone companies are commercial corporations organized for profit. I call to your attention a table appearing on page 28 of the minority report which indicates that at least 30 of these companies in 1967 made a profit in excess of 30 percent on their net worth. I wish I had a more up-to-date table. I would have had, had we had hearings on this bill. Many of these companies, I am sure, are family owned. I am all for that. They pay themselves, the members of the families, adequate salaries, I presume, and they are still able to pay dividends.

They have other sources of raising the necessary money to improve and modernize their systems. I do not question at all the chairman's statement that these systems must be modernized, but the cooperatives can go to the bank for cooperatives. If necessary, that law may have to be altered or changed some, but they can go to the bank for cooperatives and pay the going rate on interest just like other borrowers do from the other farm lending agencies. Private corporations can go to commercial banks and get loans, I am sure. There is no reason that I know of why they could not go to their utility commissions in the various States and get a modest rate increase such as is necessary to provide the modernization required.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I am glad to yield to the chairman of the committee.

Mr. POAGE. I wonder if the gentleman will tell us what these 30 companies he named, that appear in the minority report—I wonder if he will tell us what the average return on their capital investment was.

Mr. TEAGUE of California. It is all in the table there, Mr. Chairman. I have not figured out the average.

Mr. POAGE. It reads 2.9, 3.9, 4.5, 4.4, 6.9, 3.4, 2.2, 3.7, and 3.05.

I just wondered since the gentleman mentioned the fact whether the gentleman was not talking about something else when he said that they made a profit of 30 percent. Surely, he was not talking about return on their capital investment. He was talking about a return on the equity they had.

Mr. TEAGUE of California. That is right, of course.

Mr. POAGE. And, Mr. Chairman, if the gentleman will yield further, return on equity gives absolutely no idea of the success of a business. Most of these companies had very little equity, therefore, a very small profit would show up as a very large return on equity. Does the gentleman feel that such a yardstick gives a fair idea of profits?

Mr. TEAGUE of California. I think it does. There are several in here with figures on their total capital profits of 11 percent, 12 percent, and 8 percent.

So, anyway, for further detail I refer the gentleman from Texas to the table which appears on page 28 of the committee report.

Mr. Chairman, there is no reason why these private corporations, insofar as I know, cannot issue debentures. As I said before, they could go to the utility commissions and get necessary rate increases.

There is a banking aspect involved in this measure. Of course, I do not quite understand it, because I am certainly not a banker. I think some of you understand it. I think the gentleman from Pennsylvania (Mr. GOODLING) is on the board of directors of a bank. It is my understanding that the telephone bank can go out into the money market and borrow money at 5, 6, 7, or 8 percent, but this bill provides intermediate interest at not to exceed 4 percent. How it can do that and still remain solvent is something I do not quite understand. This is why I have definitely convinced myself that the taxpayers will never see a return on the $300 million which we are investing in this telephone bank. I do not think it will be a success. Poor Uncle Sam will be left holding the bag.

Mr. Chairman, there is another aspect of this which I think ought to be considered. One hundred and fifty of these little rural electric companies were acquired by Continental Telephone Co. in the last few years. I think we will see more of this. If these little companies are able to get 2-percent and 4-percent loans repayable in 50 years, their value as a going concern will be considerably increased and they will be swallowed up by the big companies.

Mr. Chairman, there are many differences between the bill passed by the other body and the one under consideration here.

When we get back in the House I will ask permission to insert those differences in the RECORD. In the meantime, even though the committee did not request any report from the Executive Department, I did. I have a letter dated March 9 from the Executive Office—the President's Office of Management and Budget—signed by Caspar W. Weinberger, Deputy Director. I think I should read parts of that letter into the RECORD:

We would not support the provisions of H.R. 7 which are at variance with the provisions of S. 70—

Which is the bill passed by the Senate and which is the administration bill or close to it—

Our specific views on the points set forth in your letter are as follows:

1. OMB agrees with the provisions of S. 70, under which the rural telephone account would contain only so much of the net collection proceeds of the REA telephone program as are needed to buy class A stock in the bank.

2. OMB believes that the money in the rural telephone account should remain in the Treasury until disbursed as provided in S. 70.

3. OMB supports the 4 percent minimum on bank loan interest rates as provided in S. 70.

4. OMB believes that the bank should be considered to be a wholly-owned government corporation under the Government Corporation Control Act as provided in S. 70.

Let me state at that time under the provisions of our bill, the House bill, H.R. 7, the Government controls the corporation until two-thirds of the capital has been returned; in other words, $200 million. Who knows when that will be? But the Government does have some control up until that time, because seven out of the 13 directors will be Government people, but after two-thirds is returned to the Government, $100 million of Government capital still is in the hands of the telephone bank and the Government loses all control thereof over the operations of the bank.

Now, Mr. Chairman, to go on with Mr. Weinberger's letter:

5. OMB believes that even after conversion of the bank of private ownership, its debentures should be issued only after consultation with the Treasury Department as provided in S. 70.

6. OMB supports the language of S. 70 which expresses a preference for bank loans rather than REA loans at 2 percent.

7. OMB favors the provision in S. 70 which requires that approval for a borrower to dispose of property be conditioned on the borrower's agreement to pay interest at a rate such as he would have to pay on new loans and on his agreement to refinance his loan on such basis.

8. OMB agrees with the provision in S. 70 which provides that the conversion of the bank to borrower ownership would not occur until all class A stock has been retired.

I repeat, this is a $300 million—to put it bluntly—raid on the Treasury.

Also, repeating—I am not questioning the necessity of refinancing for these telephone companies, but I have pointed out other sources and means that are available to them. And at this time of our careful looking at priorities which face us, this certainly ought to be way down, way, way down on the priority list. Therefore, I hope the bill will be defeated.

Mr. Chairman, the report that I have referred previously is as follows:

(1) H.R. 7 treats the telephone bank as a mixed-ownership Government corporation but exempts it from the requirements of Treasury approval of its debentures. S. 70 treats the bank as a wholly owned Government corporation requiring Treasury approval of its debentures and preparation of an annual business-type budget in addition to auditing by the General Accounting Office.

(2) Conversion to private control occurs when the Government's investment in class A stock is reduced to one-third of the total outstanding stock under H.R. 7 and when it

has been fully retired under S. 70. Consultation with the Treasury on the issuance of debentures after conversion is required under S. 70 but not under H.R. 7.

(3) H.R. 7 provides that the telephone account will be used in accounting for regular REA loans as well as the Government's investment in the bank. S. 70 limits the rural telephone account to the amount needed for the Government's investment annually in the bank.

(4) H.R. 7 provides for deposit of all collections on telephone loans in the rural telephone account. S. 70 limits the amount of telephone loan collections to be deposited in the telephone loan account to the amount needed for the purchase of class A stock.

(5) Both S. 70 and H.R. 7 permit REA loans to be made to low-density areas (three subscribers or less per mile) even if bank loan funds are available. S. 70 requires that loans for higher density borrowers be made from the rural telephone bank when bank funds are available and the borrower meets the bank's requirements for financing. This requirement is not specifically included in H.R. 7.

(6) H.R. 7 contains provisions for bank loans at a rate sufficient to cover the bank's cost of money and other expenses and also a provision for some bank loans at 4 percent or the average yield on Government securities with comparable terms, whichever is less. S. 70 requires that bank loans are to bear the highest practical rate of interest consistent with the borrower's ability to pay. The report on S. 70 makes it clear that a borrower may obtain loans simultaneously from both the bank and REA if such financing will produce interest costs within the borrower's ability to pay.

(7) H.R. 7 requires that bank loans would not be made unless the governor of the bank certifies that the security is adequate and the loan will be paid within the time agreed. S. 70 requires additionally that the borrower be capable of producing net income before interest of at least 150 percent of the interest payments on outstanding and proposed loans.

(8) H.R. 7 contains a provision that the maturity of loans could be accelerated if the borrower violated its agreement not to engage in specified unlawful political activities. S. 70 does not contain this provision.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, one of the progressive steps taken many years ago to help rural areas was an enactment of legislation providing for loans for rural telephone cooperatives. Congress wisely set the interest rates low on these loans to make certain that the opportunity to provide the service would be there.

We owe a great deal to the foresight of the men who launched this solution to the communication problem for farmers and ranchers. Across the countryside of America the telephone lines stretch for long distances with only a few users per mile. The national average is 3 per mile on the rural cooperative lines, but in my western country there is often only one user in 2 or more miles.

Communication in many rural areas would be almost nonexistent if it were not for rural telephone associations or cooperatives. The need for the telephones in the rural farms and ranches is as great as any other business or home in the United States, yet only 39 percent had phones when the RTA program started in 1949. Today 82 percent have phones.

As a result of the development of rural telephone cooperatives, time, lives, and health have been saved. Emergencies have been met by picking up the telephone and calling for help. The business of the farms and ranches of the Nation like business everywhere is conducted also on the telephone. The comfort of visiting with friends, neighbors, and relatives across the country has been provided to rural people over these telephone lines. We have increased productivity, we have ended the isolation and increased desirability of living on farms and ranches. It is an entirely successful and worthwhile program. And it is a two-way success because through modern communication it has brought rural and urban people closer together.

The job of providing areawide service, which the cooperatives undertook in spite of distances and few customers per mile, could not have been done without 2-percent loan money. It has been a fine investment of benefit to the entire Nation.

The telephone cooperatives are now proposing through a financing arrangement of their own, to let some of the cooperatives which can afford to pay higher interest assume part of the burden of raising necessary capital to fund a backlog of $400 million in capital needs.

Continuation of Government provision of low-interest, 2-percent loan funds is not only essential to continued success of the systems, however, for some of the coops in sparsely settled areas must still have it, but it is necessary to keep Uncle Sam's commitments to the cooperatives. They have extended lines to widely scattered customers. They are providing the areawide service which was their part of the bargain. The Government owes them, in return, reasonably priced capital. That was the agreement and we should continue to keep it. This bill is the means of keeping that bargain.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, as has been pointed out by the committee, the purpose of H.R. 7 is to improve telephone service in rural areas by providing an additional source of capital to telephone cooperatives and companies serving rural areas of the Nation. This new source of capital would be in addition to the basic Federal 2-percent loans provided for in the Rural Electrification Act of 1936.

To this purpose, the legislation would create a new Government-sponsored financial institution—a rural telephone bank—to provide a new supplemental non-Federal source of capital for rural telephone systems. It would bring funds from the private money market into these systems.

REA telephone borrowers—totaling 878—642 commercial companies and 236 cooperatives—have received loans of almost $1.75 billion since the beginning of the telephone program in 1949. They will need more than twice this amount in the next 15 years.

With the diverse demands upon the Federal Treasury, it is imperative that new and additional sources of capital funds, at usable interest rates, be developed if these needs are to be met.

We are concerned that sufficient Government money is not available. The committee is also concerned over public misunderstanding of the REA programs. Many people believe the Government gives money to the systems and to others for the development of the telephone services. It does not. It loans money for REA financing. The Congress in 1944 set a 2-percent interest rate on the REA loans. Two percent was the approximate interest cost of money to the Treasury at that time. The only Government subsidy involved in making telephone service available to rural America and in taking telephone service to farm people is the difference between the 2 percent charged on REA loans and the higher cost the Government now must pay for money it borrows. The REA telephone systems almost without exception are even or ahead in repayment of the money the Government has loaned to them.

No subsidy so small ever has achieved such great benefits for the farmers and for the Nation at large.

Nevertheless, the operators of the telephone systems feel that sufficient Government loan money may not be available to meet their expanding needs in the future, and they came to the Congress with proposals for the establishment of the telephone bank, even though this legislation will no doubt result in higher money costs to the more prosperous systems.

In 1949, only about 39 percent of U.S. farms were receiving telephone service of any kind. Now approximately 83 percent have telephone service, most of it modern dial. REA loans have been made to build and improve 565,000 miles of telephone line serving 2,450,000 subscribers in rural areas.

This program has helped farm families to improve vastly their standard of living and they in turn have benefited the Nation's consumers by increasing the efficiency of food and fiber production, and have contributed to making the United States today a land of abundance. This program has also helped to create multibillion-dollar markets for urban manufacturing industries.

This Government undertaking has brought wide rewards to many people at very little cost.

Mr. Chairman, there is broad support for the telephone bank. The committee has approved this bill creating the telephone bank in order that our rural areas not be denied the type of telephone service they deserve on an equal basis with the urban subscribers of our country. I hope the proposal will be favorably acted upon today.

Mr. BELCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. THOMSON).

Mr. THOMSON of Wisconsin. Mr. Chairman, I rise in support of H.R. 7.

At the outset, it must be recognized that rural telephone service is distinct in many ways from that found in urban or semirural areas. The party line, an anachronism in most of the United States, is still a fact of life for numerous

rural residents. Some have estimated that as many as two-thirds of rural telephones are on party lines.

A private telephone line is no longer a luxury. In fact, it is essential for the conduct of business and personal affairs. Even when there are but two families on the same line, the telephone ceases to function as it should. Add more subscribers, and the situation becomes worse for the individual becomes increasingly dependent upon the discretion and good manners of the others.

The large geographic areas involved makes rural telephone service more expensive per unit than normal operations. This is true not only for maintenance and modernization of existing facilities, but for the addition of new subscribers as well. At this very moment, 17 percent of the rural homes in America do not have any telephone service. To reach them, large resources will be needed even though rural telephone co-ops have difficulty maintaining and improving existing service.

There are those who feel H.R. 7 is a subsidy to rural America. I believe, however, the $9 or $10 million spent on making up the difference in interest payments is an investment.

Rural areas of our Nation cannot develop and help take the population pressures off urban America unless basic services can be provided. Certainly, rural America needs many services, roads, schools, water and sewers, and so forth, but most basically there is a need for communication. Unless the rural resident can communicate his ideas, wants, and needs with an urban society and vice versa, we are relegating nonurban areas to a constant state of underdevelopment and poverty. This is neither good for those in rural America, nor the Nation as a whole.

Mr. Chairman, we must understand that rural development is a highly desirable objective. But it has no possibility of accomplishment without basic communication facilities; that is, modern telephone service. In the past, we have seen rural telephone service expanded immensely. There is no reason why this service should not be able to continue expanding and modernizing to meet the needs of a developing countryside.

Mr. BELCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. HOGAN).

Mr. HOGAN. Mr. Chairman, I rise in enthusiastic support of this legislation. I think it is long overdue.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. ZWACH).

Mr. ZWACH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of this bill.

America is indeed fortunate that we passed years ago in this Congress the farm credit system. The farm credit system, the Federal land bank, has enabled the land to stay in the hands in the main of our people.

This telephone bank bill is intended to do in this area what the Federal land bank has done in the area of the ownership of land. So we are not here today legislating in the dark. We have a history and a background upon which to legislate.

Countryside development is around us and is discussed everywhere. Without proper communications in rural America, we never would have countryside development. It is imperative that we improve our communication system. Both sides of the aisle in this body have long stood in strong support of the Federal land bank. I know both sides of the aisle will stand in strong support of rural telephones.

Speaking of priorities, members of the committee, certainly there is nothing that should have more of a priority today than laying the groundwork for countryside America. We must reverse the trend of stacking more and more and more of our people in less and less and less of our land. Proper communications in countryside America lays a background for solving the problems of rural and urban America.

Mr. Chairman, I am very pleased that one of the first pieces of legislation we have before us in the 92d Congress is H.R. 7, which would establish a rural telephone bank.

This is of vital importance to rural America. Many hundreds of rural telephone systems were started at the turn of the century and the approximate 20 years following. By 1949, these systems were 40 to 50 years old, and were becoming inadequate. Actually, there were less telephones in rural America in 1949 than there were in 1920. They found themselves in a position where they were trying to operate a system of equipment that was put in at the turn of the century while, at the same time, urban America was being revitalized in its telephone communications by rather dramatic efforts in technological improvements.

The time came when something had to be done. When these rural telephone companies tried to secure adequate debt capital financing they suddenly realized that they were not the attractive types of risk that either a banker or an insurance company was prepared to handle. We had a financial vacuum so far as the ability of the rural telephone companies at that time to obtain financing to rebuild and improve their systems.

At the same time the REA electric program had already proved itself, and so, in 1949, an amendment to the REA Act was proposed to the Congress to try to help cure this situation for rural America.

Whereas only 39 percent of our American farms had telephone service in 1949, the enactment of the telephone program has brought this to 83 percent. The REA telephone companies are operating the most modern dial system in America. They are cooperating with the entire telephone industry to see that this modern type of service is furnished.

But once again, they have come to a crossroad where they need more debt capital. This is just as much of a need today as it was before 1949, and the reason is that the amount of money needed has more than doubled since 1949. This is due to the upgrading of the service that is taking place within this industry in rural America.

Back in the early days, the standard of REA was eight parties on a rural line. We are finding out that rural America is not satisfied with this eight-party service and a tremendous amount of upgrading is taking place. Upgrading is taking place to the extent that those eight-party lines are now being reduced to four-party lines, and where economically feasible, one-party per line.

The Bell Systems feels that they can have 90 percent of their entire system converted to a one-party system by 1975, and, certainly, it would not be well for rural America to lag far behind in the furnishing of this kind of service.

Estimates indicate that these rural telephone systems will need in the next 15 years more than twice the $1.7 billion they have received in loans during the first 20 years of the telephone loan program. It seems obvious that other sources of financing must be sought to supplement the present loan program if the rural telephone systems are to meet their service responsibilities.

We have before us today, H.R. 7, which would establish a telephone bank and provide an additional source of financing for our rural telephone program. The proposed legislation would provide a long-term credit institution which would do two things. First, it would bring in capital from the private money sector to supplement the present loan program. Second, it would establish a credit institution that would eventually be owned and controlled by its patrons.

The Federal Government would furnish capital to the telephone bank at a rate of $30 million annually from repayments on outstanding rural telephone loans until the total reached $300 million. The bank would pay a return of 2 percent on the money provided by the Government.

We have been working on this legislation and trying to get it passed in the last three Congresses. I urge my colleagues here in this Congress to join in support of this legislation so that we can finally establish this additional source of credit which is so urgently needed in our rural areas.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. ZWACH. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Chairman, I would like to associate myself with the remarks of the gentleman in the well in support of this bill. We certainly need this type of legislation. We have heard a lot of talk lately about rural renewal. Rural renewal means simply to encourage people to stay in the less densely populated areas so that they do not move to the urban areas and, thus, cause all the problems that overcrowding has caused—with additional Federal funds needed for mass transit, urban renewal, pollution control and the rest when people are gathered too closely together.

Let us take a look at the need for 2-percent money in the rural areas. It is simply needed because we have to have it if we are going to give comparable services at anywhere close to the same

rate city people pay for them. The costs are greater to serve the rural areas. The average co-op has less than three subscribers per mile. The Bell System has almost 40 subscribers per mile.

The rural telephone co-ops average about $300 per mile in revenue and the Bell System grosses about $11,000 per mile. If the less densely populated rural areas are to have telephone service at rates anywhere near what their city friends pay, this type of legislation is seriously needed.

If we are going to keep people living in the rural areas, they have to have telephone service. We who live in rural areas know how it feels to have a child with a temperature of 105 degrees and the importance at that time of dependable service when the doctor is at the other end of 12 miles of blizzard-blocked roads. At such a time you cannot tell a farmer that telephone service is unimportant to himself and his family.

It was my privilege this year to address the annual meeting of the National Telephone Cooperative Association in Houston, Tex. In my remarks, I stressed the importance and responsibility those of us from rural America have in maintaining the quality of life in our countryside.

I am sure that all of my colleagues have read articles which discuss the flow of people from rural America to the major metropolises which are already overcrowded and plagued with a vast demand on the Federal Government for mass transit, for urban renewal, for smog control, environmental enhancement, clean air, and all the rest. One of the best ways to begin to relieve this problem is to encourage our people to live in the country. In order to do this we must, first, insure that people will get a fair return for their labor—this, of course, has to do with agricultural price improvement; and, second, insure people that the quality of living in rural America will be satisfactory to them.

This second point is where H.R. 7 means so much to the development and strengthening of our rural areas. If we are to reverse this trend of outmigration from our farms to the already crowded cities, we must provide for a dynamic rural America.

The rural telephone program, which was begun in 1949, is essential to the development and revitalization of our rural sections of the country. It will make rural America not only an attractive and safer place for the families who now live there, but also will make possible new industries and business and the families that go with them. Everyone knows that we cannot expect industry and people to either settle or stay in communities where they cannot enjoy quality telephone service.

I feel it is imperative that we update the present phone system we do have in our rural areas. The demand for single party service continues to increase, and there still remains the unfinished job of reaching the estimated 18 percent of the rural establishments which do not have telephone service.

The need, therefore, for supplemental funding through banks is obvious. The backlog of loan applications has increased from 296.5 million on December 31, 1968, to 457.3 million on December 31, 1970. There would undoubtedly be far more applications except for the fact borrowers can see no point in submitting applications when they cannot possibly be acted on for 3 or 4 years.

I was very pleased when the President, in his budget message, said the following:

> The 1972 budget request anticipates that a supplemental source of financing, using both private and Government capital, will be available in the 1972 fiscal year to satisfy a part of the capital requirements of the rural telephone system.

Our rural telephone associations simply cannot go directly into the private money market because of their uniquely low subscriber density. It costs far more per subscriber to service the RTA density of 3.8 per route mile in comparison with the over 40 per mile for the Bell System companies.

Mr. Chairman, if we are to fulfill the mandate of Congress when the rural telephone program was authorized—to assure the availability of adequate telephone service to the widest practicable number of rural users of such service—we must provide a flexible system of financing.

I believe that with the passage of this legislation, the REA telephone program will be strengthened and along with it, the rural areas of this great Nation.

Mr. ZWACH. I thank the gentleman for his contribution. I now yield to the gentleman from North Carolina (Mr. MIZELL).

Mr. MIZELL. Mr. Chairman, I thank the gentleman from Minnesota for yielding. I would like to say also that I know of no one who has a greater interest in developing rural America than the gentleman in the well. At the same time our Committee on Agriculture certainly has the greatest interest in seeing that rural America continues to move ahead.

H.R. 7 is just another tool that the Agriculture Committee has seen fit to provide, for the continual development of rural America and provide the services that are so badly needed. I think it is an excellent approach to providing the financing for rural telephone service for the citizens of rural America.

Mr. MIZELL. This bill would create a rural telephone bank, initially under the supervision of the Secretary of Agriculture, to provide a new non-Federal source of financing to supplement the existing telephone loan program now administered by the Rural Electrification Administration.

The REA currently has a huge backlog of loan applications, and such a supplemental source of financing is badly needed to expand and improve rural telephone service.

Since 1949, the REA has been providing a very worthwhile service by giving 35-year loans to these rural telephone systems at a 2-percent annual interest rate.

But many of these systems have prospered over the years and can now afford to pay higher interest rates. Two-percent money for these cooperatives is unnecessary and obsolete.

However, there is currently no program bridging the gap between the REA's 2-percent loans and the much higher interest rates the systems would have to pay if they tried to borrow money through the private money market.

I believe this rural telephone bank can provide such a bridge. The bank could meet the need of rural telephone systems for greater financing to improve their services, and it could at the same time move these rural telephone borrowers away from 2-percent loans gradually, as their borrowing capacity increased, toward intermediate financing at a 4-percent interest level and eventual financing in the private market.

Some rural telephone cooperatives, particularly some of the newer ones, are not yet well enough established to borrow money at a 4-percent rate. In many cases, initial loans to get these services started tie up the bulk of a young company's resources.

For these cooperatives that cannot afford 4-percent money as provided by the rural telephone bank, I believe we need to insure their continued ability to borrow money at the 2-percent level directly from the Federal Treasury.

This is not to say we should favor one cooperative over another. It is simply a good business proposition that is fair to all concerned parties.

And let us not forget the original intent of this entire program, and that is to provide the best possible community telephone service for rural Americans. I believe this measure will help provide that service, and I urge my colleagues to join me in voting for passage of H.R. 7.

Mr. ZWACH. I thank the gentleman from North Carolina, and point out the gentleman's great contribution to countryside America.

Mr. BELCHER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Chairman, REA came into being in 1936. It was largely a "depression" recovery mechanism. None will deny it served a useful purpose and was responsible for rural areas obtaining electric current that private interests simply could not furnish for economic reasons. Telephone financing, in a similar manner, came into being in 1949.

Today we consider a bill designed to perpetuate the greatest fiscal inequity that has ever been endured by the American taxpayer. I refer to the unconscionable 2-percent loar subsidy program of the rural telephone bank. This bill proposes to lend the telephone bank $300 million at 2 percent interest.

There are those who say that the Government will not lose anything through this transaction. While interest rates have declined somewhat recently, several months ago Government and private industry were paying 8½ percent and more for money.

In this fiscal year REA will lend nearly a half billion dollars at a 2-percent interest rate to electric and telephone cooperatives, many of them readily able to pay their own way in the money market.

Let me give you some recent figures on 'ending. I refer to the Daily Sum-

mary that comes out of the U.S. Department of Agriculture, the one dated Tuesday, December 29, 1970, and others. The first is a charge per customer of $1,749. The second $1,151 per customer, the third $1,461 per person and this continues:

EXCERPTS FROM THE DAILY SUMMARY

TUESDAY, DECEMBER 29, 1970

REA Electrification Loans to Benefit 7,061 New Consumers: Loans totaling $12,451,000 to 13 REA borrowers, in Ga., Iowa, Ky., Mo., Montana, Okla., S. Dak., Tex. & Wash. 3913–70. $1,749 per customer.

WEDNESDAY, DECEMBER 30, 1970

REA Telephone Loans to Benefit 3,838 Subscribers: Loans totaling $4,418,800 to 7 REA borrowers in Kans., Mo., Neb., Okla., Ore., & S. Dak. 3914–70. $1,151 per customer.

TUESDAY, JANUARY 5, 1971

REA Electrification Loans to Benefit 6,815 Consumers: Loans totaling $9,862,000 to 7 REA borrowers in Colo., Ga., Kans., La., N.J. & S. Dak. 4019–70.

MONDAY, JANUARY 11, 1971

REA Approves Three Telephone Loans: Amounting to $2,040,000, borrowers receiving loans are located in Ala, Okla., & S. C., 52–71.

TUESDAY, JANUARY 26, 1971

REA Electrification Loans to Benefit 11,336 New Consumers: Loans totaling $10,601,000 to 15 REA borrowers in Ark., Fla., Ky., Minn., Mo., Mont., N.C., Ohio, Okla., Tenn., Tex., W. Va., & Wis., 218–71.

MONDAY, FEBRUARY 1, 1971

REA Approves Six Telephone Loans: Amounting to $5,869,000, borrowers receiving the loans are located in Ark., Ill., Kansas, N.C., S.C. & Wis., 293–71.

REA Electrification Loans to Benefit 6,862 Consumers: Loans totaling $8,536,000 to 10 REA borrowers in Iowa, Ohio, Minn., N. Mex., N.C., S. Dak., Tex. & Va., 294–71.

MONDAY, FEBRUARY 8, 1971

REA Approves Two Telephone Loans: Amounting to $757,000. Borrowers receiving loans are located in Colo., & Wash., 382–71.

TUESDAY, FEBRUARY 9, 1971

REA Electrification Loans to Benefit 8,309 New Consumers: Loans totaling $9,767,000 to 15 REA borrowers in Iowa, La., Mo., Montana, N. Dak., Ohio, S. Dak., Tex., Va., Wis., & Wyo., 381–71.

WEDNESDAY, FEBRUARY 17, 1971

REA Electrification Loans to Benefit 2,107 New Consumers: Loans totaling $3,885,000 to 5 REA borrowers. Located in Iowa, North Dakota, New Hampshire & Wisconsin, 469–71.

MONDAY, FEBRUARY 22, 1971

REA Approves Three Telephone Loans: Amounting to $2,045,000. Borrowers receiving loans are located in Ala., Kans., & N.C., 543–71.

REA Electrification Loans to Benefit 5,597 New Consumers: Loans totaling $3,847,000 to 6 REA borrowers. Located in Ala., Ark., Ga., Iowa, Mich., & Tenn., 544–71.

MONDAY, MARCH 1, 1971

REA Approves Three Electrification Loans: Amounting to $4,149,000. Borrowers receiving loans are located in Colo., Ga., & Iowa, 680–71.

MONDAY, MARCH 15 1971

REA Approves Four Telephone Loans: Amounting to $4,671,000. Borrowers receiving loans are located in New Mexico, Texas and Wis., 821–71.

REA Approves Five Electrification Loans: Amounting to $2,194,000. Borrowers receiving loans located in Iowa, Minn., Utah & Wis., 822–71.

One does not have to be an Einstein to realize the terrific cost to the Government at a time when our national debt is orbiting to astronomical heights. Each minute I stand here, and I hope each Member will pay attention, each minute I stand here we pay $38,000-plus in interest charges on our national debt. Let me repeat, that is $38,000 for every minute that I stand here. That is true 24 hours per day and 7 days per week.

I am completely flabbergasted and amazed that the Department of Agriculture continues not only to tolerate, but also to advocate a program which makes loans available to a privileged few borrowers at such ridiculously low interest rates.

How, I ask, can our Federal Government look a Vietnam veteran squarely in the eye and have the colossal nerve to tell him his GI home loan will cost him 7 to 8 percent, when a giant co-op is actually milking the taxpayers by getting millions for only 2 percent per year?

How can anyone justify this when other Government loan programs at least reflect the cost of money to the overworked taxpayer? Yet we allow this 2-percent subsidy to go along unfettered and unbridled. How can anyone justify such an unsound program in this time of severe economic difficulty brought on by heavy inflationary pressure? Inflation, Members will remember, is largely the result of the Government spending money it does not have.

When we are attempting to consolidate agencies this is not an appropriate time for the House to create another gigantic Government-subsidized lending institution without either public hearings or consideration of the administration's recommendations. This completely unnecessary legislation should not be supported. To perpetuate and expand a 2-percent loan program to a favored few should be unthinkable. Certainly the taxpaying public has every right to expect the House to either kill or cure this bill which is the tattered remains of a proposal which has three times been spurned by previous Congresses.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. VIGORITO).

Mr. VIGORITO. Mr. Chairman, I thank the chairman of the committee for yielding me this time.

Mr. Chairman, I am on the committee, but I rise in opposition to this bill. I have heard many words this afternoon, but there are many facts which have not been brought out, and I hope to bring them out. I am for the REA program. It has done a tremendous job. As I understand it, in 1948 the REA Act was amended to bring in the rural telephone industry. At that time there were 6,000 independent telephone companies. Did that save the number of independent telephone companies? Of course not. The number dropped from 6,000 down to 1,894 companies at the end of 1969, or at the rate of 200 a year. For the last couple years they have been decreasing at the rate of 108 telephone companies each year. That means a few companies are getting larger.

Unsecured debentures on the money market will not bring a low rate of interest. It will still have to be a high rate of interest.

Do the independents really need it? In the 2 years from 1967 to 1969 they increased their plant investment from $8.8 to $11.3 billion, a tremendous increase of $2.5 billion. They increased the number of telephones from a little over 17 to 19½ million. That is better than 1 million telephones a year for the independents. So why do they need a "shot in the arm" for cheaper or easier financing?

The money is there in the open money market. That is where they are borrowing most of it now.

The American Telephone & Telegraph Co., which is the Bell System, has 85 percent of the telephones. That is one company. The other 1,894 telephone companies have the other 15 percent.

But if we take the top three only, American Telephone & Telegraph and General Telephone & United Telephone, the top three have over 90 percent of all the telephones in the United States. So the other 1,892 independent companies have less than 10 percent of the telephones, and we are going to superimpose on all the other means of financing in this country another bank. How complicated can we get?

A.T. & T. has fewer employees per million telephones than the independents. They get a greater return on their investment.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I yield to the gentleman from Oklahoma.

Mr. BELCHER. If the A.T. & T. is so efficient and has less cost than the independents, and can borrow money as cheap as any corporation in America, why did they not carry the service out to these rural areas before the cooperatives had to go in? If it was good business and if they could borrow money at a rate with which they could serve these country people, with all their efficiency, why did they not do it?

Mr. VIGORITO. Well, they and a couple of large telephone companies are in the process now of gobbling up the smaller telephone companies. Of course, economics demand that they will go into the more profitable areas.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. POAGE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. VIGORITO. So, Mr. Chairman, it is only a question of time until half a dozen large telephone companies will have most if not all of the telephone business in the United States.

I can remember in 1942 or 1943 Western Union and Postal Telegraph were merged.

So we have one Western Union for the whole United States. We will end up in another 10 or 15 years with maybe six telephone companies for the whole United States. About 98 or 99 percent of all the homes already have telephones although, of course, we are upgrading the system.

The independents are doing a tremendous job there, but they may not survive in this economic world of ours.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. Yes. I yield to the gentleman from Iowa.

Mr. KYL. The situation that the gentleman in the well discusses would be fine if all parts of the country were exactly the same. I would like to give him an illustration of the difference.

For example, I live in a rural county in which there are eight or 10 communities. The telephone system there is owned by the people. It is an independent mutual telephone company. They get excellent cooperation from Northwestern Bell. I have no argument at all with the big telephone companies. But if these people in that county did not have this kind of a system and if a person living in Pulaski wanted to call the county seat, then he would call long distance and would pay long distance charges. If you want to call the attendance center where your children are in school, you would call long distance even though we have a one-county school district. Under the present situation, because we do own our own independent mutual telephone company—we can call all communities in the county without toll fees.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BELCHER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. VIGORITO. I yield to the gentleman.

Mr. KYL. This company, incidentally, is not in jeopardy of going bankrupt and is not about to be purchased by a bigger company. But they do need to have new systems installations at times, they want to put all of their lines underground and so on, and there will be continuing improvements. However, if we did not have this kind of a system, we would not have the independence and the service which is possible in this kind of a rural area.

There is no question in my mind but that there is a place for this small telephone company and I hope that there will always be a place for it. The entire country has pride and satisfaction in knowing it can operate its own system.

Mr. VIGORITO. That is true. But we went from 6,000 down to 1,894 in 22 years, and we are still dropping at the rate of 100 per year. So if they survive, fine.

Mr. KYL. I would like to make a further point. One reason why we have a smaller number of companies is that in counties like mine perhaps there were 10 different telephone companies at one time, and they found that they could operate better as one. We get excellent service at reasonable cost, because we can operate on a county mutual basis.

Mr. VIGORITO. You do not have anything to worry about. That company will succeed. I hope good companies like you mention will all succeed.

Mr. KYL. And this bill is dedicated to saving companies like that.

Mr. VIGORITO. That remains to be seen. I do not think it will.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I think if there is one word that is going to describe the job of the 92d Congress, it is going to be the word "priorities."

There are a lot of things to be talked about here dealing with this bill on rural telephones. Obviously, the Rural Electrification Act of 1936 was a forward-looking program that accomplished a great many things, and it is still accomplishing them, but, to talk today about an expenditure of up to $300 million, be it in the form of a loan or anything else, at an interest rate set in 1936 of 2 percent; in fact, possibly excluding any interest at all, to talk of the expenditure of $300 million when just a week ago this House—and I am not here at this time to argue the pros or cons of the SST—but this House on the basis of economics which became the primary factor voted down the expenditure of $134 million. Yet, today we are talking about expending up to $300 million in a program of this type in this Nation.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. Yes, I am glad to yield to the gentleman from Oklahoma.

Mr. BELCHER. You know, I am getting a little tired of people throwing out the figure of $300 million. It is $30 million a year. It cannot exceed $300 million. After the first $30 million is put in, they would borrow on debentures probably $200 million as against those $30 million.

In my opinion there never will be more than $90 million of Government funds in that bank as long as it lives. So, this $300 million figure which a lot of people have tossed around a lot, and other big figures here, are not the facts.

Mr. PEYSER. I would like to speak to that. In my area in New York next week there is a hearing taking place dealing with mass transportation. It deals with the expenditure of $23 million by the Penn Central Railroad for passenger cars, the direct cost of which is being passed on to the 50,000 people who commute on that line in the form of a fare increase simply to pay for that particular expenditure. So, I do not look upon $30 million as a small figure at all. I think we have got to really look in this Congress at the total picture as to what we are dong with our money.

Mr. Chairman, I am concerned about the rural areas. Certainly, I am concerned that they have good communications. But we are faced with a critical situation. I touched upon mass transportation, for instance. Today, I believe the Government should be stepping in in a much bigger way in order to assist in the solving of this problem. I refer also to what $30 million would mean if we directed it at the terrible epidemic now sweeping our country in the form of narcotics where we do not direct this kind of money into the area of drug abuse.

Mr. Chairman, I think we must evaluate these things. I think we cannot look at this program and say $30 million and, perhaps, up to $300 million can be put forth even though it may be returned if these companies manage to earn money and make a return.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Iowa.

Mr. KYL. The gentleman speaks of $30 million. He also speaks of a low interest rate. The gentleman knows of the billions of dollars which the Federal Government sends out to cities and counties in vast amounts in the form of grants. Of course, there is no interest on those grants, no interest whatsoever.

The one thing I would like to try to show the gentleman is this——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BELCHER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KYL. I thank the gentleman for yielding.

One of the reasons we have the mass transit problems, one of the reasons we have problems with narcotics, crime, delinquency and so on is because we are concentrating our population in centers which cannot handle these problems. The only way we are ever going to be able to stop that trend is by making life more reasonable, practical, beneficial, and desirable in those areas of the country where we do not have massive populations. This telephone bank bill is one of those ways with which we will have to do it, because if we cannot communicate, we cannot have commercial intercourse.

Mr. PEYSER. I appreciate what the gentleman says. However, I think, going directly to that point, that unless we solve the problem of these large areas of density of population today, and unless we take steps today that are going to cure some of these problems—and these are problems, as the gentleman knows, of mass transportation, pollution, and narcotics—that the need of the rural areas for telephones is going to mean very little. We are in the kind of situation today where these problems must be faced, and we must direct our efforts there, and there is obviously just so much money to go around. I do not believe we can continue getting into programs of this nature at this time.

Mr. SMITH of Iowa. If the gentleman will yield, I would remind the gentleman when he talks about the railroads, that we gave the railroads lots of land, and we have pumped billions and billions of dollars into the railroads, so they are not any good example, it seems to me, to use as a shining example of private enterprise doing something by itself.

Mr. PEYSER. I am not suggesting that the railroads are a shining example. As a matter of fact, I think they are a horrible example. But the problem is that the people of these areas involved are in desperate need of help with these types of problems, and what I am trying to say is that those areas are more crucial to the country today than is the area of rural telephone service. Even though I think it is also an important area, I just do not think it is as important.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I thank the gentleman for yielding.

I favor the concept of the rural telephone program just as strongly as I favor the concept of the rural electrification program. However, the gentleman from New York (Mr. PEYSER), has raised some questions about the financing, and I would like to delve into that aspect a little more. Perhaps the gentleman from

Oklahoma (Mr. BELCHER), or the gentleman from Texas (Mr. POAGE), can help me out.

This is a total of $300 million. Now, how is the capital of the bank to be raised? As I understand it, the U.S. Government is not going to put up the entire $300 million. Can the gentlemen explain that?

Mr. POAGE. Mr. Chairman, if the gentelman will yield, the capital is indeed raised exactly as it was raised in the land bank. That is that each time a loan is made the borrower is required to purchase 5 percent of the amount of the loan in stock of the bank, which means that by the time the money is loaned 20 times the Government is completely out.

Mr. ICHORD. If the gentleman will yield further, that is the borrower would pay, in addition to the interest—I understand they have two types of loans, first, the interest is not to exceed 4 percent, and in the second type of loan, he will pay the going rate of interest.

Now, in addition to the payment of the going rate of interest, or the 4 percent, the borrower will pay an additional 5 percent, which will go in as capital for the bank.

Mr. POAGE. It is just 5 percent one time, at the time he makes the loan.

Mr. ICHORD. Five percent at one time?

Mr. POAGE. He puts in 5 percent of the amount of the loan in the capital stock of the bank.

Mr. ICHORD. Then eventually it is contemplated——

The CHAIRMAN. The time of the gentleman has expired.

Mr. POAGE. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. ICHORD. If the gentleman will yield further, then eventually it is contemplated that all of the money will be returned to the Federal Government?

Mr. POAGE. If the gentleman will yield further, that is correct. And that is exactly what has happened. That is the only way that it can function, and that is exactly what has happened in the case of all the farm credit institutions, every one of them are now completely paid back. There is no Government money in either the land bank, credit bank, or bank cooperatives; they are all paid out, all the money is farmer owned.

Mr. ICHORD. What does the gentleman contemplate would be the initial financing by the Federal Government?

Mr. POAGE. It would be $30 million, and it cannot be taken just out of the Treasury fund; it has to be taken out of moneys that are repaid currently from the existing telephone loans. That is the only place they can get it.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from California.

Mr. TEAGUE of California. In further response to the inquiry of the gentleman from Missouri, the bill provides that the Government's investment in capital will be returned as soon as it is deemed practicable.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. POAGE. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. TEAGUE of California. If the gentleman will yield further, as soon as it is deemed practicable by the directors of the bank, which could be never.

Mr. PEYSER. I think the only thought that I would like to add to that is that there is no guarantee here that the $30 million will ever be repaid, or that you could not extend this $30 million into the second year and get a much larger commitment.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman.

Mr. POAGE. Mr. Chairman, there does not happen to be any statement in the bill about such a requirement.

The bill specifically requires that for every loan that is made there has to be purchased stock amounting to 5 percent of the amount of the loan. So you do not have to require this sort of thing. When the stock is purchased—by the time 20 people purchase the stock, then the Government is out because the Government has paid for the stock and the borrower paid the Government 5 percent today and the next borrower pays 5 percent and as soon as there are 20 of them, there is not any Government money left in it.

Mr. PEYSER. Is it not then assumed that the telephone companies that are taking this money are going to have to succeed so that these payments can be met.

Mr. POAGE. Obviously, if the loans go into default, you find the same situation with this bank as you find with any other bank. That is true of every one of the farm credit institutions. But everyone of them have paid out. There is not a one of them that has ever suffered that sort of thing. Everyone of them has paid out.

Mr. POAGE. Mr. Chairman, I yield to the gentleman from North Dakota (Mr. LINK) such time as he may require.

Mr. LINK. Mr. Chairman, as a Congressman from one of the most rural districts in the Nation, I rise to lend my support to H.R. 7, a bill to amend the Rural Electrification Act of 1936.

Much has been said today about the need for REA telephone loan funds. We have heard reasons to fully justify the use of these funds. I would like to reiterate some of the points already made:

First, there is a great need for additional low-cost financing for extensions and to make improvements on existing rural systems. While the average telephone cooperative in the Nation has fewer than three subscribers per mile of line, we have in North Dakota closer to one subscriber per mile; in fact, there is a substantial community in my home county that has no telephone service at all.

Second, this is not a grant. These funds are fully repaid, with interest, and in many cases the borrowers have repaid loans in advance to help ease the Federal fiscal situation.

Third, interest cost on capital is a large factor in determining telephone bills. Should the telephone cooperatives be forced to pay higher rates of interest, extensions of service and system improvements would have to be delayed and in some cases canceled.

Finally, rural consumers cannot afford to pay the higher phone bills that would inevitably result in forcing them to seek other sources of financing. The deadly combination of inflation and low prices for products produced on farms and ranches has already had a devastating effect on our rural communities.

By not providing adequate financing for rural telephones, we would just compound the problems facing rural and urban America.

Mr. POAGE. Mr. Chairman I yield to the gentleman from Minnesota (Mr. BLATNIK).

Mr. BLATNIK. Mr. Chairman, I thank the distinguished gentleman from Texas, the distinguished and outstanding chairman of the Committee on Agriculture, for the opportunity to speak. My prepared remarks will appear in the RECORD at this point.

Mr. Chairman, I can personally testify to the great contributions REA and the telephone service have made to my area, the iron range, in northeastern Minnesota. When I was a young man, I taught in a one-room, rural schoolhouse, where we were completely isolated, without any way to get help in an emergency. I also spent 2 years in a CCC camp near the Canadian border—and I know what a dramatic change telephones and electricity have made in the area.

I sympathize with the gentleman from New York, and share his concern for the plight of the big cities.

But our problem—the Nation's problem—is not overpopulation alone. Its roots are in the continued migration of people compelled to leave rural areas in order to make a living.

These people are literally driven to the big metropolitan cities like New York and Chicago, and to the huge urban sprawls like Los Angeles, and all the way from Detroit to Toledo and through the "horseshoe" around Cleveland.

We will have 100 million more people in the United States within the next 30 years. If the present outmigration and lopsided concentration of the population in our cities continues, in 30 years up to 85 percent of our total population will be living on 2 percent of the land. We know that the more you pile up people, and squeeze them together, the more you create new problems with consequent degradation of the quality of life—pollution in all its forms, bumper to bumper traffic, crime, drugs, inadequate housing, substandard schooling.

Mr. Chairman, the solution is to enable people to live decent lives outside our urban areas.

The task for the next 30 years and more will be to encourage people to stay where they are—to enhance their economic opportunities and their ability to make a living, to get their vocational training nearby, and to provide them with the conveniences which we in urban

areas take for granted—such as telephone service. Then we should attack the problems of the cities. But unless we improve the quality of rural life, we will always be acting after the fact, as people continue their exodus to the cities.

H.R. 7 may seem a minor piece of legislation, but it is extremely important to the people living in rural and semirural areas—and to the shape and population profile of the entire Nation for the next 30 years.

The loan program has worked extremely well for the past 20 years. How well I remember events in 1949 when the program started. How well I know the conditions in my State of Minnesota at that time. How well I know how great a contribution the rural telephone service has made.

Mr. Chairman, this is why I lend my support to and urge a favorable vote for the rural telephone bank bill, H.R. 7. For the past 22 years of its existence, the record of the REA telephone program has been truly remarkable. In 1949 when the telephone amendment to the Rural Electrification Act was passed, much of rural America was being served by hundreds of telephone systems which were 40 to 50 years old and wearing out. Other rural areas had no telephone service at all. As much as these companies needed to modernize, they could not go into the private money market and obtain much needed debt capital because banks and insurance companies did not consider worn out and rural telephone systems to be good equity for loans. The future was indeed bleak for people in rural areas who either had poor telephone service or no telephone service whatsoever. The companies who were willing to modernize and extend their service were faced with a financial vacuum.

Twenty-two years ago in 1949 the Congress saw and met the need by enacting the telephone amendment to the Rural Electrification Act. The Congress stated at that time:

> It is declared to be the policy of the Congress that adequate telephone service be made generally available in rural areas for the improvement and expansion of existing telephone facilities and the construction and operation of such additional facilities as are required to assure the availability of adequate telephone service to the widest practical number of rural users of such services.

I am happy to report that these objectives have been carried out in an exemplary manner in 46 of our 50 States where REA telephone companies are located. In my own State—Minnesota—for instance, over 130,000 rural subscribers are being served by 41 commercial companies and 18 cooperative associations who have borrowed moneys under this program. No borrower is delinquent in his repayment.

Today these REA telephone companies face a serious problem. The debt capital which they will require for the next 22 years of the program will be double that of the past 22 years. On February 28, 1971, there were unapproved telephone loan applications on hand in REA totaling $467.8 million. For the past 3 years the appropriation level for this program has been $125 million annually. These companies realize that they cannot rely completely upon the Federal budget process to meet these needs. It is for this reason that we are considering today H.R. 7, the rural telephone bank bill. It provides the vehicle by which those companies, who are financially able, can have their needs supplemented from a source other than the Federal Treasury. I believe this is a sound solution to their problem. It is patterned after the Farm Credit System in that ownership of the bank will eventually revert to the companies themselves.

A great deal is being said these days about the need for more extensive rural development. Before this can ever take place successfully, we must be sure that the key ingredients are provided—modern telephone service is one of them.

The Rural Telephone Bank which is provided in H.R. 7, is in my judgment a sound structure and vehicle by which the REA telephone companies can continue to meet their service responsibilities to the people of rural America who demand more and better service.

Mr. Chairman, to establish a national policy to encourage people to remain in their rural and semirural areas, I urge adoption of this very important piece of legislation, H.R. 7.

Mr. BELCHER. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman from Oklahoma is recognized.

Mr. BELCHER. Mr. Chairman, I am probably the only speaker who will speak to this House today who can be completely objective. I do not have any rural telephone system in my district. I represent a city district. I do not know whether every Member who has talked for the bill represents subscribers, and I do not know why those Members who have been against the bill are opposed to it.

I am satisfied they do not have any rural subscribers and, therefore, I think they want to save money, but they do not seem to want to do that in an appropriate way. The only reason I am for this bill is to save the taxpayers' money. They say we are going to have to put up $30 million. We are now appropriating $125 million every year, and lending it out at 2 percent, and there is a backlog of applications that cannot be taken care of.

On the bank we will put in $30 million at 2-percent interest. The bank will borrow anywhere from $150 to $200 million on the open market on debentures. It will lend that $150 million or that $200 million, together with the $30 million the Government puts in, to the cooperatives that can pay more than 2-percent money.

Many people are against 2 percent money. I do not like any kind of subsidy. I have not since I have been a little boy. But I cannot think of a single thing in the United States which is not subsidized. So if we are going to subsidize everybody—for instance, we have passed a bill providing for $1,400 million for food stamps. We do not get 2-percent interest on that. We do not get any of that back. We just throw out the $1,400 million. Some of the people who are now worried about the $30 million at 2-percent interest voted for the food stamp bill. We passed a farm bill at $3,500 million, and 86 Members on this side voted for it and 138 Members on that side voted for the $3,500 million—and we are not going to get a dime of it back. We do not get 2-percent interest on it. We do not get any interest on it. We lose the whole works.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield for a question?

Mr. BELCHER. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, the money that the Rural Telephone Bank borrows—not the $30 million from the Government, but that which they borrow through their own credit transaction—will they in turn lend that at the 2 percent or at a higher figure?

Mr. BELCHER. No, they will have to lend that at enough money to take care of the interest they pay on the debentures plus the 2 percent they pay on the $30 million.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, then why does the bill provide for lending at interest not to exceed 4 percent?

Mr. BELCHER. It does not provide all loans have to be made at 4 percent. They have one loan, an intermediate loan, at not to exceed 4 percent, but they cannot lend money at 4 percent if they do not get enough interest return on it.

Mr. TEAGUE of California. So they cannot lend the Federal money at 2 percent?

Mr. BELCHER. So the bank cannot lose any money at all. The money that it borrows it will have to lend at a rate of interest that will pay the interest on the debentures plus the 2 percent on the $30 million.

In all of these subsidies I have been talking about—for instance, the REA has had brickbats thrown at it all the time. All we have ever done for rural electrification or telephone bills is the difference between 2 percent and the money that it costs the Government to borrow. For a long time the REA really did not cost anything because the money could be borrowed at 2¼ or 2½ percent, and sometimes the Government could borrow money at 2 percent. Since the interest rates went up, the difference between 2 percent and what they had to pay has been a subsidy.

I do not know of any other subsidy in the world that is so low. On all the other subsidies we just give them a check and do not even get a note back for it. We had railroads built all through the West, and they got 10 miles of land on both sides in order to build a railroad. We are going to spend about $225 billion by this Government this year. I suppose $80 or $90 billion of that will be given to people—on which we do not get 2 percent or anything back.

I should like to get rid of the 2-percent money. I believe this is the only way in the world we can get rid of the 2-percent money. As time goes on they will be able to get these REA's in a shape

to pay more than 2 percent. If we wait until we can kill the 2-percent program, I do not believe this Congress will kill the 2-percent program, while people are in the dark out in the country and they do not have telephone service. I do not believe this Congress will kill that kind of a program while they still need money out there.

The only way we can ever get rid of it is to get a bank. We had subsidies for the land banks and the banks for cooperatives. We used the same system to get those banks into private enterprise and to get the Government completely out of it.

That is the only reason why I am for this bill. I do not have any chips in the game. I do not pay any more taxes than you fellows do. The only thing is I would like to save as much of the taxes I pay as I possibly can. That is the only thing involved in this bill.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate my friend, the gentleman from Oklahoma, yielding. I want to approach this from a little bit of a different manner. Who is eligible and what are the restrictions on borrowing the intermediate loans? Who is eligible for an intermediate loan?

Mr. BELCHER. A cooperative that cannot pay any more than the 4-percent money, to get those intermediate loans. I do not believe there will be too many of those loans, but at the present time I believe FNMA is borrowing money at about 5½ or 5¾ percent. If we take the 2-percent money they get from the Government, and the 5½ percent, that would be as much as 4 percent, and still pay back all the interest they have to pay out.

Mr. HALL. Does this bill we are considering limit such loans to people within the United States or co-ops within the continental United States?

Mr. BELCHER. Yes, within the continental United States, including of course, the State of Hawaii, and the territories and possessions of the United States, but certainly is not our intent to authorize any loans to borrowers either within foreign nations or serving citizens of foreign countries.

Mr. HALL. I fail to find where it is so limited, but the gentleman's word is good enough for me.

Could I participate as a member of one of the boards in making such an intermediate loan?

Mr. BELCHER. Could the gentleman participate as a member of an REA board? Yes, if he were elected by the cooperative to be a board member of that cooperative, then he could apply for a loan from that bank and he could participate, but only the cooperative would get the money and not him individually.

Mr. HALL. I understand that. The gentleman believes that this will retain the power in the local cooperative board even though the question of eligibility and even though the question of percentage of interest is moot?

Mr. BELCHER. This does not surrender any of the prerogatives of the local board at all. We will still have the REA 2-percent money for those cooperatives and telephone companies out in the rural areas that cannot pay more than 2 percent and really bring service.

The only reason why I am for this bill is I believe it is a way to get out of the 2-percent money. A lot of people say, "I just do not like 2-percent money." Well, they are not going to have any chance to kill 2-percent money. Getting this bill through is not going to help 2-percent money or kill 2-percent money.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. How much does the Federal Government now lend on an annual basis to REA telephones at 2 percent?

Mr. BELCHER. I believe the Congress appropriated about $125 million, which is not anywhere near enough to take care of the REA applications that are filed every year.

So we are going to spend $125 million on 2 percent and there is no way in this bill or by killing this bill to do anything at all on that. If this were a bill to kill 2-percent money, I could understand my friend from California and my friend from Pennsylvania. They are against 2-percent money. But killing this bill will not help them a bit.

Mr. GERALD R. FORD. If this legislation is approved in this version or in a comparable version, does it mean that we are substituting in the future a $30 million 2-percent contribution in place of $125 million a year at 2 percent?

Mr. BELCHER. No. That is not correct. The thing of it is that we will probably be able to get out of the $125 million, but this would not substitute the entire program for the $125 million program, because there will still be 2-percent money available from the Federal Government for those cooperatives and those telephone companies that cannot pay more than 2 percent and still get along. So you still have that program.

Mr. GERALD R. FORD. In other words, there is no termination of the existing program at $125 million a year at 2 percent if and when the legislation before us now becomes law?

Mr. BELCHER. No.

Mr. GERALD R. FORD. In other words, it will be both?

Mr. BELCHER. It will not stop the $125 million program and it will not stop the 2-percent REA Government program, but it will take out of the Government program some of the borrowers that can pay more than 2 percent, that could not pay enough to go out on the open market and borrow. So you will be able to take some of the load off from the Government program, but you will not completely wipe out the Government program at this time.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. Yes. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Unless all signs fail, the House will be confronted in the near future with a bill to provide for another $900 million—I said $900 million—donation to the kitty of the Inter-American Development Bank. Soft loans are through the Inter-American Development Bank for 40 years. The first 10 years will be a grace period with no interest at all paid. Thereafter the interest rate may be 2 or 3 percent. No one knows whether this money will be used to build telephone systems in Latin American countries. What the money will be used for no one knows. However, on the basis of past performance, the bill will probably glide through the House with the greatest of ease. I doubt if anybody will present much of a challenge to the 2- or 3-percent interest rate—no interest for 10 years—and with less than no assurance that the principal of the loan will ever be repaid.

Mr. BELCHER. And all the money will be spent in some foreign country rather than in this country.

I might differ with the gentleman on one point. I think there will be one speaker against that program when it comes before the House, and that will be the gentleman from Iowa, but I doubt if he will have any company.

Mr. GROSS. The gentleman is right. And one of the good reasons is that try as hard as you may you cannot find out what they are really doing with the money that is so easily approved by the House of Representatives and the other body.

Mr. BELCHER. You know I vote against boondoggles and I have for 20 years on this floor, and a whole lot of my friends just vote them up.

But when we come out with a bill that would probably save the taxpayers some money, and we will subsidize a farm out here in the country that cannot get electricity or telephone service, we will subsidize him for the 2 and 5 percent, we get a whole lot of speaking against that program. But we do not get much when we subsidize these other programs.

Mr. Chairman, I do not think we are subsidizing them enough to really get anything done.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. PODELL).

Mr. PODELL. I thank you very much, Mr. Chairman.

First, I would like to say that I join the gentleman who just addressed the House in that I do not have any rural telephones in my district as I come from New York City. It is my purpose here this afternoon merely to relate to you an incident which occurred to me this past Friday when I first noticed with interest the bill which is before the House today.

After examining the calendar, I decided I would make a telephone call to my legislative assistant to try to get some additional information, and would like to relate to you just exactly what transpired. This is practically a verbatim transcript. I picked up the telephone receiver in my office and waited for the dial tone, and waited and waited and I waited. Finally the dial tone. I dialed Information to get the home number of my assistant.

The information operator came to the phone and said, "Directory assistance.

May I help you." I said, "I would like the number, please, for"—and then I was interrupted by this young lady who said, "Do you have a directory, sir?" I said, "Yes, I do have a directory, but I am in a hurry." She said, "I am sorry, sir, we are not allowed to give out numbers if you have a directory. We of the telephone company would appreciate you using your directory." And then there was a click. I then took out my telephone directory and I looked up the number I sought to call, and then picked up the telephone receiver and waited for the dial tone. I waited, and I waited, and I waited. Finally, I got a dial tone and it was accompanied by an ear-piercing, shattering "beep, beep, buzz," and then a recording. A computer said, "The number you have dialed is not a working number; please hang up and dial again, or ask your operator for assistance." Click.

I finally got through to the operator and again was told to ask for information. She obligingly added that she would connect me. Another click. We are disconnected. I did not even attempt to dial a number at that time. I decided then to call the operator and tell her of the difficulty I was having. She said, "Sir, would you kindly call information?" She said she should be happy to connect me, because I had had difficulty getting a dial tone. A moment later I hear the operator who said, "Directory assistance." Click. I was disconnected. I finally get another dial tone, "Directory assistance. May I help you?"

Prepared for the routine song and dance from her overly gracious computer voice I told her, "Madam, I do have a problem. I need your help. Would you please help me get a number?", and she hangs up the phone. Now I am getting quite chagrined and I call the operator and ask for the supervisor. She begrudgingly asks me about my problem. Summing all the patience I have ever known or had at my command, I tell her about my problem. She said, "Sir, it is my pleasure to help you." She finds the correct number for me and dials it for me and says, "I am happy to connect you." With surprising speed a voice at the other end of the line answers, and somehow I get a rather strong southern accent. I said, "Pardon me, is this so-and-so?" They said, "Sir, you are calling Jackson, Miss."

I finally gave up, hung up the phone, and decided to send a telegram, which I am told was received that very same day.

Mr. Chairman, I certainly shall support the bill before the House today, but would submit to the House of Representatives that we in New York City do not have rural telephone companies. We have the New York Telephone Co., and Lord, let me tell you, if anybody needs help the New York Telephone Co. does.

(Mr. MICHEL, at the request of Mr. BELCHER, was granted permission to extend his remarks at this point in the RECORD.)

Mr. MICHEL. Mr. Chairman, I rise in opposition to H.R. 7, a bill to provide an additional source of financing for the rural telephone program. As a member of the House Appropriations Committee for more than 10 years, I believe the time has come when both the rural electric and telephone programs should be financed in the private money market whenever it is practical and feasible.

I want to congratulate the rural electric borrowers—virtually 100 percent of which are cooperatives—for taking the initiative, without Government help, to establish their own bank. In view of their accomplishment, it is perfectly ridiculous to me that the rural telephone borrowers —75 percent of which are profitmaking commercial companies—should have to lean on the Treasury and the Federal taxpayers for funds.

If the annual loan authorization made available by the Congress for the telephone program is properly used, there appears to me to be adequate funds to take care of the needs of the rural telephone cooperatives and the small companies who are unable to obtain money in the private market.

Furthermore, I oppose this bill because it was reported out of the House Agriculture Committee this year without hearings and without requesting or receiving any views from the administration which has a bill of its own. I have been around long enough to know that the wisdom is not wholly within one party, or one group of people, but that to serve the public good the views of all sides of an issue must be weighed.

I am certain that my good friends on the Agriculture Committee know that the Senate has already passed the administration bill—S. 70—and that if the House passes H.R. 7, the final bill will be written in the conference. In my recollection as a Member of Congress I cannot recall when conferees have been able to write good legislation when we have passed the buck to them in this manner.

I am opposed to H.R. 7 because I believe that the provisions contained in S. 70 have such merit that at least they should have been considered by the House committee. For example, under S. 70 only such part of the collections from outstanding telephone loans would be placed in the loan account as may be necessary to purchase class A stock in the bank. On the other hand, under H.R. 7, all of the collections from outstanding telephone loans would go into the loan account. Obviously, this provision in H.R. 7 is undesirable since it would needlessly siphon funds from the Treasury.

There are other provisions which I think should have been discussed and considered by the House Agriculture Committee before it reported a telephone bank bill. The provision in S. 70 which expresses a preference for bank loans over REA 2-percent loans is a step in the right direction. It would help move this program away from Government subsidy into the private money market—and remember that 75 percent of the telephone borrowers are commercial companies.

There are other important provisions contained in the administration's bill, S. 70, that I could mention, but have not done so for the sake of brevity, I do believe that a vote against H.R. 7 today is not a vote against the rural telephone program, but a vote in support of establishing a sound Government policy for the creation of a telephone bank. Today we will be enacting legislation that will be on the books for a number of years to come. It is appalling that we have been asked to vote on a bill which is not in the best interest of the Treasury or of the rural telephone borrower who wants to stand on his own feet and become an enterprise free of Federal subsidy and control.

Mr. BELCHER. Mr. Chairman, I reserve the balance of my time.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Chairman, I hope I shall not take the full 5 minutes. I was not prepared to engage in this debate until I happened to read some of the items in what is called the minority views, contained in the report accompanying H.R. 7. After reading these views I cannot restrain myself from making some comment.

At the very beginning of the minority views there is a reference to this as a "multibillion-dollar" boondoggle. First, I submit that to provide good telephone service to rural residents can never be called a boondoggle. Next, if the authors of the minority views are really out to squelch some boondoggles, they should not begin in the rural areas but in some of the big city oriented programs such as the Office of Economic Opportunity and even some of the public housing projects that have been built at great expense and are not now occupied.

In the few moments allotted to me I would like to ask the chairman of the Committee on Agriculture about the record of repayment of the Rural Electrification Administration. We understand this has been better than good and almost excellent. Is that correct?

Mr. POAGE. Mr. Chairman, if the gentleman will yield, I do not know of any agency of the Government that has ever loaned as much money with as little loss as has the Rural Electrification Administration of the United States. I do not happen to have the exact figures with me at the moment, but the REA has loaned several billion dollars, and the losses at the present time are measured in the thousands of dollars—not in millions of dollars, and not in hundreds of thousands of dollars, but thousands of dollars.

Mr. RANDALL. I thank the Chairman.

I notice in the report under minority views there is a complaint about the 2-percent money. Well, in reply to that complaint let me tell you that in some of the new housing programs, and perhaps under the so-called rent supplement programs, that there are instances in which the cost of money loaned to certain applicants, when all the housing subsidies are figured is no more than 1 percent. Yet we have heard no outcry of concern about this low interest in the housing bill. Each housing bill seems to pass with support from all of those who represent urban and suburban areas. So when we complain about 2-percent money for rural telephone, let's remember there are instances of 1-percent money in some of our housing programs.

We are indebted to the gentleman from Iowa (Mr. GROSS) for bringing this debate into its proper perspective. This $30 million a year for 10 years, when you multiply that it comes out to exactly $300 million. But the gentleman from Iowa was so eminently right when he said that we are going to be called on to kick in, in a very short time, $900 million for the Inter-American Development Bank. And that is just part of our generous contribution to other countries.

Over the years, millions upon millions and even billions of dollars have literally been given away, with never a thought that it was loaned. We knew we would never get any of that money back.

Let us never forget that if we are going to provide the money to build telephone lines in Central America, then let us first build telephone lines in the rural areas of this country that are without telephone service.

There are rural people in our congressional district that do not have telephone service. Some of them called in this morning from our congressional district to request that I support this bill. As a practical matter, it is not financially feasible to build these lines unless there is a subsidy. Once again, let us ask ourselves if we are going to build telephone lines in Central America and elsewhere in the world, then let us finish the rural telephone lines in America first.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I am glad to yield to the gentleman.

Mr. ANDREWS of Alabama. Mr. Chairman, I want to commend my friend for making a very courageous statement and to commend him for the good work he has done in behalf of the rural areas of America in the last few years.

The gentleman hits the nail right on the head and makes no bones about how he stands. I want to commend the gentleman for the firm stand that he has taken and salute him for the great contribution he has made in improving life in rural America.

Mr. RANDALL. I thank my distinguished colleague, the gentleman from Alabama.

Mr. Chairman, in these few remaining moments, let me return to a thought raised by the gentleman from Iowa (Mr. KYL), when he spoke about the serious outmigration from our rural areas.

We use a lot of descriptive terms to try to improve life in our rural areas. I think it is best described as rural revitalization. But unless we all work hard to try to stop this outmigration, all the Federal money our city friends want to appropriate for urban renewal or model cities or rebuilding the ghettos will be to no avail unless we can stop rural residents from moving to the cities because the minute we get through rebuilding one ghetto, we are going to have another spring up beside the one just rebuilt. Our urban problems will grow greater every day we postpone this effort to revitalize rural America.

Now, before I sit down, let me remind you that in the early days of the telephone, it was kind of a luxury. From that status, telephone service moved to being a convenience. Now, today it is a necessity.

Of our farms 83 percent now have telephone service. H.R. 7, now before the House, will make it possible for the remaining 17 percent of our farm population to take advantage of telephone availability. Equally important, this bill will enable the much needed modernization of those rural telephone systems now operating at less than normal efficiency or with substandard service, beneath or inferior to that available in the cities.

According to the Administrator, modernization of existing service is the major objective of those telephone applications now being received by the Rural Electrification Administration. Reduction of multiservice lines is a high priority. It should certainly be a most desirable one. As the committee report on H.R. 7 points out, even a two-party line represents only half a phone, at the very best. If your neighbor's phone is in use, you actually have no telephone service. And busy rural families, no less than their city-dwelling neighbors, count single party, round-the-clock telephone service a necessity today and no longer a convenience or a luxury.

We should never forget that the cost of providing telephones to the residents of our rural communities is greater than that required in more densely populated areas. In the large metropolitan city there may be as many as a thousand or more subscribers served by a single mile of telephone line. In the countryside there may be only three, or even fewer stations on a mile of service line. For this reason the privately owned, profitmaking companies have been unwilling, or rather unable, because of a lack of risk capital to extend their lines to take care of the homes in rural areas. But these rural people want and need the service and they are willing to pay a fair price for good service. The small companies, and perhaps even a few of the larger ones, are anxious to put telephones into these homes. But large or small, the prices companies can fairly charge for such service in sparsely populated sections is not sufficient to cover the large cost of investing in all the necessary equipment to extend telephone service.

We have heard a great deal about improving the quality of rural life. For attaining these goals the Congress has authorized many millions of dollars in a number of different programs. Today, we are considering improving the quality of life among a very special kind of citizen, the rural resident who, more often than not, is the supplier of the Nation's food and fiber. I say these are special kinds of citizens because they endure the hardships of unpredictable, crop-ruining weather and wildly fluctuating market conditions in order to stay on the land and perform the functions of an industry that is the most unrewarding endeavor, financially, to be found in this country.

Let me say again at the expense of being repetitive that, unlike many other programs to improve life's quality, the rural telephone bank does not call upon the Treasury for a giveaway. Think of the vast number of foreign giveaway programs, involving infinitely larger sums than does this bill, from which we can never hope to recover 10 cents on the dollar.

If we are going to make a really sincere effort to attract light industry to the rural areas to provide a new source of income to rural residents, then we have to recognize that industry cannot operate effectively when their telephone service is inferior to that enjoyed by their competitors in more densely settled areas. Families of people who run the industries that might locate or relocate in rural sections, and those who work in these industries, would not be satisfied with telephone service that is deficient in quality or lacking availability.

Mr. Chairman, we should promptly pass this bill to provide a rural telephone bank. It is most likely that there will be any ultimate cost because there has been an excellent loan repayment record by all rural cooperatives. Yes, here is a proposal with low cost, or even no cost, but with benefits to be derived that are enormous.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. POAGE).

Mr. VANIK. Mr. Chairman, will the gentleman yield for a question.

Mr. POAGE. I yield to the gentleman.

Mr. VANIK. Mr. Chairman, I would like to ask the distinguished chairman a question.

In reading over the section of the act on page 2, section 301, the rural telephone account, it is provided that—

> All collections of principal and interest received on and after July 1, 1970, on notes, bonds, judgments, or other obligations made or held under title II of this Act, which shall be paid into and be assets of the rural telephone account;

Can the distinguished chairman tell me how much there is in value of the notes and bonds being transferred over to the telephone account here and made a part of the bank's assets? That is transferring the right of title to this from the Federal Government over to a private bank.

Mr. POAGE. I cannot tell the gentleman what the amount will be because there have been no repayments from bank loans as yet to go into this fund.

Mr. VANIK. No—this is on existing notes and bonds and judgments previously made under title II for rural telephone purposes.

Mr. POAGE. I think what the gentleman is talking about is repayments of the 2-percent loans now due to the REA administration.

Mr. VANIK. The REA—well, what is the value of that amount? How much is owed?

Mr. POAGE. Oh, I believe that there is something well over a billion dollars now owed. This money is the only money from which the Committee on Appropriations can appropriate funds for the purchase of stock in the bank.

Mr. VANIK. But am I correct in understanding that it is contemplated by this legislation to transfer all of that over into the telephone bank.

Mr. POAGE. No. This transfers no money to the bank. It is contemplated that that account will be the only source from which the Committee on Appropri-

ations can make any appropriations for the purchase of capital stock in the bank.

Mr. VANIK. But those existing loans are going to be transferred over to the telephone bank, about $1 billion in value?

Mr. POAGE. No; they are not transferred to the bank. They are transferred to this account from which the Appropriations Committee can make appropriations. They do not become assets of the bank, but they do go into a special fund that must be earmarked, so we limit——

Mr. VANIK. Future loans?

Mr. POAGE. Limit future appropriations by the Appropriations Committee to buy the stock of this bank. In other words, we do not let the Appropriations Committee go into the general funds of the Treasury to make appropriations to buy stock. They have got to make it out of this fund. But we do not make that a part of the assets of the bank. We make it a part of the fund from which the Appropriations Committee can make appropriations to buy the stock of the bank.

Mr. VANIK. You also provide that these funds cannot be used for any other purpose but the acquisition of stock in the telephone bank?

Mr. POAGE. Yes, but only up to $30 million a year.

Mr. VANIK. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GROSS. What happens to the assets of this bank? Are they held in perpetuity? What happens to them?

Mr. POAGE. The assets of the bank are held in perpetuity, but the assets are represented by the stock just as in any bank. There are three classes of stock. The first stock to be issued would be the "A" stock. That is issued to the U.S. Government. It is to be paid for, as the gentleman from Ohio just pointed out, out of this particular fund. When the Government buys, we will say $30 million—and that is all it can buy in any one year—the Government gets the stock just as you or I would get stock if we bought stock in a corporation. There is a provision for guaranteeing that the Government is going to get a payment of at least 2 percent of that stock. That "A" stock is retired by the borrowers. Any time anyone borrows from that bank, the borrower must purchase stock equal to 5 percent of the amount of its loan, and that stock he purchases from the U.S. Government, because they are the only people who own that "A" stock.

He purchases that stock and he gets 5 percent of that loan in "B" stock, just exactly as we have long done with the Land Bank. The gentleman from Iowa is very familiar with how you go about borrowing $10,000 on a farm. You have to put $500 of it in stock of the Land Bank. That 5 percent you have been putting into the Land Bank has over the years completely paid it out. There is no Government money left in any of the Farm Credit System now.

Mr. GROSS. That is what you anticipate will happen here. The Federal Government will be paid out.

Mr. POAGE. That is exactly correct.

Mr. GROSS. The bank then will continue——

Mr. POAGE. Yes, just exactly as the land banks now continue, and it would be then owned by the borrowers.

Mr. GROSS. And the private interests?

Mr. POAGE. That is one of the questions that Mr. TEAGUE raised in his discussion. This bill provides that when 66⅔ percent of the Government stock is paid out, that then the holders of the two-thirds of the stock—that would be the borrowers—then would have control of the management. That is, they get a majority of the directors. The Senate bill provides that not until all of the Government money is paid out will the Government have less than a majority of the directors.

Mr. GROSS. One further question, if the gentleman will yield for that purpose: Will this bank provide financing for educational television or educational radio? Will loans be available for that purpose?

Mr. POAGE. No, this measure does not provide financing for radio. At one time, some years ago, the gentleman may well recall, we made some provision for that sort of thing in the REA bill. We do not add to nor subtract from the existing powers of the Administrator to make loans for TV or radio.

Mr. GROSS. But we do not subtract from his power to do so?

Is that what I heard the gentleman say?

Mr. POAGE. We do not change his powers in the bill.

Mr. GROSS. Under section 408, under "lending power," it seems to me, and under the original REA Act, it will be possible to do so. I would hope this would not be the case, since the bill is being sold here today with other indications.

Mr. POAGE. I do not know what the gentleman refers to which he thinks gives that power. I do not think this gives that power.

Mr. GROSS. This bill is an amendment to the Rural Electrification Act of 1946.

Mr. POAGE. That is correct. And we do not take from nor add to the powers of the REA Administrator, but we do provide in section 408, to which the gentleman refers, the purposes for which the telephone bank can make loans. We provide that a loan or loan commitment pursuant to this section can be made:

(1) for the same purposes and under the same limitations for which loans may be made under section 201 of this Act, (2) for the purposes of financing, or refinancing, the construction, improvement, expansion, acquisition, and operation of telephone lines, facilities, or systems, in order to improve the efficiency, effectiveness, or financial stability of borrowers financed under sections 201 and 408 of this Act, and (3) for the purchase of class B stock required to be purchased under section 406(d) of this Act but not for the purchase of class C stock.

Mr. GROSS. Let me read the gentleman the language to which I refer, if the gentleman will bear with me, and this is section 408:

(a) The Governor of the telephone bank is authorized on behalf of the telephone bank to make loans, in conformance with policies approved by the Telephone Bank Board, to corporations and public bodies which have received a loan or loan commitment pursuant to section 201 of this Act.

Mr. Chairman, that goes back to the act of 1936, so it would be possible, it seems to me, under the guise of telephone bills for this bank to make loans to educational television and similar groups, to whomever they can make the loan.

Mr. BROYHILL of North Carolina. Mr. Chairman, I rise in support of H.R. 7, the bill to provide an additional source of financing for rural telephone systems by establishing a rural telephone bank.

The existing program of REA loans has been of invaluable service to the rural area of North Carolina which I represent. Without this Federal program, much of this area would not have telephone service available. At the time this program began, as a result of the Rural Electrification Act of 1936, commercial telephone companies were not providing service, and in many areas of North Carolina the people banded together to provide their own, assisted by Government loans.

As the economy in these areas has grown, the REA telephone systems have been obligated to expand service. Companies are obligated to serve all the people in their areas and this telephone service has played a large part in bringing economic opportunities to more remote rural areas. This story is well known in the mountains of North Carolina and it is one of the achievements that our people can view with lasting pride.

At the present time, the only practical source of capital is from the Rural Electrification Administration. I might also point out that this entire program has an excellent record of repayment of loans. I feel that, as increased funds are made necessary by the expansion and upgrading of telephone services, rural telephone companies should be able to go to the private money market to obtain capital, and not remain dependent on the Federal Government as the only source of capital.

This bill would establish a new, Government-sponsored, rural telephone bank which would provide a non-Federal source of capital for rural telephone systems to supplement the REA loan program. Such a supplemental source of funds is required, because of increased demands upon the Federal Treasury and the inability of present Federal funds to meet the needs of borrowers.

The House Agriculture Committee has twice reported such legislation favorably to the House, but has not been granted a rule. This Administration also has recommended the establishment of a rural telephone bank.

In view of the broad support for this legislation, and the great benefit a rural telephone bank would provide for many Americans, I urge my colleagues to pass this bill.

Mr. BINGHAM. Mr. Chairman, H.R. 7, a bill to create a Rural Telephone Bank, is a boondoggle that not only should be defeated but should never have reached the floor of the House in the way it did.

No hearings have been held on this bill, even though there are nine new members of the Committee on Agriculture who did not have the benefit of prior consideration of this bill. No report on this bill was requested or received by the Committee from the executive branch—in fact, the administration has made other recommendations which I understand have not yet been considered by the committee.

I am particularly dismayed to see this bill, which will provide money to assist rural telephone companies at only 2 percent interest, reported from the Agriculture Committee because the real crisis in telephone service in this country is in the cities, not in rural areas. In New York City, the telephone crisis is generally well known, with service breakdowns and difficulties that are staggering. The New York Telephone Co., just 1 month ago requested a rate increase of 29.1 percent, the largest request in its history, in spite of the fact that the company was granted a rate increase totalling $120.8 million just last year. The company says that it needs the higher rates in order to be able to attract the needed investment capital to deal with the service problems it is facing.

Mr. Chairman, if anyone needs assistance in the area of our telephone system it is the cities. In rural areas, where telephone lines must travel some distance to reach but a few subscribers, one would certainly expect that the unit cost of telephone service would be high but, in fact, the costs of providing service in New York City, where the company is plagued with numerous difficulties, are growing at a rate far greater than in rural areas.

I oppose this bill, not only because it does not face the real crisis in telephone service and because the committee has not afforded itself the opportunity in this Congress to fully consider the bill, but also because the substance of the bill is unsound in a number of respects. These objections have been discussed by our colleagues, Mr. TEAGUE of California and Mr. GOODLING, both members of the Agriculture Committee, in their minority views and I need not repeat what they said in the report or here again on the floor today. Let me just conclude by saying that it seems particularly inappropriate for the Congress to expand the present 2-percent subsidy on rural telephone loans to profitmaking and profitable private companies at a time when this low cost loan assistance is much more urgently needed in other areas, such as mass transit or public housing.

The Rural Electrification Act of 1936, which first established the 2-percent interest rate, was a much needed and fine program in its day. But as general interest rates have risen substantially since 1936, so has the amount of the subsidy and today this subsidy should not be expanded.

If the bill is passed, I hope that in conference with the Senate, the House conferees will accept S. 70 in place of H.R. 7 since the Senate bill, which embodies most of the administration recommendations, meets many of the substantive objections to H.R. 7.

Mr. Chairman, I urge defeat of H.R. 7.

Mr. HOGAN. Mr. Chairman, I am pleased today to add my support to that already expressed for approval of H.R. 7, the telephone bank bill. Under the Rural Electrification Act of 1936 the Federal Government has for years supplied telephone cooperatives and companies with the capital needed for expanding telephone service to the rural areas of our country. No one argues the outstanding success of this program. As the committee has stated, no subsidy so small ever has achieved such great benefits for the farmers and for the Nation at large.

With the great demand upon the Federal Treasury it is not possible to provide the capital necessary to meet the requests received. Since the beginning of the program in 1949, REA telephone borrowers have received loans of almost $1.75 billion. Yet we understand they will need more than twice this amount in the next 15 years. To permit continued expansion of telephone service in our rural areas, it is necessary for us to try to bring the private sector into the financing of these loans. I believe, the telephone bank proposal before us provides the proper mechanism for attaining this, and urge my colleagues to vote for this legislation.

Mr. RARICK. Mr. Chairman, helping farmers and rural people has suddenly become of style. Most assuredly, I am for doing everything possible to help our farm communities, which is offered as the motivating force behind passage of H.R. 7, the rural telephone bank bill which we are now considering; but there are several areas where the intent of this body remains uncertain regarding the actions and authority of the telephone bank which we are creating.

Replete throughout the bill, H.R. 7, are references to the original Rural Electrification Act of 1936, and to the Rural Telephone Services Amendments of 1949. Some questions have been raised relating back to the enabling acts which I do not feel have been adequately answered and explained—at least to my satisfaction—to make sure whether or not we are helping our farmers and rural people or whether we are really in the act of creating another private bank monopoly which may prove to the detriment of those we are intending to help.

First, the gentleman from Missouri had raised the question as to the scope of the bank's services; namely, whether or not the financing, services, and stock-ownership was open to countries outside the United States. The reply was in the negative, which is obviously the intent of the committees and the many members who support this measure. But is it?

The original enabling act as contained in 7 U.S.C. 922 defines the authority as being limited "in rural areas and to cooperative, nonprofit, limited dividend, or mutual associations." Section 924 of this same chapter, under definitions defines "rural area" to mean "any area of the United States not included within the boundaries of any incorporated or unincorporated city, village, or borrough, and so forth." The definitions paragraph does not define limitations, citizenship, nor for that matter the scope of operations of the cooperatives, and so forth. This could easily leave to a Federal judge the judicial interpretation as to whether the "and" following the phrase "in rural areas" limits the use of the telephone bank's financing under the definition of paragraph 924(b) or whether the co-ops are not limited and could operate in areas outside the United States, for example, Yugoslavia, emerging nations, in Russia, and so forth.

Most certainly, I do not feel that the latter is the intent of any Member of this body and I do hope that the committee will be able to remove such questionable language as to the jurisdiction so that it is positively certain that the bank we are creating with taxpayers' money is limited to helping farmers and rural citizens within the continental United States or in our possessions.

Likewise, a question was raised as to what constitutes "telephone service." Expressly, could it be interpreted to mean educational television? The original act, which is not before us here in the bill or the report today, contains a description of "telephone service" under U.S.C. 924 (a), as follows:

> As used in this subchapter, the term "telephone service" shall be deemed to mean any communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity between the transmitting and receiving apparatus, and shall include all telephone lines, facilities, or systems used in the rendition of such service; but shall not be deemed to mean message telegram service or community antenna television system services or facilities *other than those intended exclusively for educational purposes*, or radio broadcasting services or facilities within the meaning of section 153 (o) of Title 47. (Emphasis added.)

Therefore, it is most definite that under the original telephone act the term "telephone service" would authorize the use of the bank funds for loans to educational television and would make educational television co-ops and nonprofit groups eligible not only for financing but also for ownership of bank stock as well as election to the board of directors.

The unwholesome experiences of many Americans with educational television makes it doubtful that this coverage should be included under the bill which is being sold to the Members of this body as helping farmers and rural peoples. I am doubtful that members of the committee so intend. Yet it is expressly present.

For example, an educational television, Pacifica Foundation, which has already had its transmitters twice blown up in Houston, Tex., was granted $35,480 by HEW's Educational Broadcasting Facilities Branch for KPFK–FM of Los Angeles, and is awaiting a grant of $37,563 for its Berkeley, Calif., installation as well as $26,066 to replace its Houston facility. Additional applications by Pacifica for other stations and facilities remain pending and mostly dependent upon easy financing from some governmental source which may end up being the rural telephone bank. This is far from helping farmers get telephones.

My information comes from Barron's magazine of March 8, 1971, page 7, and

earlier documentation on the Pacifica Foundation from Barron's for April 6, 1970, entitled "Airwave Pollution."

Considering that Pacifica and other similar thought-control monstrosities are organized and operating nationwide and that they would be eligible for financing as well as the purchase of stock, and the bank's governing body, it would appear that the very purpose of this bill is endangered by Pacifica and/or like conglomerates monopolizing complete control of the rural telephone bank. What chance for a voice could a local group of farmers in a rural telephone company have against a stacked deck like this? Especially when the administrator under section 922 in making loans is directed to "give preference to persons providing telephone service in rural areas, and to cooperative, nonprofit, limited dividend, or mutual associations."

The bill at present has all the earmarks of a new Federal Reserve-type bank monopoly in the making.

Since I would like to help our Nation's farmers, I have serious reservations about supporting this measure at this time and I am hopeful that the objections I have outlined may be removed or modified in conference.

Until then, I must resolve these serious doubts in favor of my people and our farm communities and cast my people's vote "no."

Mr. HORTON. Mr. Chairman, I rise in support of H.R. 7 to create a new financing source for rural area telephone service. I feel that the approach taken in this legislation, that of creating a bank which would rely increasingly on private capital, is a responsible one. Not only will this new Rural Telephone Bank expand the available sources of capital at reasonable interest rates for qualifying rural telephone systems, it would reduce the dependence on strictly Federal budget funds for the financing of these systems.

There is one point, Mr. Chairman, concerning the use of low-interest loan funds from this new bank, as well as from current REA programs which should be mentioned as part of our debate on this issue.

I have recently learned that in some cases, telephone companies receiving REA loans at 2-percent interest rates for the purpose of purchasing central telephone office or telephone exchange equipment have been able to purchase foreign made equipment. My understanding is that in recent months, an American distributor of Japanese-made central office equipment, costing in excess of $500,000 per unit, has successfully bid for sales to companies using Government-subsidized loans.

According to present policy, foreign-made equipment may be purchased with these loans as long as the foreign-bid price is at least 6 percent below the lowest domestic bid.

While time has not permitted me to complete exhaustive research on this subject, I think that this debate is an appropriate time to raise several questions about the practice of using Government-subsidized loans for foreign purchases of equipment of this type.

First, with the current State of our own electrical equipment and electronics industry, I would ask those charged with responsibility for this program whether it is sound economic policy for our Government, in effect, to subsidize foreign competitors in this field by allowing the use of these low-interest loans for purchase of this equipment. Of course, in answering this question, it must be remembered that the purpose of this program is to provide reliable telephone service at reasonable cost to rural telephone consumers.

Second, central office telephone equipment presents a specialized problem. These central office units, once installed, become a part of our nationwide telephonic communications network. Is there a national security problem presented by permitting incompatible equipment, or equipment for which parts cannot be obtained domestically, to be woven into this network? Should not the Office of Emergency Preparedness have a say in this matter—apart from whether or not it is Government loan funds that are used to purchase these units?

Third, is the impact or potential impact of foreign made central office equipment so great as to threaten a continuing and adequate capacity to produce this equipment in this country? Because of the national security factor, the "buy America" differential for certain defense products is much higher than 6 percent. Should central office telephone equipment be considered for a higher differential to avoid a national security problem?

Mr. Speaker, under this bill, $150 million in Federal funds will be committed to helping the development of rural telephone companies and systems. Much of this money will flow into these systems in the form of subsidized-interest loans not to exceed 4 percent. I feel the questions I have raised about the use of such funds the purchase of foreign-made central office equipment should be a matter of serious and immediate concern. I am hopeful that my colleagues on the Agriculture Committee will assist my probe for answers to these questions, and that this important and necessary program can be pursued in a way that will benefit not only the telephone consumer, but also the American telephone and equipment supply industry and our ultimate national security.

Mr. BELCHER. Mr. Chairman, I reserve the balance of my time.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 7

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the policy of the Congress that the growing capital needs of the rural telephone systems require the establishment of a rural telephone bank which will furnish assured and viable sources of supplementary financing with the objective that said bank will become an entirely privately owned, operated, and financed corporation. The Congress further finds that many rural telephone systems require financing under the terms and conditions provided in title II of the Rural Electrification Act of 1936, as amended. In order to effectuate this policy, the Rural Electrification Act of 1936, as amended (7 U.S.C. 921–924), is amended as hereinafter provided.

SEC. 2. The Rural Electrification Act of 1936, as amended, is amended by adding the following two new titles:

"TITLE III

"SEC. 301. RURAL TELEPHONE ACCOUNT.—(a) There is hereby established in the Treasury of the United States an account, to be known as the rural telephone account, consisting of—

"(1) all notes, bonds, obligations, and property delivered or assigned to the Administrator pursuant to loans heretofore or hereafter made under section 201 of this Act, including notes, bonds, obligations, and property held in trust by him on behalf of the Secretary of the Treasury, as of the effective date of this title, which shall be transferred to and be assets of the rural telephone account;

"(2) undisbursed balances of telephone loans made under section 201, which, as of the effective date of this title, shall be transferred to and be assets of the rural telephone account;

"(3) all collections of principal and interest received on and after July 1, 1968 on notes, bonds, judgments, or other obligations made or held under title II of this Act, which shall be paid into and be assets of the rural telephone account;

"(4) all appropriations for telephone loans made under the authority of section 3 of this Act and funds obtained in accordance therewith and the unexpended balances of any funds available on the effective date of this title for telephone loans under section 201 of this Act, including any funds made available for telephone loans under the item 'Rural Electrification Administration,' in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, and said appropriations, balances, and funds shall be assets of the rural telephone account; and

"(5) shares of the capital stock of the Rural Telephone Bank acquired by investment of the rural telephone account pursuant to section 302(b)(3) of this title, and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of title IV of this Act, which said shares and moneys shall be assets of the rural telephone account.

"SEC. 302. LIABILITIES AND USES OF ACCOUNT.—(a) The notes of the Administrator issued to the Secretary of the Treasury to obtain funds for loans under section 201 of this Act, and all other liabilities against the appropriations or assets in the rural telephone account in connection with telephone loan operations shall be liabilities of the rural telephone account, and all other obligations against such appropriations or assets arising out of telephone loan operations shall be obligations of the rural telephone account.

"(b) The assets of the rural telephone account shall be available for the following purposes:

"(1) loans under section 201 of this Act and for advances in connection therewith, except that no such loans shall be made in any year in excess of the amounts previously authorized therefor in appropriation Acts for such year or available pursuant to section 3 of this Act; the amounts so authorized for loans and advances shall remain available until expended;

"(2) payment of interest as it accrues on loans to the Administrator from the Secretary of the Treasury for telephone purposes pursuant to section 3(a) of this Act;

"(3) investment in the capital stock of the Rural Telephone Bank in accordance with section 406(a) of this Act: *Provided,* That such investment shall be deemed paid in capital of the said bank notwithstanding

that funds representing the proceeds from the purchase of such stock shall remain in the rural telephone account until required for actual disbursement in cash by the said bank; and

"(4) payment of principal when due on loans to the Administrator from the Secretary of the Treasury for telephone purposes pursuant to section 3(a) of this Act.

"SEC. 303. DEPOSIT OF ACCOUNT MONEYS.—Moneys in the rural telephone account shall remain on deposit in the Treasury of the United States until disbursed.

"TITLE IV

"SEC. 401. ESTABLISHMENT, GENERAL PURPOSES, AND STATUS OF THE TELEPHONE BANK.—(a) There is hereby established a body corporate to be known as the Rural Telephone Bank (hereinafter called the telephone bank).

"(b) The general purposes of the telephone bank shall be to obtain an adequate supply of supplemental funds to the extent feasible from non-Federal sources, to utilize said funds in the making of loans under section 408 of this title, and to conduct its operations to the extent practicable on a self-sustaining basis.

"(c) The telephone bank shall be deemed to be an instrumentality of the United States, and shall, for the purposes of jurisdiction and venue, be deemed a citizen and resident of the District of Columbia. The telephone bank is authorized to make payments to State, territorial, and local governments in lieu of property taxes upon real property and tangible personal property which was subject to State, territorial, and local taxation before acquisition by the telephone bank. Such payment may be in the amounts, at the times, and upon such terms as the telephone bank deems appropriate but the telephone bank shall be guided by the policy of making payments not in excess of the taxes which would have been payable upon such property in the condition in which it was acquired.

"SEC. 402. GENERAL POWERS.—To carry out the specific powers herein authorized, the telephone bank shall have power to (a) adopt, alter, and use a corporate seal; (b) sue and be sued in its corporate name; (c) make contracts, leases, and cooperative agreements, or enter into other transactions as may be necessary in the conduct of its business, and on such terms as it may deem appropriate; (d) acquire, in any lawful manner, hold, maintain, use, and dispose of property: *Provided*, That the telephone bank may only acquire property needed in the conduct of its banking operations or pledged or mortgaged to secure loans made hereunder or in temporary operation or maintenance thereof: *Provided further*, That any such pledged or mortgaged property so acquired shall be disposed of as promptly as is consistent with prudent liquidation practices, but in no event later than five years after such acquisition; (e) accept gifts or donations of services, or of property in aid of any of the purposes herein authorized; (f) appoint such officers, attorneys, agents, and employees, vest them with such powers and duties, fix and pay such compensation to them for their services as the telephone bank may determine; (g) determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid; (h) execute, in accordance with its bylaws, all instruments necessary or appropriate in the exercise of any of its powers; (i) collect or compromise all obligations assigned to or held by it and all legal or equitable rights accruing to it in connection with the payment of such obligations until such time as such obligation may be referred to the Attorney General for suit or collection; and (j) exercise all such other powers as shall be necessary or incidental to carrying out its functions under this title.

"SEC. 403. SPECIAL PROVISIONS GOVERNING TELEPHONE BANK AS AN AGENCY OF THE UNITED STATES UNTIL CONVERSION OF OWNERSHIP, CONTROL, AND OPERATION.—Until the ownership, control, and operation of the telephone bank is converted as provided in section 410(a) of this title and not thereafter—

"(a) the telephone bank shall be an agency of the United States and shall be subject to the supervision and direction of the Secretary of Agriculture (hereinafter called the Secretary): *Provided, however*, That the telephone bank shall at no time be entitled to transmission of its mail free of postage, nor shall it have the priority of the United States in the payment of debts out of bankrupt, insolvent, and decedents' estates;

"(b) in order to perform its responsibilities under this title, the telephone bank may partially or jointly utilize the facilities and the services of employees of the Rural Electrification Administration or of any other agency of the Department of Agriculture, without cost to the telephone bank and without charge to administrative expenses recoverable by the telephone bank under section 408(b)(3) of this title, but the compensation and expenses of members of the Telephone Bank Board who are not Federal officers or employees, and of officers and employees engaged solely on telephone bank activities, and procurement for the telephone bank, shall be administrative expenses recoverable under said subsection;

"(c) notwithstanding the provisions of the second sentence of subsection (d) of section 303 of the Government Corporation Control Act, as amended (31 U.S.C. 868), all telephone debentures issued by the telephone bank shall be issued at such times, bear interest at such rates, and contain such other term and conditions as have been or may be approved by the Secretary of the Treasury;

"(d) the telephone bank may without regard to the civil service classification laws appoint and fix the compensation of such officers and employees of the telephone bank as it may deem necessary;

"(e) the telephone bank shall be subject to the provisions of sections 517, 519, and 2679 of title 28, United States Code.

"SEC. 404. GOVERNOR.—Subject to the provisions of section 410, the Administrator of the Rural Electrification Administration shall serve as the chief executive officer of the telephone bank (herein called the Governor of the telephone bank). Except as to matters specifically reserved to the Telephone Bank Board in this title, the Governor of the telephone bank shall exercise and perform all functions, powers, and duties of the telephone bank.

"SEC. 405. BOARD OF DIRECTORS.—(a) The management of the telephone bank, within the limitations prescribed by law, shall be vested in a board of directors (herein called the Telephone Bank Board) consisting of thirteen members.

"(b) The Administrator of the Rural Electrification Administration and the Governor of the Farm Credit Administration shall be members of the Telephone Bank Board. Five other members of the Telephone Bank Board shall be designated by the President to serve at his pleasure, three of whom shall be officers or employees of the Department of Agriculture but not officers or employees of the Rural Electrification Administration, and two of whom shall be from the general public and not officers or employees of the Federal Government. The Administrator and other officers and employees of the Department of Agriculture and the Governor of the Farm Credit Administration shall serve as members without additional compensation.

"(c) As soon as practicable after enactment of this title, the President of the United States shall appoint six additional members of the initial Telephone Bank Board to be selected from the directors, managers, and employees of any entities eligible to borrow from the telephone bank and of organizations controlled by such entities, with due regard to fair representation of the rural telephone systems of the Nation. The six members thus appointed shall serve until their successors shall have been duly elected in accordance with subsection (d).

"(d) Within twelve months following the appointment of the six members of the initial Board as provided in subsection (c), the Governor of the telephone bank shall call a meeting of all entities then eligible to borrow from the telephone bank and organizations controlled by such entities for the purpose of electing members of the Telephone Bank Board. Each such entity and organization shall be entitled to notice of and shall have one noncumulative vote at said meeting. Six members of the Telephone Bank Board shall be elected for a two-year term, three from among the directors, managers, and employees of cooperative-type entities eligible to vote and organizations controlled by such entities, and three from among the managers, directors, and employees of commercial-type entities eligible to vote and organizations controlled by such entities. These six members shall be elected by majority vote of the entities and organizations eligible to vote and such entities and organizations may vote by proxy.

"(e) Thereafter, in accordance with the bylaws of the telephone bank, the six members of the Telephone Bank Board shall be elected by holders of class B and class C stock, three from among the directors, managers, and employees of cooperative-type entities and organizations controlled by such entities holding class B or class C stock, and three from among the directors, managers, and employees of commercial-type entities and organizations controlled by such entities holding class B or class C stock. These six members shall be elected by majority vote of the entities and organizations eligible to vote and such entities and organizations may vote by proxy.

"(f) Any Telephone Bank Board member may continue to serve after the expiration of the term for which he is elected until his successor has been elected and has qualified. Telephone Bank Board members designated from the general public, pursuant to subsection (b), or appointed or elected pursuant to subsections (c), (d), and (e), shall receive $100 for each day or part thereof, not to exceed one hundred days per year for the first three years after enactment of this title and not to exceed fifty days per year thereafter, spent in the performance of official duties, and shall be reimbursed for travel and other expenses in such manner and subject to such limitations as the Telephone Bank Board may prescribe.

"(g) The Telephone Bank Board shall prescribe bylaws, not inconsistent with law, regulating the manner in which the telephone bank's business shall be conducted, its directors and officers elected, its stock issued, held, and disposed of, its property transferred, its bylaws amended, and the powers and privileges granted to it by law exercised and enjoyed.

"(h) The Telephone Bank Board shall meet at such times and places as it may fix and determine, but shall hold at least four regularly scheduled meetings a year, and special meetings may be held on call in the manner specified in the bylaws of the telephone bank.

"(i) The Telephone Bank Board shall make an annual report to the Secretary for transmittal to the Congress on the administration of this title IV and any other matters relating to the effectuation of the policies of title IV, including recommendations for legislation.

"SEC. 406. CAPITALIZATION.—(a) The telephone bank's capital shall consist of capital subscribed by the United States, by borrow-

ers from the telephone bank, by corporations and public bodies eligible to become borrowers from the telephone bank, and by organizations controlled by such borrowers, corporations, and public bodies. Beginning with the fiscal year 1970 and for each fiscal year thereafter, the United States shall furnish capital for the purchase of class A stock and there are hereby authorized to be appropriated from net collection proceeds in the rural telephone account created under title III of this Act such amounts, not to exceed $30,000,000 annually, for such purchases until such class A stock shall equal $300,000,000: *Provided,* That on or before July 1, 1974 the Secretary shall make a report to the President for transmittal to the Congress on the status of capitalization of the telephone bank by the United States with appropriate recommendations. As used in this section, the term 'net collection proceeds' shall be deemed to mean payments from and after July 1, 1968, of principal and interest on loans heretofore or hereafter made under section 201 of this Act, less an amount representing interest payable to the Secretary of the Treasury on loans to the Administrator for telephone purposes pursuant to section 3(a) of this Act.

"(b) The capital stock of the telephone bank shall consist of three classes, class A, class B, and class C, the rights, powers, privileges, and preferences of the separate classes to be as specified, not inconsistent with law, in the bylaws of the telephone bank. Class B and class C stock shall be voting stock, but no holder of said stock shall be entitled to more than one vote, nor shall class B and class C stockholders, regardless of their number, which are owned or controlled by the same person, group of persons, firm, association, or corporation, be entitled in any event to more than one vote.

"(c) Class A stock shall be issued only to the Administrator of the Rural Electrification Administration on behalf of the United States in exchange for capital furnished to the telephone bank pursuant to subsection (a), and such class A stock shall be redeemed and retired by the telephone bank as soon as practicable after June 30, 1984, but not to the extent that the Telephone Bank Board determines that such retirement will impair the operations of the telephone bank: *Provided,* That the minimum amount of class A stock that shall be retired each year after said date and after the amount of class A and class B stock issued totals $400,000,000 shall equal the amount of class B stock sold by the telephone bank during such year. Class A stock shall be entitled to a return, payable from income, at the rate of 2 per centum per annum on the amounts of said class A stock actually paid into the telephone bank. Such return shall be cumulative and shall be payable annually into miscellaneous receipts of the Treasury.

"(d) Class B stock shall be held only by recipients of loans under section 408 of this Act. Borrowers, receiving loan funds pursuant to section 408(a) (1) or (2) shall be required to invest in class B stock 5 per centum of the amount of loan funds so provided. No dividends shall be payable on class B stock. All holders of class B stock shall be entitled to patronage refunds in class B stock under terms and conditions to be specified in the bylaws of the telephone bank.

"(e) Class C stock shall be available for purchase and shall be held only by borrowers, or by corporations eligible to borrow under section 408 of this Act, or by organizations controlled by such borrowers, and corporations, and shall be entitled to dividends in the manner specified in the bylaws of the telephone bank. Such dividends shall be payable only from income and, until all class A stock is retired, shall not exceed the current average rate payable on its telephone debentures.

"(f) If a firm, association, corporation, or public body is not authorized under the laws of the jurisdiction in which it is organized to acquire stock of the telephone bank, the telephone bank shall, in lieu thereof, permit such organization to pay into a special fund of the telephone bank a sum equivalent to the amount of stock to be purchased. Each reference in this title to capital stock, or to class B, or class C stock, shall include also the special fund equivalents of such stock, and to the extent permitted under the laws of the jurisdiction in which such organization is organized, a holder of special fund equivalents of class B, or class C stock, shall have the same rights and status as a holder of class B or class C stock, respectively. The rights and obligations of the telephone bank in respect of such special fund equivalent shall be identical to its rights and obligations in respect of class B or class C stock, respectively.

"(g) After payment of all operating expenses of the telephone bank, including interest on its telephone debentures, setting aside appropriate funds for reserves for losses, and making payments in lieu of taxes, and returns on class A stock as provided in section 406(c), and on class C stock, the Telephone Bank Board shall annually set aside the remaining earnings of the telephone bank for patronage refunds in accordance with the bylaws of the telephone bank.

"SEC. 407. BORROWING POWER.—The telephone bank is authorized to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness (herein collectively called 'telephone debentures'). Telephone debentures shall be issued at such times, bear interest at such rates, and contain such other terms and conditions as the Telephone Bank Board shall determine: *Provided, however,* That the amount of the telephone debentures which may be outstanding at any one time pursuant to this section shall not exceed eight times the paid-in capital and retained earnings of the telephone bank. The telephone bank shall insert in all its telephone debentures appropriate language indicating that such telephone debentures, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the telephone bank. Telephone debentures shall not be exempt, either as to principal or interest, from any taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State or local taxing authority. Telephone debentures shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority and control of the United States or any officer or officers thereof.

"SEC. 408. LENDING POWER.—(a) The Governor of the telephone bank is authorized on behalf of the telephone bank to make loans, in conformance with policies approved by the Telephone Bank Board, to corporations and public bodies which have received a loan or loan commitment pursuant to section 201 of this Act, (1) for the same purposes and under the same limitations for which loans may be made under section 201 of this Act, (2) for the purposes of financing, or refinancing, the construction, improvement, expansion, acquisition, and operation of telephone lines, facilities, or systems, in order to improve the efficiency, effectiveness, or financial stability of borrowers financed under sections 201 and 408 of this Act, and (3) for the purchase of class B stock required to be purchased under section 406(d) of this Act but not for the purchase of class C stock, subject, as to the purposes set forth in (2) hereof, to the following provisos: That in the case of any such loan for the acquisition of telephone lines, facilities, or systems, the acquisition shall be approved by the Secretary, the location and character thereof shall be such as to improve the efficiency, effectiveness, or financial stability of the telephone system of the borrower, and in respect of exchange facilities for local services, the size of each acquisition shall be not greater than the borrower's existing system at the time it receives its first loan from the telephone bank, taking into account the number of subscribers served, miles of line, and plant investment.

"(b) Loans under this section shall be on such terms and conditions as the Governor of the telephone bank shall determine, subject, however, to the following restrictions:

"(1) All loans made hereunder shall be fully amortized over a period not to exceed fifty years.

"(2) Notwithstanding any other provision of law, all loans made pursuant to this Act for facilities for telephone systems with an average subscriber density of three or fewer per mile shall be made under section 201 of this Act; but this provision shall not preclude the making of such loans from the telephone bank at the election of the borrower.

"(3) Intermediate loans shall bear interest at a rate equal to (i) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield, during the month of May preceding the fiscal year in which the loans are made, on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, or (ii) 4 per centum per annum, whichever is lower. All other loans made hereunder shall bear interest at a rate which shall reflect the average cost of moneys to the telephone bank, including (a) interest on its debentures, and (b) the return on funds provided by the United States for the purchase of class A stock pursuant to section 406(a) of this Act, and (c) administrative expenses, and (d) reserves, and (e) estimated losses of the telephone bank. Intermediate loans shall not be made to a borrower which is determined by the Governor of the telephone bank, under standards to be established by the Secretary, to be capable of both paying the interest rate applicable hereunder to loans other than intermediate loans and achieving the objectives of the Federal rural telephone loan program. The authority to make intermediate loans hereunder shall terminate on June 30, 1984, or such earlier date as conversion takes place under section 410(a): *Provided,* That on or before July 1, 1974, the Secretary shall make a report to the President for transmittal to the Congress on the status of the intermediate loan program with recommendations concerning its continuation thereafter.

"(4) Loans shall not be made unless the Governor of the telephone bank finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed.

"(5) No loan shall be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from such agency is first obtained. In a State in which there is no such agency or regulatory body legally authorized to issue such certificates to the applicant, no loan shall be made under this section unless the Governor of the telephone bank shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, or systems, providing reasonably adequate services will result therefrom.

"(6) As used in this section, the term 'telephone service' shall have the meaning prescribed for this term in section 203(a) of this Act, and the term 'telephone lines, fa-

cilities, or systems' shall mean lines, facilities, or systems used in the rendition of such telephone service.

"(7) No portion of any loan made under this Act shall be used to finance any political activities prohibited under sections 600, 601, 610, 611, and 612 of title 18, United States Code, and prior to the making of any loan the borrowing entity shall agree in writing not to engage in any such prohibited political activities during the term of such loan. If the Telephone Bank Board finds a violation of this provision to have occurred, it shall so notify such borrower in writing and thirty days thereafter such loan shall become due and payable in full.

"(8) Notwithstanding any other provision of law, (i) no borrower of funds under section 201 of this Act shall, without approval of the Administrator, sell or dispose of its property, rights, controling interest, or franchise until all indebtedness, including all interest and charges, to the Rural Electrification Administration shall have been repaid, and (ii) no borrower of funds under section 408 of this Act shall, without approval of the Telephone Bank Board, sell or dispose of its property, rights, controlling interest, or franchise until all indebtedness, including all interest and charges, to the telephone bank shall have been repaid.

"(c) The Governor of the telephone bank is authorized under the rules established by the Telephone Bank Board to adjust, on an amortized basis, the schedule of payments of interest or principal of loans made under this section upon his determination that with such readjustment there is reasonable assurance of repayment: *Provided, however,* That no adjustment shall extend the period of such loans beyond fifty years.

"SEC. 409. TELEPHONE BANK RECEIPTS.—Any receipts from the activities of the telephone bank shall be available for all obligations and expenditures of the telephone bank.

"SEC. 410. CONVERSION OF OWNERSHIP, CONTROL AND OPERATION OF TELEPHONE BANK.—(a) Whenever after retirement of class A stock issued to the United States has begun pursuant to section 406(c) of this title, the total amount in stated value of class B and class C stock outstanding equals two-thirds of the total amount in stated value of class A, class B, and class C stock outstanding, as determined by the Secretary—

"(1) the powers and authority of the Governor of the telephone bank granted to the Administrator of the Rural Electrification Administration by this title IV shall vest in the Telephone Bank Board, and may be exercised and performed through the Governor of the telephone bank, to be selected by the Telephone Bank Board, and through such other employees as the Telephone Bank Board shall designate;

"(2) the five members of the Telephone Bank Board designated by the President pursuant to section 405(b) shall cease to be members, and the number of Board members shall be accordingly reduced to eight unless other provision is thereafter made in the bylaws of the telephone bank;

"(3) the telephone bank shall cease to be an agency of the United States, but shall continue in existence in perpetuity as an instrumentality of the United States and as a banking corporation with all of the powers and limitations conferred or imposed by this title IV except such as shall have lapsed pursuant to the provisions of this title.

"(b) When all class A stock has been fully redeemed and retired, loans made by the telephone bank shall not continue to be subject to the restrictions prescribed in the provisos to section 408(a)(2).

"(c) Congress reserves the right to review the continued operations of the telephone bank after all class A stock has been fully redeemed and retired.

"SEC. 411. LIQUIDATION OR DISSOLUTION OF THE TELEPHONE BANK.—In the case of liquidation or dissolution of the telephone bank, after the payment or retirement, as the case may be, first, of all liabilities; second, of all class A stock at par; third, of all class B stock at par; fourth, of all class C stock at par; then any surpluses and contingency reserves existing on the effective date of liquidation or dissolution of the telephone bank shall be paid to the holders of class A and class B stock issued and outstanding before the effective date of such liquidation or dissolution, pro rata, and any remaining surplus and contingency reserves shall be distributed to those entities to which they are allocated on the books of the bank at the time of the liquidation or dissolution."

SEC. 2. (a) Subsection (f) of section 3 of the Rural Electrification Act of 1936, as amended by inserting "rural electrification" immediately following the words "interest on" in both places where it appears in said subsection and by inserting the words "for rural electrification purposes" after the words "Secretary of the Treasury" the second time they appear in said subsection.

(b) Section 201 of the Rural Electrification Act of 1936, as amended, is amended by inserting ", to public bodies now providing telephone service in rural areas", immediately after the word "areas" in the first sentence and also immediately after the word "areas" in the first proviso of the second sentence.

SEC. 3. Section 201 of the Government Corporation Control Act, as amended (31 U.S.C. 856), is amended by striking "and" immediately before "(5)" and by inserting ", and (6) the Rural Telephone Bank" immediately before the period at the end.

SEC. 4. The second sentence of subsection (d) of section 303 of the Government Corporation Control Act, as amended (31 U.S.C. 868), is amended by inserting "the Rural Telephone Bank," immediately following the words "shall not be applicable to".

SEC. 5. The right to repeal, alter, or amend this Act is expressly reserved.

SEC. 6. This Act shall take effect upon enactment.

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Committee amendments: Page 1, line 6, insert the word "an" after the word "furnish";

Page 1, line 6, strike out the word "sources" and insert in lieu thereof the word "source";

Page 2, line 25, strike out the figure "1968," and insert in lieu thereof the figure "1970".

Page 4, line 23, strike out the word "suck" and insert in lieu thereof the word "such";

Page 6, line 25, strike out the comma after the word "services";

Page 13, line 11, strike out the figure "1970" and insert in lieu thereof the figure "1971";

Page 13, line 18, strike out the figure "1974" and insert in lieu thereof the figure "1975";

Page 13, line 23, strike out the figure "1968" and insert in lieu thereof the figure "1970";

Page 14, line 21, strike out the figure "1984" and insert in lieu thereof the figure "1985";

Page 15, line 10, strike out the comma after the word "Borrowers";

Page 15, lines 19 and 21, after the word "corporations" each time it appears insert the words "and public bodies";

Page 15, line 21, strike out the word "and" where it first appears and insert a comma in lieu thereof;

Page 17, lines 6 and 7, strike out the quotation marks enclosing "telephone debentures";

Page 20, line 16, strike out the figure "1984" and insert in lieu thereof the figure "1985";

Page 20, line 16, strike out the word "take" and insert in lieu thereof the word "takes";

Page 20, line 18, strike out the figure "1974" and insert in lieu thereof the figure "1975";

Page 21, line 18, strike out the word "Act" and insert in lieu thereof the word "section";

Page 25, line 3, strike the quotation mark and insert the following new section:

"SEC. 412. BORROWER NET WORTH.—Except as provided in subsection (b)(2) of section 408, notwithstanding any other provision of law, a loan shall not be made under section 201 of this Act to any borrower which during the immediately preceding year had a net worth in excess of 20 per centum of its assets unless the Administrator finds that the borrower cannot obtain such a loan from the telephone bank or from other reliable sources at reasonable rates of interest and terms and conditions."; and

Page 25, line 4; page 25, line 17, page 25, line 22; page 26, line 3; and page 26, line 5: change the section numbers to 3 through 7.

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. HAMILTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes, pursuant to House Resolution 339, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

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

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

MOTION TO RECOMMIT OFFERED BY MR. TEAGUE OF CALIFORNIA

Mr. TEAGUE of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TEAGUE of California. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TEAGUE of California moves to recommit the bill H.R. 7 to the Committee on Agriculture.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. TEAGUE of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 269, nays 127, not voting 36, as follows:

[Roll No. 29]

YEAS—269

Abbitt	Davis, Wis.	Horton
Abourezk	de la Garza	Howard
Adams	Dellenback	Hull
Anderson, Calif.	Denholm	Hungate
	Dickinson	Hutchinson
Anderson, Tenn.	Dingell	Ichord
	Donohue	Jarman
Andrews, Ala.	Dow	Johnson, Calif.
Andrews, N. Dak.	Downing	Johnson, Pa.
	Duncan	Jones, Ala.
Arends	Eckhardt	Jones, N.C.
Aspin	Edmondson	Jones, Tenn.
Aspinall	Edwards, Ala.	Karth
Badillo	Edwards, Calif.	Kastenmeier
Baring	Eilberg	Kazen
Begich	Esch	Kee
Belcher	Eshleman	King
Bennett	Evans, Colo.	Kluczynski
Bergland	Evins, Tenn.	Kuykendall
Bevill	Fascell	Kyl
Biester	Findley	Kyros
Blanton	Fisher	Landrum
Blatnik	Flood	Latta
Boggs	Flowers	Leggett
Boland	Flynt	Lennon
Bolling	Foley	Link
Bow	Ford, Gerald R.	McCloskey
Brademas	Ford, William D.	McClure
Brasco		McCollister
Bray	Forsythe	McCormack
Brinkley	Fountain	McDade
Brooks	Frey	McDonald, Mich.
Brotzman	Fulton, Tenn.	
Brown, Ohio	Fuqua	McFall
Broyhill, N.C.	Gallifianakis	McKay
Broyhill, Va.	Garmatz	McMillan
Buchanan	Gettys	Madden
Burke, Mass.	Gibbons	Mahon
Burleson, Tex.	Gonzalez	Mathias, Calif.
Burlison, Mo.	Grasso	Mathis, Ga.
Burton	Green, Oreg.	Matsunaga
Byrne, Pa.	Griffin	Mayne
Byrnes, Wis.	Griffiths	Mazzoli
Cabell	Hagan	Meeds
Caffery	Hamilton	Melcher
Camp	Hammer-schmidt	Metcalfe
Carney		Mikva
Carter	Hansen, Idaho	Miller, Calif.
Casey, Tex.	Hansen, Wash.	Miller, Ohio
Cederberg	Harrington	Mills
Chamberlain	Harsha	Mitchell
Chisholm	Hastings	Mizell
Clark	Hathaway	Mollohan
Cleveland	Hays	Montgomery
Collins, Ill.	Hébert	Moorhead
Colmer	Hechler, W. Va.	Morgan
Corman	Henderson	Morse
Culver	Hicks, Mass.	Moss
Daniel, Va.	Hillis	Murphy, Ill.
Danielson	Hogan	Murphy, N.Y.
Davis, Ga.	Holifield	Natcher
Nedzi	Rooney, N.Y.	Stratton
Nelsen	Rooney, Pa.	Stubblefield
Nichols	Roush	Stuckey
Nix	Roybal	Sullivan
Obey	Runnels	Symington
O'Hara	Ruppe	Taylor
O'Konski	Ruth	Teague, Tex.
O'Neill	Ryan	Thompson, Ga.
Passman	Sandman	Thomson, Wis.
Patman	Sarbanes	Thone
Patten	Satterfield	Tiernan
Pepper	Scherle	Udall
Perkins	Schwengel	Ullman
Pickle	Sebelius	Vander Jagt
Poage	Shipley	Waggonner
Podell	Shoup	Wampler
Poff	Shriver	Watts
Powell	Sikes	Whalen
Preyer, N.C.	Sisk	White
Price, Ill.	Skubitz	Whitehurst
Price, Tex.	Smith, Iowa	Whitten
Pryor, Ark.	Snyder	Widnall
Purcell	Springer	Winn
Quie	Stafford	Wright
Quillen	Staggers	Wyatt
Railsback	Stanton, James V.	Wyman
Randall		Yates
Rees	Steed	Young, Tex.
Riegle	Steiger, Wis.	Zablocki
Robinson, Va.	Stephens	Zion
Roncalio	Stokes	Zwach

NAYS—127

Abernethy	Fulton, Pa.	Pike
Abzug	Gaydos	Pirnie
Addabbo	Giaimo	Rarick
Anderson, Ill.	Goldwater	Reid, Ill.
Archer	Goodling	Reuss
Ashbrook	Gross	Rhodes
Ashley	Grover	Robison, N.Y.
Baker	Gubser	Rodino
Bell	Gude	Roe
Betts	Haley	Rogers
Biaggi	Hall	Rosenthal
Bingham	Halpern	Rousselot
Blackburn	Hanley	St Germain
Broomfield	Harvey	Saylor
Brown, Mich.	Heckler, Mass.	Scheuer
Burke, Fla.	Helstoski	Schmitz
Byron	Hosmer	Schneebeli
Carey, N.Y.	Hunt	Scott
Chappell	Jacobs	Smith, Calif.
Clancy	Jonas	Smith, N.Y.
Clausen, Don H.	Keating	Spence
	Keith	Stanton, J. William
Clawson, Del	Kemp	
Collier	Koch	Steele
Conable	Landgrebe	Steiger, Ariz.
Conte	Lent	Talcott
Conyers	Lloyd	Teague, Calif.
Cotter	Long, Md.	Thompson, N.J.
Coughlin	Lujan	Van Deerlin
Crane	McClory	Vanik
Daniels, N.J.	McEwen	Veysey
Delaney	McKevitt	Vigorito
Dennis	McKinney	Waldie
Derwinski	Mailliard	Ware
Devine	Martin	Whalley
Drinan	Michel	Wiggins
Dulski	Minish	Williams
duPont	Minshall	Wilson, Bob
Dwyer	Monagan	Wolff
Erlenborn	Mosher	Wydler
Fish	Pelly	Wylie
Frelinghuysen	Pettis	Yatron
Frenzel	Peyser	Young, Fla.

NOT VOTING—36

Alexander	Fraser	Myers
Annunzio	Gallagher	Pucinski
Barrett	Gray	Rangel
Celler	Green, Pa.	Reid, N.Y.
Clay	Hanna	Roberts
Collins, Tex.	Hawkins	Rostenkowski
Corbett	Hicks, Wash.	Roy
Dellums	Long, La.	Selberling
Dent	McCulloch	Slack
Diggs	Macdonald, Mass.	Terry
Dorn		Wilson, Charles H.
Dowdy	Mann	
Edwards, La.	Mink	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Dent for, with Mr. Macdonald of Massachusetts against.

Mr. Alexander for, with Mr. Mann against.

Mr. Annunzio for, with Mr. Clay against.

Mr. Roberts for, with Mr. Corbett against.

Mr. Rostenkowski for, with Mr. Reid of New York against.

Mr. Hanna for, with Mr. Gallagher against.

Until further notice:

Mr. Barrett with Mr. Myers.

Mr. Dorn with Mr. Terry.

Mr. Edwards of Louisiana with Mr. McCulloch.

Mr. Dowdy with Mr. Collins of Texas.

Mr. Celler with Mr. Dellums.

Mr. Diggs with Mr. Fraser.

Mr. Hicks with Mr. Hawkins.

Mr. Rangel with Mrs. Mink.

Mr. Green of Pennsylvania with Mr. Roy.

Mr. Gray with Mr. Pucinski.

Mr. Charles H. Wilson with Mr. Selberling.

Mr. Slack with Mr. Long of Louisiana.

Messrs. CAREY and ASHLEY changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. POAGE. Mr. Speaker, pursuant to House Resolution 339, I call up from the Speaker's table for immediate consideration the bill (S. 70) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. POAGE moves to strike out all after the enacting clause of S. 70 and to insert in lieu thereof the provisions of H.R. 7, as passed, as follows:

That it is hereby declared to be the policy of the Congress that the growing capital needs of the rural telephone systems require the establishment of a rural telephone bank which will furnish an assured and viable source of supplementary financing with the objective that said bank will become an entirely privately owned, operated, and financed corporation. The Congress further finds that many rural telephone systems require financing under the terms and conditions provided in title II of the Rural Electrification Act of 1936, as amended. In order to effectuate this policy, the Rural Electrification Act of 1936, as amended (7 U.S.C. 921–924), is amended as hereinafter provided.

SEC. 2. The Rural Electrification Act of 1936, as amended, is amended by adding the following two new titles:

"TITLE III

"SEC. 301. RURAL TELEPHONE ACCOUNT.—(a) There is hereby established in the Treasury of the United States an account, to be known as the rural telephone account, consisting of—

"(1) all notes, bonds, obligations, and property delivered or assigned to the Administrator pursuant to loans heretofore or hereafter made under section 201 of this Act, including notes, bonds, obligations, and property held in trust by him on behalf of the Secretary of the Treasury, as of the effective date of this title, which shall be transferred to and be assets of the rural telephone account;

"(2) undisbursed balances of telephone loans made under section 201, which, as of the effective date of this title, shall be transferred to and be assets of the rural telephone account;

"(3) all collections of principal and interest received on and after July 1, 1970, on notes, bonds, judgments, or other obligations made or held under title II of this Act, which

shall be paid into and be assets of the rural telephone account;

"(4) all appropriations for telephone loans made under the authority of section 3 of this Act and funds obtained in accordance therewith and the unexpended balances of any funds available on the effective date of this title for telephone loans under section 201 of this Act, including any funds made available for telephone loans under the item 'Rural Electrification Administration,' in the Department of Agriculture Appropriation Acts current on the date of enactment of this title, and said appropriations, balances, and funds shall be assets of the rural telephone account; and

"(5) shares of the capital stock of the Rural Telephone Bank acquired by investment of the rural telephone account pursuant to section 302(b)(3) of this title, and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of title IV of this Act, which said shares and moneys shall be assets of the rural telephone account.

"SEC. 302. LIABILITIES AND USES OF ACCOUNT.—(a) The notes of the Administrator issued to the Secretary of the Treasury to obtain funds for loans under section 201 of this Act, and all other liabilities against the appropriations or assets in the rural telephone account in connection with telephone loan operations shall be liabilities of the rural telephone account, and all other obligations against such appropriations or assets arising out of telephone loan operations shall be obligations of the rural telephone account.

"(b) The assets of the rural telephone account shall be available for the following purposes:

"(1) loans under section 201 of this Act and for advances in connection therewith, except that no such loans shall be made in any year in excess of the amounts previously authorized therefor in appropriation Acts for such year or available pursuant to section 3 of this Act; the amounts so authorized for loans and advances shall remain available until expended;

"(2) payment of interest as it accrues on loans to the Administrator from the Secretary of the Treasury for telephone purposes pursuant to section 3(a) of this Act;

"(3) investment in the capital stock of the Rural Telephone Bank in accordance with section 406(a) of this Act: *Provided*, That such investment shall be deemed paid in capital of the said bank notwithstanding that funds representing the proceeds from the purchase of such stock shall remain in the rural telephone account until required for actual disbursement in cash by the said bank; and

"(4) payment of principal when due on loans to the Administrator from the Secretary of the Treasury for telephone purposes pursuant to section 3(a) of this Act.

"SEC. 303. DEPOSIT OF ACCOUNT MONEYS.—Moneys in the rural telephone account shall remain on deposit in the Treasury of the United States until disbursed.

"TITLE IV

"SEC. 401. ESTABLISHMENT, GENERAL PURPOSES, AND STATUS OF THE TELEPHONE BANK.—(a) There is hereby established a body corporate to be known as the Rural Telephone Bank (hereinafter called the telephone bank).

"(b) The general purposes of the telephone bank shall be to obtain an adequate supply of supplemental funds to the extent feasible from non-Federal sources, to utilize said funds in the making of loans under section 408 of this title, and to conduct its operations to the extent practicable on a self-sustaining basis.

"(c) The telephone bank shall be deemed to be an instrumentality of the United States, and shall, for the purposes of jurisdiction and venue, be deemed a citizen and resident of the District of Columbia. The telephone bank is authorized to make payments to State, territorial, and local governments in lieu of property taxes upon real property and tangible personal property which was subject to State, territorial, and local taxation before acquisition by the telephone bank. Such payment may be in the amounts, at the times, and upon such terms as the telephone bank deems appropriate but the telephone bank shall be guided by the policy of making payments not in excess of the taxes which would have been payable upon such property in the condition in which it was acquired.

"SEC. 402. GENERAL POWERS.—To carry out the specific powers herein authorized, the telephone bank shall have power to (a) adopt, alter, and use a corporate seal; (b) sue and be sued in its corporate name; (c) make contracts, leases, and cooperative agreements, or enter into other transactions as may be necessary in the conduct of its business, and on such terms as it may deem appropriate; (d) acquire, in any lawful manner, hold, maintain, use, and dispose of property: *Provided*, That the telephone bank may only acquire property needed in the conduct of its banking operations or pledged or mortgaged to secure loans made hereunder or in temporary operation or maintenance thereof: *Provided further*, That any such pledged or mortgaged property so acquired shall be disposed of as promptly as is consistent with prudent liquidation practices, but in no event later than five years after such acquisition; (e) accept gifts or donations of services or of property in aid of any of the purposes herein authorized; (f) appoint such officers, attorneys, agents, and employees, vest them with such powers and duties, fix and pay such compensation to them for their services as the telephone bank may determine; (g) determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid; (h) execute, in accordance with its bylaws, all instruments necessary or appropriate in the exercise of any of its powers; (i) collect or compromise all obligations assigned to or held by it and all legal or equitable rights accruing to it in connection with the payment of such obligations until such time as such obligation may be referred to the Attorney General for suit or collection; and (j) exercise all such other powers as shall be necessary or incidental to carrying out its functions under this title.

"SEC. 403. SPECIAL PROVISIONS GOVERNING TELEPHONE BANK AS AN AGENCY OF THE UNITED STATES UNTIL CONVERSION OF OWNERSHIP, CONTROL, AND OPERATION.—Until the ownership, control, and operation of the telephone bank is converted as provided in section 410(a) of this title and not thereafter—

"(a) the telephone bank shall be an agency of the United States and shall be subject to the supervision and direction of the Secretary of Agriculture (hereinafter called the Secretary): *Provided, however*, That the telephone bank shall at no time be entitled to transmission of its mail free of postage, nor shall it have the priority of the United States in the payment of debts out of bankrupt, insolvent, and decedents' estates;

"(b) in order to perform its responsibilities under this title, the telephone bank may partially or jointly utilize the facilities and the services of employees of the Rural Electrification Administration or of any other agency of the Department of Agriculture, without cost to the telephone bank and without charge to administrative expenses recoverable by the telephone bank under section 408(b)(3) of this title, but the compensation and expenses of members of the Telephone Bank Board who are not Federal officers or employees, and of officers and employees engaged solely on telephone bank activities, and procurement for the telephone bank, shall be administrative expenses recoverable under said subsection;

"(c) notwithstanding the provisions of the second sentence of subsection (d) of section 303 of the Government Corporation Control Act, as amended (31 U.S.C. 868), all telephone debentures issued by the telephone bank shall be issued at such times, bear interest at such rates, and contain such other terms and conditions as have been or may be approved by the Secretary of the Treasury;

"(d) the telephone bank may without regard to the civil service classification laws appoint and fix the compensation of such officers and employees of the telephone bank as it may deem necessary;

"(e) the telephone bank shall be subject to the provisions of sections 517, 519, and 2679 of title 28, United States Code.

"SEC. 404. GOVERNOR.—Subject to the provisions of section 410, the Administrator of the Rural Electrification Administration shall serve as the chief executive officer of the telephone bank (herein called the Governor of the telephone bank). Except as to matters specifically reserved to the Telephone Bank Board in this title, the Governor of the telephone bank shall exercise and perform all functions, powers, and duties of the telephone bank.

"SEC. 405. BOARD OF DIRECTORS.—(a) The management of the telephone bank, within the limitations prescribed by law, shall be vested in a board of directors (herein called the Telephone Bank Board) consisting of thirteen members.

"(b) The Administrator of the Rural Electrification Administration and the Governor of the Farm Credit Administration shall be members of the Telephone Bank Board. Five other members of the Telephone Bank Board shall be designated by the President to serve at his pleasure, three of whom shall be officers or employees of the Department of Agriculture but not officers or employees of the Rural Electrification Administration, and two of whom shall be from the general public and not officers or employees of the Federal Government. The Administrator and other officers and employees of the Department of Agriculture and the Governor of the Farm Credit Administration shall serve as members without additional compensation.

"(c) As soon as practicable after enactment of this title, the President of the United States shall appoint six additional members of the initial Telephone Bank Board to be selected from the directors, managers, and employees of any entities eligible to borrow from the telephone bank and of organizations controlled by such entities, with due regard to fair representation of the rural telephone systems of the Nation. The six members thus appointed shall serve until their successors shall have been duly elected in accordance with subsection (d).

"(d) Within twelve months following the appointment of the six members of the initial Board as provided in subsection (c), the Governor of the telephone bank shall call a meeting of all entities then eligible to borrow from the telephone bank and organizations controlled by such entities for the purpose of electing members of the Telephone Bank Board. Each such entity and organization shall be entitled to notice of and shall have one noncumulative vote at said meeting. Six members of the Telephone Bank Board shall be elected for a two-year term, three from among the directors, managers, and employees of cooperative-type entities eligible to vote and organizations controlled by such entities, and three from among the managers, directors, and employees of commercial-type entities eligible to vote and organizations controlled by such entities. These six members shall be elected by majority vote of the entities and organizations eligible to vote and such entities and organizations may vote by proxy.

"(e) Thereafter, in accordance with the bylaws of the telephone bank, the six members of the Telephone Bank Board shall be elected by holders of class B and class C stock, three from among the directors, managers, and employees of cooperative-type entities and organizations controlled by such entities holding class B or class C stock, and three from among the directors, managers, and employees of commercial-type entities and organizations controlled by such entities holding class B or class C stock.These six members shall be elected by majority vote of the entities and organizations eligible to vote and such entities and organizations may vote by proxy.

"(f) Any Telephone Bank Board member may continue to serve after the expiration of the term for which he is elected until his successor has been elected and has qualified. Telephone Bank Board members designated from the general public, pursuant to subsection (b), or appointed or elected pursuant to subsections (c), (d), and (e), shall receive $100 for each day or part thereof, not to exceed one hundred days per year for the first three years after enactment of this title and not to exceed fifty days per year thereafter, spent in the performance of official duties, and shall be reimbursed for travel and other expenses in such manner and subject to such limitations as the Telephone Bank Board may prescribe.

"(g) The Telephone Bank Board shall prescribe bylaws, not inconsistent with law, regulating the manner in which the telephone bank's business shall be conducted, its directors and officers elected, its stock issued, held, and disposed of, its property transferred, its bylaws amended, and the powers and privileges granted to it by law exercised and enjoyed.

"(h) The Telephone Bank Board shall meet at such times and places as it may fix and determine, but shall hold at least four regularly scheduled meetings a year, and special meetings may be held on call in the manner specified in the bylaws of the telephone bank.

"(i) The Telephone Bank Board shall make an annual report to the Secretary for transmittal to the Congress on the administration of this title I and any other matters relating to the effectuation of the policies of title IV, including recommendations for legislation.

"SEC. 406. CAPITALIZATION.—(a) The telephone bank's capital shall consist of capital subscribed by the United States, by borrowers from the telephone bank, by corporations and public bodies eligible to become borrowers from the telephone bank, and by organizations controlled by such borrowers, corporations, and public bodies. Beginning with the fiscal year 1971 and for each fiscal year thereafter, the United States shall furnish capital for the purchase of class A stock and there are hereby authorized to be appropriated from net collection proceeds in the rural telephone account created under title III of this Act such amounts, not to exceed $30,000,000 annually, for such purchases until such class A stock shall equal $300,000,000: *Provided,* That on or before July 1, 1975 the Secretary shall make a report to the President for transmittal to the Congress on the status of capitalization of the telephone bank by the United States with appropriate recommendations. As used in this section, the term 'net collection proceeds' shall be deemed to mean payments from and after July 1, 1970, of principal and interest on loans heretofore or hereafter made under section 201 of this Act, less an amount representing interest payable to the Secretary of the Treasury on loans to the Administrator for telephone purposes pursuant to section 3(a) of this Act.

"(b) The capital stock of the telephone bank shall consist of three classes, class A, class B, and class C, the rights, powers, privileges, and preferences of the separate classes to be as specified, not inconsistent with law, in the bylaws of the telephone bank. Class B and class C stock shall be voting stock, but no holder of said stock shall be entitled to more than one vote, nor shall class B and class C stockholders, regardless of their number, which are owned or controlled by the same person, group of persons, firm, association, or corporation, be entitled in any event to more than one vote.

"(c) Class A stock shall be issued only to the Administrator of the Rural Electrification Administration on behalf of the United States in exchange for capital furnished to the telephone bank pursuant to subsection (a), and such class A stock shall be redeemed and retired by the telephone bank as soon as practicable after June 30, 1985, but not to the extent that the Telephone Bank Board determines that such retirement will impair the operations of the telephone bank: *Provided,* That the minimum amount of class A stock that shall be retired each year after said date and after the amount of class A and class B stock issued totals $400,000,000, shall equal the amount of class B stock sold by the telephone bank during such year. Class A stock shall be entitled to a return, payable from income, at the rate of 2 per centum per annum on the amounts of said class A stock actually paid into the telephone bank. Such return shall be cumulative and shall be payable annually into miscellaneous receipts of the Treasury.

"(d) Class B stock shall be held only by recipients of loans under section 408 of this Act. Borrowers, receiving loan funds pursuant to section 408(a) (1) or (2) shall be required to invest in class B stock 5 per centum of the amount of loan funds so provided. No dividends shall be payable on class B stock. All holders of class B stock shall be entitled to patronage refunds in class B stock under terms and conditions to be specified in the bylaws of the telephone bank.

"(e) Class C stock shall be available for purchase and shall be held only by borrowers, or by corporations and public bodies eligible to borrow under section 408 of this Act, or by organizations controlled by such borrowers, corporations and public bodies, and shall be entitled to dividends in the manner specified in the bylaws of the telephone bank. Such dividends shall be payable only from income and, until all class A stock is retired, shall not exceed the current average rate payable on its telephone debentures.

"(f) If a firm, association, corporation, or public body is not authorized under the laws of the jurisdiction in which it is organized to acquire stock of the telephone bank, the telephone bank shall, in lieu thereof, permit such organization to pay into a special fund of the telephone bank a sum equivalent to the amount of stock to be purchased. Each reference in this title to capital stock, or to class B, or class C stock, shall include also the special fund equivalents of such stock, and to the extent permitted under the laws of the jurisdiction in which such organization is organized, a holder of special fund equivalents of class B, or class C stock shall have the same rights and status as a holder of Class B or class C stock, respectively. The rights and obligations of the telephone bank in respect of such special fund equivalent shall be identical to its rights and obligations in respect of Class B or Class C stock, respectively.

"(g) After payment of all operating expenses of the telephone bank, including interest on its telephone debentures, setting aside appropriate funds for reserves for losses, and making payments in lieu of taxes, and returns on class A stock as provided in section 406(c), and on class C stock, the Telephone Bank Board shall annually set aside the remaining earnings of the telephone bank for patronage refunds in accordance with the bylaws of the telephone bank.

"SEC. 407. BORROWING POWER.—The telephone bank is authorized to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness (herein collectively called telephone debentures). Telephone debentures shall be issued at such times, bear interest at such rates, and contain such other terms and conditions as the Telephone Bank Board shall determine: *Provided, however,* That the amount of the telephone debentures which may be outstanding at any one time pursuant to this section shall not exceed eight times the paid-in capital and retained earnings of the telephone bank. The telephone bank shall insert in all its telephone debentures appropriate language indicating that such telephone debentures, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the telephone bank. Telephone debentures shall not be exempt, either as to principal or interest, from any taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State or local taxing authority. Telephone debentures shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority and control of the United States or any officer or officers thereof.

"SEC. 408. LENDING POWER.—(a) The Governor of the telephone bank is authorized on behalf of the telephone bank to make loans, in conformance with policies approved by the Telephone Bank Board, to corporations and public bodies which have received a loan or loan commitment pursuant to section 201 of this Act, (1) for the same purposes and under the same limitations for which loans may be made under section 201 of this Act, (2) for the purposes of financing, or refinancing, the construction, improvement, expansion, acquisition, and operation of telephone lines, facilities, or systems, in order to improve the efficiency, effectiveness, or financial stability of borrowers financed under sections 201 and 408 of this Act, and (3) for the purchase of class B stock required to be purchased under section 406(d) of this Act but not for the purchase of class C stock, subject, as to the purposes set forth in (2) hereof, to the following provisos: That in the case of any such loan for the acquisition of telephone lines, facilities, or systems, the acquisition shall be approved by the Secretary, the location and character thereof shall be such as to improve the efficiency, effectiveness, financial stability of the telephone system of the borrower, and in respect of exchange facilities for local services, the size of each acquisition shall be not greater than the borrower's existing system at the time it receives its first loan from the telephone bank, taking into account the number of subscribers served, miles of line, and plant investment.

"(b) Loans under this section shall be on such terms and conditions as the Governor of the telephone bank shall determine, subject, however, to the following restrictions:

"(1) All loans made hereunder shall be fully amortized over a period not to exceed fifty years.

"(2) Notwithstanding any other provision of law, all loans made pursuant to this Act for facilities for telephone systems with an average subscriber density of three or fewer per mile shall be made under section 201 of this Act; but this provision shall not preclude the making of such loans from the telephone bank at the election of the borrower.

"(3) Intermediate loans shall bear interest at a rate equal to (i) a rate determined by

the Secretary of the Treasury, taking into consideration the current average market yield, during the month of May preceding the fiscal year in which the loans are made, on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, or (ii) 4 per centum per annum, whichever is lower. All other loans made hereunder shall bear interest at a rate which shall reflect the average cost of moneys to the telephone bank, including (a) interest on its debentures, and (b) the return on funds provided by the United States for the purchase of class A stock pursuant to section 406(a) of this Act, and (c) administrative expenses, and (d) reserves, and (e) estimated losses of the telephone bank. Intermediate loans shall not be made to a borrower which is determined by the Governor of the telephone bank, under standards to be established by the Secretary, to be capable of both paying the interest rate applicable hereunder to loans other than intermediate loans and achieving the objectives of the Federal rural telephone loan program. The authority to make intermediate loans hereunder shall terminate on June 30, 1985, or such earlier date as conversion takes place under section 410(a): *Provided*, That on or before July 1, 1975, the Secretary shall make a report to the President for transmittal to the Congress on the status of the intermediate loan program with recommendations concerning its continuation thereafter.

"(4) Loans shall not be made unless the Governor of the telephone bank finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed.

"(5) No loan shall be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from such agency is first obtained. In a State in which there is no such agency or regulatory body legally authorized to issue such certificates to the applicant, no loan shall be made under this section unless the Governor of the telephone bank shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, or systems, providing reasonably adequate services will result therefrom.

"(6) As used in this section, the term 'telephone service' shall have the meaning prescribed for this term in section 203(a) of this Act, and the term 'telephone lines, facilities, or systems' shall mean lines, facilities, or systems used in the rendition of such telephone service.

"(7) No portion of any loan made under this section shall be used to finance any political activities prohibited under sections 600, 601, 610, 611, and 612 of title 18, United States Code, and prior to the making of any loan the borrowing entity shall agree in writing not to engage in any such prohibited political activities during the term of such loan. If the Telephone Bank Board finds a violation of this provision to have occurred, it shall so notify such borrower in writing and thirty days thereafter such loan shall become due and payable in full.

"(8) Notwithstanding any other provision of law, (i) no borrower of funds under section 201 of this Act shall, without approval of the Administrator, sell or dispose of its property, rights, controlling interest, or franchise until all indebtedness, including all interest and charges, to the Rural Electrification Administration shall have been repaid, and (ii) no borrower of funds under section 408 of this Act shall, without approval of the Telephone Bank Board, sell or dispose of its property, rights, controlling interest, or franchise until all indebtedness, including all interest and charges, to the telephone bank shall have been repaid.

"(c) The Governor of the telephone bank is authorized under the rules established by the Telephone Bank Board to adjust, on an amortized basis, the schedule of payments of interest or principal of loans made under this section upon his determination that with such readjustment there is reasonable assurance of repayment: *Provided however*, That no adjustment shall extend the period of such loans beyond fifty years.

"SEC. 409. TELEPHONE BANK RECEIPTS.—Any receipts from the activities of the telephone bank shall be available for all obligations and expenditures of the telephone bank.

"SEC. 410. CONVERSION OF OWNERSHIP, CONTROL AND OPERATION OF TELEPHONE BANK—(a) Whenever after retirement of class A stock issued to the United States has begun pursuant to section 406(c) of this title, the total amount in stated value of class B and class C stock outstanding equals two-thirds of the total amount in stated value of class A, class B, and class C stock outstanding, as determined by the Secretary—

"(1) the powers and authority of the Governor of the telephone bank granted to the Administrator of the Rural Electrification Administration by this title IV shall vest in the Telephone Bank Board, and may be exercised and performed through the Governor of the telephone bank, to be selected by the Telephone Bank Board, and through such other employees as the Telephone Bank Board shall designate;

"(2) the five members of the Telephone Bank Board designated by the President pursuant to section 405(b) shall cease to be members, and the number of Board members shall be accordingly reduced to eight unless other provision is thereafter made in the bylaws of the telephone bank;

"(3) the telephone bank shall cease to be an agency of the United States, but shall continue in existence in perpetuity as an instrumentality of the United States and as a banking corporation with all the powers and limitations conferred or imposed by this title IV except such as shall have lapsed pursuant to the provisions of this title.

"(b) When all class A stock has been fully redeemed and retired, loans made by the telephone bank shall not continue to be subject to the restrictions prescribed in the provisos to section 408(a)(2).

"(c) Congress reserves the right to review the continued operations of the telephone bank after all class A stock has been fully redeemed and retired.

"SEC. 411. LIQUIDATION OR DISSOLUTION OF THE TELEPHONE BANK.—In the case of liquidation or dissolution of the telephone bank, after the payment or retirement, as the case may be, first, of all liabilities; second, of all class A stock at par; third, of all class B stock at par; fourth, of all class C stock at par; then any surpluses and contingency reserves existing on the effective date of liquidation or dissolution of the telephone bank shall be paid to the holders of class A and class B stock issued and outstanding before the effective date of such liquidation or dissolution, pro rata, and any remaining surplus and contingency reserves shall be distributed to those entities to which they are allocated on the books of the bank at the time of the liquidation or dissolution.

"SEC. 412. BORROWER NET WORTH—Except as provided in subsection (b)(2) of section 408, notwithstanding any other provision of law, a loan shall not be made under section 201 of this Act to any borrower which during the immediately preceding year had a net worth in excess of 20 per centum of its assets unless the Administrator finds that the borrower cannot obtain such a loan from the telephone bank or from other reliable sources at reasonable rates of interest and terms and conditions."

SEC. 3. (a) Subsection (f) of section 3 of the Rural Electrification Act of 1936, as amended, is amended by inserting "rural electrification" immediately following the words "interest on" in both places where it appears in said subsection and by inserting the words "for rural electrification purposes" after the words "Secretary of the Treasury" the second time they appear in said subsection.

(b) Section 201 of the Rural Electrification Act of 1936, as amended, is amended by inserting ", to public bodies now providing a telephone service in rural areas", immediately after the word "areas" in the first sentence and also immediately after the word "areas" in the first proviso of the second sentence.

SEC. 4. Section 201 of the Government Corporation Control Act, as amended (31 U.S.C. 856), is amended by striking "and" immediately before "(5)" and by inserting ", and (6) the Rural Telephone Bank" immediately before the period at the end.

SEC. 5. The second sentence of subsection (d) of section 303 of the Government Corporation Control Act, as amended (31 U.S.C. 868), is amended by inserting "the Rural Telephone Bank", immediately following the words "shall not be applicable to".

SEC. 6. The right to repeal, alter, or amend this Act is expressly reserved.

SEC. 7. This Act shall take effect upon enactment.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the bill (S. 70) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. POAGE, STUBBLEFIELD, PURCELL, FOLEY, BELCHER, TEAGUE of California, and WAMPLER.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill H.R. 7.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FILING OF PRIVILEGED REPORTS FROM THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I submit three privileged reports for printing under the rule.

The SPEAKER. The Clerk will report the title of the first resolution.

The Clerk read as follows:

House Resolution 28 (Rept. No. 92–64) providing funds for the Committee on the District of Columbia.

The SPEAKER. The Clerk will report the title of the next resolution.

The Clerk read as follows:

House Resolution 288 (Rept. No. 92–66) to provide funds for the expenses of the investigation and study authorized by House Resolution 109, 92d Congress.

The SPEAKER. The Clerk will report the title of the next resolution.

The Clerk read as follows:

House Resolution 282 (Rept. No. 92–65) provided pay comparability adjustments for certain House employees whose pay rates are specifically fixed by House resolutions.

The SPEAKER. The resolutions will be referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING COMMITTEE ON GOVERNMENT OPERATIONS TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 304 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 304

Resolved, That the Committee on Government Operations is authorized to conduct full and complete studies and investigations with respect to matters within its jurisdiction, and for the purpose of carrying out this resolution the committee, or any subcommittee thereof, is authorized to sit during the present Congress at such times and places either within or without the United States, whether or not the House is in session, has recessed, or has adjourned, and to hold such hearings and take such other actions as are authorized under rule XI(8)(d) of the Rules of the House of Representatives relating to the Committee on Government Operations.

Notwithstanding section 1754 of title 22, United States Code, or any other provision of law, local currencies owned by the United States shall be made available to the Committee on Government Operations of the House of Representatives and employees engaged in carrying out their official duties under section 190d of title 2, United States Code: *Provided*, That (1) no member or employee of said committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954, as amended by Public Law 88–633, approved October 7, 1964; (2) no member or employee of said committee shall receive or expend an amount for transportation in excess of actual transportation costs; and (3) no appropriated funds shall be expended for the purpose of defraying expenses of members of said committee or its employees in any country where counterpart funds are available for this purpose.

Each member or employee of said committee shall make to the chairman of said committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones. All such individual reports shall be filed by the chairman of the Committee on House Administration and shall be open to public inspection.

With the following committee amendment:

Strike all after the word *"Resolved,"* and insert in lieu thereof:

That, effective January 3, 1971, the Committee on Government Operations, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 8 of Rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of Rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of Rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1973, a report on the activities of that committee during the Congress ending at noon on January 3, 1973.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Government Operations of the House of Representatives and employees engaged in carrying out their official duties for the purpose of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying the expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

The committee amendment was agreed to.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) and pending that I yield myself such time as I may consume.

Mr. Speaker, there is a printing error in the committee amendment to House Resolution 304 which should be corrected.

Delete the quotation marks at the beginning of each paragraph on pages 3, 4, and 5 of the resolution and the quotation marks at the end of the last paragraph on page 5.

I ask unanimous consent that that error be corrected.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, this is the investigative normal resolution for the Committee on Government Operations.

The amendment by the Committee on Rules made this one conform to all those previously passed for the other committees.

Mr. Speaker, I know of nothing unusual about this resolution nor do I know of any controversy or objection to it.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the statement just made by the gentleman from Missouri. I have no requests for time. I yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. TERRY. Mr. Speaker, I would like to explain my position on the rural telephone bill. I was absent on account of official business in another part of the building. Had I been present I would have voted "no."

WE MUST CONTINUE FUNDING OF OUR SUMMER PARK AND RECREATION PROGRAMS

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, for some time now, I have been concerned with the fragmented Federal approach to the funding of our cities' summer park and recreation programs—All too often, aid at the Federal level has come only in response to potential volatile situations. I am referring to the "long, hot summer" syndrome.

I place the blame for this standard reactionary policy on no particular administration or Congress. I am personally of the opinion that if we are ever going to accomplish anything worth while in this most important area, the Federal Government must in some way, reconcile its different strategies and agree upon a singular approach that will perfect the local park and summer recreation planning process.

Mr. Speaker, I am sorry to say that as the result of the present administration's plans, or should I say lack of plans, for assistance to some of the major federally supported summer youth programs, we presently face the distinct possibility that we will once again this summer, have to rely on these often inadequate crash programs. For, according to widely publicized reports, the administration, at this time, has no plans to repeat either the recreation support program, or the summer transportation program. It is also reported that the administration plans severe cutbacks in the successful summer Neighborhood Youth Corps program.

Mr. Speaker, I have drafted a letter to the President in which I urge him to continue these necessary programs and to restore these vital funds.

By this time, each of my colleagues should have received a copy of this proposed letter which is essentially the same letter that hundreds of local recreation officials have sent to Washington in the last month. I hope that as many of my colleagues as possible will join me in signing this letter which I will send to the President in a week's time.

A copy of the letter follows:

Hon. RICHARD M. NIXON,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In recent summers, the Federal government has greatly assisted the youth of America by providing a substantial number of work opportunities through the Neighborhood Youth Corps, as well as providing funds for inner-city recreational and transportation programs. This assistance has been exceptionally helpful to America's cities in developing sorely needed employment, educational, and recreational opportunities for our nation's disadvantaged youth.

Thus, we are deeply distressed by reports of severe cut-backs in these programs. We understand that the summer Neighborhood Youth Corps, while ostensibly at the same position level, is actually being cut back through the reduction of each position's duration from 10 to 8 weeks. We understand as well that the Administration is not planning to repeat either the Recreational Support or the Transportation Programs at all.

In the strongest possible manner, we respectfully urge you to increase the number of summer Neighborhood Youth Corps positions to 630,000 nationally, and fund them for ten 32-hour work weeks. We also respectfully urge you to use the powers of your office to insure the repetition of both the Recreation Support and the Transportation Assistance Programs. We would further respectfully request that you announce these expanded program levels as soon as possible in order that local program administrators might carefully plan the most effective use of these funds.

Sincerely yours,

DAN ROSTENKOWSKI,
Member of Congress.

FEDERAL PROGRAMS MUST BE CARRIED OUT

(Mr. BOGGS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BOGGS. Mr. Speaker and Members of the House, I would like to commend the distinguished gentleman from Illinois (Mr. ROSTENKOWSKI) for the very fine statement he has just made.

He pointed out that this administration is cutting down the Summer Neighborhood Youth program, a program in which we take boys and girls from the slums and ghetto areas and give them jobs and is holding up funding of other vital summer recreation programs.

I might say to the distinguished gentleman from Illinois that this is just another illustration of the hypocrisy of this administration. This program and other programs amounting to billions of dollars that have been appropriated for by the Congress are not being implemented by the President of the United States. At the same time he is putting on a fake campaign for revenue-sharing using big advertisements like the ones in this mornings' newspapers. He is calling in the mayors holding out this pap to them and getting them all excited, when at the same time he will not spend about $10 billion that the Congress has already appropriated.

Mr. DINGELL. If the gentleman will yield, I believe that the figure is $12 billion.

Mr. BOGGS. Now, Mr. Speaker, I want to propound a constitutional inquiry to President Richard Nixon. I want to know under what authority he has the right not to spend funds? Under the Constitution we raise revenues and appropriate for the spending of revenues. If he does not want to spend them, he can veto the bill and send it down here and let us vote on that veto, like we did last year on the hospitals legislation.

Now he is arrogating to himself the right to take over the spending function. I am happy that the distinguished Senator from North Carolina (Mr. ERVIN) is confronting him with this violation of our Constitution by scheduling hearings on the issue.

Rather than wining and dining hungry mayors and employing Madison Avenue advertising techniques he might convince his own leader the minority leader of the Ways and Means Committee my good friend the Honorable JOHN W. BYRNES who shares the opposition to revenue sharing and committee chairman the Honorable WILBUR MILLS.

FUNDS WITHHELD SHOULD BE RELEASED

(Mr. EVINS of Tennessee asked and was given permission to address the House for 1 minute.)

Mr. EVINS of Tennessee. Mr. Speaker, the distinguished gentleman from Illinois (Mr. ROSTENKOWSKI) and the distinguished majority leader, the gentleman from Louisiana (Mr. BOGGS) have just alluded to the impoundment, freezing, and withholding of funds authorized and appropriated by Congress.

This is a matter of great concern to me and the people of the country.

This is one of the most important challenges faced by the 92d Congress.

I have repeatedly asked by what authority—what legal authority—does the executive branch withhold and impound funds appropriated by the Congress. The answers from the officials of the Bureau of the Budget have been unsatisfactory and unresponsive.

There is no legal authority to withhold and impound funds in the amount of $8 billion—or $10 billion, as reported by the Bureau of the Budget. This is excessive and unreasonable and unwarranted.

The newly organized Office of Management and Budget has assumed powers in the withholding, freezing, and impounding of funds that, if left unchecked, can effect a shift in the essential balance of power between Congress and the Executive.

If this arbitrary and capricious exercise of power is not stopped, the Office of Management and Budget can set precedents that could inhibit the powers of Congress permanently and in large measure negate the appropriations process and the will of the people, expressed by their elected representatives.

Perhaps some of the funds withheld are in the military budget, and perhaps in freezing some of these funds there is justified logic because of changes in military conditions.

However, there can be no justification for the freezing, withholding, and impounding of funds for the vital programs for our cities and our people, especially as we are now proposing full employment.

There can be no justification for the arbitrary withholding of funds for all public works projects initiated by the Congress.

In the two Appropriations Subcommittees on which I serve, I have seen the impact of this arbitrary power of the Office of Management and Budget exercised.

In the appropriations bill last year for the Department of Housing and Urban Development, a total of $1,325 million has been withheld for important programs for our cities—$200 million for urban renewal program, $200 million for water and sewer grants, $727 million for Model Cities program, and $193 million withheld for public housing programs.

In the Subcommittee on Public Works

Appropriations, the Bureau of the Budget has impounded and withheld funds totaling $91,700,000 for 145 public works projects for the Nation—all funded last year by the Congress.

I repeat, Mr. Speaker, funds for all projects initiated by the Congress last year were frozen. The Bureau of the Budget has attempted to stop the work of the Public Works Committees of the Congress.

Funds for a few administration budgeted projects included in the impoundment have been released—but none of the priority projects initiated by Congress have been released.

This situation exists despite the fact that the budget for public works projects was cut and reduced by some $26 million by the Congress below the President's recommendations.

There may have been justification last year on the basis of inflation.

Then I withheld comment and criticism.

Now the administration has proposed a full-employment budget, an expansionary budget to stimulate the economy, and I ask again, how are we going to have a full employment budget if we do not release funds to provide jobs and to provide employment?

Mr. Speaker, I asked the Director of the Budget what legal authority existed for impoundment of funds appropriated by Congress. He said:

I am not a lawyer, but I will try to provide you the answer for the record.

He has not provided the answer yet.

I have written to the President and I have had no response to my request in this area. There is involved $10 to $20 billion and certainly a limited amount can be attributed to inflation and the Anti-Deficiency Act. Congress passed an Anti-Deficiency Act which provides, in substance, that the departments should not spend all of their money in one quarter, but that funds appropriated could be adjusted over four quarters. We said, "Don't come back with a deficiency." Here they are withholding money in an excessive amount, and I challenge their right to do so in this magnitude. This is excessive. Some of these funds must be released.

CYRUS EATON

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, in a recent letter to the New York Times, Cyrus Eaton, the eminent Ohio industrialist and internationalist, who incidentally is a resident of my home county, has made some cogent points about President Nixon's recent interview with Times correspondent C. L. Sulzberger. The text of the Eaton letter follows:

[From the New York Times, Mar. 20, 1971]

"VERY LAST WAR"—ON WAY TO ARMAGEDDON?

To the EDITOR:

C. L. Sulzberger's highly interesting "This is probably the very last war" interview [March 10] underlines grave basic fallacies in President Nixon's policies.

In insisting on a "non-Communist Asia," Mr. Nixon fails to point out that both the Chinese People's Republic and the Soviet Union would have to be overpowered to achieve his goal.

In stating that "for the next 25 years the United States is destined to play this superpower role as both an economic and a nuclear giant" in order to build a "world that is relatively peaceful," Mr. Nixon not only ignores the fact that the United States is already on the brink of bankruptcy and exhaustion from pursuing this policy. As self-appointed arbiter of world politics and economics, Mr. Nixon also omits any reference whatsoever to the United Nations, the organization duly constituted to solve international problems peacefully.

One can only conclude that Mr. Nixon is still as blindly dedicated as he was when he first came to Congress 24 years ago to the complete extinction of Communism, at whatever cost in American lives and substance, and that he will not end but will continue indefinitely to widen the war in Southeast Asia.

For many years, as a capitalist concerned with the preservation of our system, I have made a point of having direct and constant contacts with the statesmen, scholars and industrial leaders of all of the Communist nations, now constituting half the world's population. It is utterly incomprehensible that the White House, the Pentagon and the State Department, far from seizing obvious opportunities for accommodation with the Communist world, have consistently taken active steps to stir up heightened anger and bitterness.

At this moment in history, unless Mr. Nixon voluntarily alters his headlong course, or the Congress exercises its constitutional right to cut the military purse strings, it would appear that "this is probably the very last war," to use Mr. Nixon's very own words, and that nuclear Armageddon must inevitably engulf the globe.

CYRUS EATON.

CLEVELAND, *March 11, 1971.*

TV DOCUMENTARIES

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute.)

Mr. GONZALEZ. Mr. Speaker, last night I had the opportunity to view on the CBS channel some of the answers given by some of the spokesmen for the television media. It was almost hilarious, if it was not so sad. They were trying to rebut some of the charges made about the lack of veracity of some of their so-called documentaries.

The official spokesman was either, I believe, the vice president or the executive director of CBS and he said

Oh, no, their documentaries were pretty good because they had good intentions.

Well, Hitler had good intentions and Herr Goebbels was a good propaganda minister because he clothed Hitler's good intentions with a lot of lies. The only defense given by the director of CBS is that their intentions are good.

But, even when he got to mention the so-called documentary on hunger, he kind of swallowed twice and he hemmed and hawed and said. "Well, yes, it was not a bad presentation or documentary. It was just something that was not proven. The baby they showed dying of starvation had not died of starvation at all, they learned later." So he says.

We brought that out on the floor of the House more than a year ago. We proved beyond a doubt that it was a falsification and that the whole thing was made out of whole cloth. It was a deception and a fraud perpetrated on the world. But CBS is not retracting all this and it is still showing what is called a documentary of hunger in America to this day, without correcting one iota, even though CBS admits to its mendacity.

CBS IS CAUGHT WITH THE CHICKEN

(Mr. HÉBERT asked and was given permission to address the House for 1 minute.)

Mr. HÉBERT. Mr. Speaker, I want to express my appreciation to my colleague from Texas for his remarks, which I did not know he was going to make this morning. I am proceeding to do something which is unusual for me, and that is to read a statement. I believe the necessity for accuracy and positiveness demands that I read the statement.

Mr. Speaker, it had to happen and it did. Last night CBS was caught in the chicken coop with the chicken in its hand. Now the viewing public has the goods on CBS.

CBS widely advertised it would rebroadcast its documentary, "The Selling of the Pentagon," although more accurately, it should be called "The Selling Out of the Pentagon."

It also announced that edited remarks of Vice President AGNEW, Secretary of Defense Mel Laird, and myself would be televised after the documentary, and that Richard S. Salant, president of CBS News would follow with some comments of his own.

That was the understatement of the year. They sure did edit my remarks and now I have got them with the evidence in black and white.

Obviously, CBS believes in the Goebbels method of propaganda—if a lie is told enough times, people will eventually begin to believe it.

On the other hand, I believe if you expose a lie enough and tell the truth enough, the truth will catch up with the lie.

It becomes abundantly clear that CBS does not intend to give any other side of an issue a fair airing of its views except the side it wants to have heard.

A striking example of the network's perfidy comes in the editing of my remarks where they totally struck out that section which clearly answered Mr. Salant's observations.

CBS, in the Goebbels style, replies to the charges of inaccuracies with more inaccuracies, replies to the charges of misrepresentation with additional misrepresentation, replies to the charges of lack of objectivity by demonstrating objectivity on their part is a myth.

As soon as I have the transcript from last night's presentation following the documentary, I will bring it to the attention of the Members so they can see for themselves.

In the meantime, CBS has a bear by the tail and cannot let go.

FEDERAL WATER POLLUTION CONTROL ACT

(Mr. DINGELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DINGELL. Mr. Speaker, I have today introduced legislation providing for a comprehensive revision of the Federal Water Pollution Control Act.

My bill increases the annual appropriation for administrative and enforcement grants to State and interstate water pollution control agencies 10 million to $30 million; beginning July 1, 1971, through June 30, 1976.

It provides that 85 percent of the annual sum appropriated will go to State water pollution control agencies.

It provides that the money be used to develop and carry out plans to implement, maintain, and enforce water quality standards for all waterways under the agency's jurisdiction, to carry out a program of State certification to Federal permitting and licensing agencies under the act that the proposed activities will comply with applicable water quality standards, to train water pollution control personnel, and to assist local governments in pollution control.

It increases the Federal share of such grants from 66⅔ percent to 75 percent.

It calls for improved State or interstate plans to be approved by EPA before these grants are made.

WASTE TREATMENT WORKS

It extends the waste treatment construction grant program, which expires on June 30, 1971, to June 30, 1976.

It authorizes a maximum of $5 billion annually for this extended program for grants to municipalities.

It increases from 50 to 60 percent the amount of grant that can be made for treatment works if a State pays 25 percent of the costs and there are water quality standards for the applicable waterway.

Up to 40 percent grants are also possible where a State pays 30 percent and there are no water quality standards for the waterway.

It provides for 90 percent Federal grants, beginning in fiscal year 1973, where the project is in a river basin or region designated by EPA as meeting certain requirements to insure coordinated and effective waste treatment.

WATER QUALITY STANDARDS

It extends the water quality standards program to all navigable waterways.

It requires that every State adopt and submit to EPA water quality standards and a plan of implementation, maintenance, and enforcement with 9 months after enactment.

EPA must approve or disapprove them within 6 months after they are submitted to EPA.

It requires that the States review the standards and implementation plan at least every 3 years.

It provides that the plan require that no toxic or other hazardous wastes be discharged from any stationary source.

It provides that the plan include effluent requirements and schedules and provide for the attainment of applicable standards within 3 years after the plan is approved.

It strengthens EPA's enforcement powers.

It provides for greater public disclosure of pollution data.

It provides for citizen class action suits to enforce the act and prevent pollution.

It provides for emergency action by EPA through the institution of civil proceedings to control pollution that endangers the health or welfare of persons or treaty-protected fish or wildlife or presents a substantial economic injury to the shellfish industry.

It protects employees who testify or give information about polluting discharges.

It directs that the executive branch utilize its procurement and leasing powers to control pollution.

It prohibits false or deceptive advertising by the manufacturers of equipment or devices for pollution control.

Mr. Speaker, I include the text of the bill at this point in the CONGRESSIONAL RECORD:

H.R. —

A bill to amend the Federal Water Pollution Control Act to provide for its uniform application to all of the navigable waters of the United States and to provide financial assistance to States and municipalities for water quality enhancement and pollution control, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Federal Water Pollution Control Act is amended as follows:

(1) Section 1(b) is amended by striking out the second and third sentences thereof.

(2) Section 2 is hereby repealed, and sections 3 and 4 are redesignated as sections 2 and 3, respectively.

(3) Redesignated section 2(a) is amended by striking out "interstate waters" and inserting in lieu thereof "the navigable waters of the United States".

(4) Before the heading above section 5 insert "Title I—Research, Training, and Grants for Water Pollution Control".

(5) Redesignate sections 5, 6, 7, 8, 14, 15, 16, 17, 18, 19, and 20 as sections 101 through 111, respectively.

(6) Before the heading above section 10 insert "Title II—Water Quality Standards and Enforcement".

(7) Redesignate section 10 as section 201, and sections 11, 12, 13, and 21 as section 206 through 209, respectively.

(8) Before the heading above section 9 insert "Title III—Administration".

(9) Redesignate sections 9, 22, 23, 24, 25, 26, and 27 as sections 301 through 307, respectively.

(b) All references to sections of the Federal Water Pollution Control Act redesignated by this section are amended to correspond with such redesignated sections.

SEC. 2. Redesignated section 103 of the Federal Water Pollution Control Act is amended to read as follows:

"GRANTS FOR STATE AND INTERSTATE WATER POLLUTION CONTROL AGENCIES

"SEC. 103. (a) There is authorized to be appropriated annually to the Administrator for the fiscal year ending June 30, 1972, the sum of $30,000,000, and for each succeeding fiscal year to, and including, the fiscal year ending June 30, 1976, for the purpose of making grants to State and interstate water pollution control agencies under this section. The portion of the sums appropriated for each fiscal year which shall be available for such interstate agencies shall be specified in the Act appropriating such sums, except that such portion shall not exceed 15 percent of the total sum appropriated for that year.

"(b) Beginning in fiscal year 1972, the Administrator is authorized to make grants to State and interstate agencies having effective plans approved under this section for the enhancement of water quality through the prevention, control, and abatement of water pollution, to assist such State and interstate agencies—

"(1) in developing and carrying out plans for the implementation, maintenance, and enforcement of water quality standards for all waters;

"(2) in carrying out the certification requirements of section 209(b) of this Act;

"(3) for the effective enforcement of water pollution control laws and regulations;

"(4) in the training of water pollution control and enhancement personnel of public agencies; and

"(5) in assisting political subdivisions of a State in developing and carrying out effective water pollution control programs.

"(c) Beginning on and after July 1 of the fiscal year ending June 30, 1971, each State water pollution control agency or appropriate interstate agency shall adopt and the Administrator shall approve annually a plan for the enhancement of water quality through the prevention, control, and abatement of water pollution which—

"(1) provides for the orderly development, implementation, maintenance, and enforcement of water quality standards and plans for each river basin or portions thereof within such State, including procedures to assure that all sources of waste within a basin or portion thereof receive effective treatment to prevent the degradation of any waters and to enhance water quality;

"(2) provides for the administration of, or for the supervision of administration of, the plan by the State or interstate water pollution control agency;

"(3) provides that such agency will make such reports, in such form and containing such information, as the Administrator may from time to time reasonably require, but at least annually, to carry out his functions under this Act, and that such reports shall be available to the public;

"(4) sets forth the plans, policies, and methods to be followed in carrying out an approved State (or interstate) plan and in its administration;

"(5) provides for extension or improvement of the State or interstate program for water quality enhancement and for prevention and control of water pollution;

"(6) sets forth (A) effective criteria, consistent with an adopted plan for implementation, maintenance, and enforcement of water quality standards, established by the State, in determining priorities for treatment works, and (B) the priorities so determined;

"(7) contains assurances that such agency has or will employ an adequate and competent staff of trained personnel to carry out effective water pollution control laws, standards, and regulations;

"(8) contains assurances that grants provided under this section will supplement, not supplant, existing State or interstate water quality enhancement and pollution control programs;

"(9) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of an approved plan;

"(10) sets forth applicable State or interstate water pollution control laws and regulations;

"(11) provides an effective waste treatment management program under which treatment works are planned, constructed, and maintained so as to achieve efficiency, water quality enhancement, and economy; and

"(12) meets such additional terms and conditions as the Administrator may prescribe from time to time in furtherance of, and consistent with, the purposes of this section.

"(d) The Administrator shall approve any plan which, in his judgment, effectively complies with the requirements of this section. He shall not finally disapprove any plan or modification thereof submitted under this section without first affording the appropriate State or interstate water pollution control agency reasonable notice and an opportunity for a public hearing. In disapproving any plan or modification thereof, he shall make findings of fact, and issue a decision incorporating such findings therein.

"(e) Whenever the Administrator, after reasonable notice and opportunity for a public hearing, finds that, in the administration of an approved plan, there is a failure to comply with one or more of the requirements of this section, the Administrator shall issue a decision, incorporating his findings and a notice to such agency therein, that no further payments will be made to the State or interstate agency, under this section (or, in his discretion, that further payments will not be made to the State or interstate agency for treatment works under that portion of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Administrator shall make no further payments or shall limit such payments to such State or interstate agency under this section.

"(f) Any State or interstate water pollution control agency aggrieved by a decision of the Administrator under subsection (d) or (e) of this section may file within thirty days from the date of such decision with the United States Court of Appeals for the District of Columbia a petition praying that such action be modified or set aside in whole or in part. The court shall hear such appeal on the record made before the Administrator. The court may affirm, vacate, or remand the proceedings to the Administrator for such further action as it directs. The filing of a petition under this subsection shall not stay the application of the decision of the Administrator, unless the court so orders.

"(g) (1) From the sums available therefor for the fiscal year ending June 30, 1972, and for each succeeding fiscal year thereafter, the Administrator shall from time to time make allotments to the States, in accordance with regulations promulgated by him, on the basis of (A) the population of each State, and (B) the extent of the water pollution control problem of each State. The population of each State shall be determined on the basis of the latest figures furnished by the Department of Commerce.

"(2) From the allotment of each State made under paragraph (1) of this subsection for any fiscal year, the Administrator shall make grants to such State in an amount equal to its Federal share (as determined under this section) of the cost of carrying out a State plan approved under this section.

"(3) The Federal share for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the Federal share in no case be no more than 75 per centum or less than 33⅓ per centum, and (B) the Federal share for Puerto Rico, the Virgin Islands, and Guam shall be 66⅔ per centum. The Federal share shall be determined and promulgated by the Administrator between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. As used in this subsection, the term 'United States' means the fifty States and the District of Columbia.

"(h) From the sums available therefor for the fiscal year ending June 30, 1972, and for each succeeding fiscal year thereafter, the Administrator shall from time to time make allotments to interstate agencies, in accordance with regulations promulgated by him, on such basis as the Administrator finds reasonable and equitable. He shall from time to time pay to each such agency from its allotment, an amount equal to such portion of the cost of carrying out its plan approved under this section as may be determined in accordance with such regulations. The regulations relating to the portion of the cost of carrying out a plan of an interstate agency which shall be borne by the United States shall be designed to place such agency, so far as practicable, on a basis similar to that of the States.

"(i) Beginning in fiscal year 1972, the method of computing and paying grants pursuant to this section shall be as follows:

"(1) The Administrator shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State or interstate water pollution control agency for such period on the basis of such records of the State or interstate agency and information furnished by it, and on the basis of such investigation, as the Administrator may require.

"(2) The Administrator shall pay to such State or interstate agency, from the allotment available therefor, the amount so estimated by him for any period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid such State or interstate agency for any prior period was greater or less than the amount which should have been paid to such agency for such prior period. Such payments shall be made through the disbursing facilities of the Treasury Department, in such installments as the Administrator may determine.

SEC. 3. Redesignated section 104 of the Federal Water Pollution Control Act is amended to read as follows:

"GRANTS FOR CONSTRUCTION OF TREATMENT WORKS

"SEC. 104. (a) There are authorized to be annually appropriated for the purpose of making grants under this section for the fiscal year ending June 30, 1972, the sum of $5,000,000,000 and for each succeeding fiscal year to and including the fiscal year ending June 30, 1976. At least 50 per centum of the first $100,000,000 appropriated each fiscal year shall be used for grants for the construction of treatment works servicing municipalities of one hundred and twenty-five thousand population or under. Sums appropriated under this subsection shall remain available until expended.

"(b) The Administrator shall, in accordance with the provisions of this section, make grants (from the sums appropriated under subsection (a) of this section) to any State, municipality, or inter-municipal or interstate agency for the construction of necessary treatment works to provide for the effective treatment of sewage and other wastes of any kind or description prior to the discharge thereof into any waters, and for the purpose of reports, plans, and specifications made in connection therewith.

"(c) Except as provided in this subsection or subsection (d) of this section, the amount of any grant for approved treatment works under this section shall not exceed 30 per centum of the estimated reasonable cost thereof (as determined by the Administrator), except that such percentage limitation shall be increased—

"(1) to a maximum of 40 per centum, in the case of grants made from funds allocated for any fiscal year to a State under this section, if the State agrees to pay not less than 30 per centum of the estimated reasonable cost (as determined by the Administrator) of all treatment works in such State for which grants are to be made under this section from such allocation; or

"(2) to a maximum of 60 per centum, in the case of grants made from funds allocated for any fiscal year to a State under this section, if the State agrees to pay not less than 25 per centum of the estimated reasonable cost (as determined by the Administrator) of all treatment works for which grants are to be made under this section from such allocation, and if enforceable water quality standards have been established for the waters receiving the treated sewage and other wastes discharged from such treatment works.

"(d) The Administrator shall designate any river basin or region as eligible for up to a maximum of 90 per centum grants under this subsection whenever he finds, and publishes such finding, that there exists therein a river basin or regional plan for a basin or region which provides an effective and economical system, consistent with applicable water quality standards, for the collection and treatment of sewage and all other municipal and industrial wastes of any kind or description throughout such river basin or region for which recycling is not technologically practicable. Such river basin or regional plan shall provide that (1) each user of treatment works in the basin or region participates equitably in the non-Federal construction costs of such works; (2) adequate reserves to offset the cost of future treatment works constructed therein are provided; (3) the costs of operating and maintaining treatment works assisted by grants under this section are equitably shared by the users; (4) the degree of treatment to be provided is compatible with the long-range needs of the basin or region which shall be identified in the plan and shall include, among other things, an inventory of approved sites for the location of new industrial facilities, residential communities or developments, and municipalities in the basin or region and the effluent requirements to be imposed on such facilities, communities or developments, and municipalities; (5) each user pay the cost of any new treatment works constructed after fiscal year 1976 where such works are required by new industries, increased population, or expanded usage of facilities in the river basin or region; and (6) such plan is in accordance with any approved water quality standards and implementation plan for that basin or region. The Administrator may designate one or more portions of a basin or region, if he finds, from a pollution control and water quality enhancement standpoint, that, because of the geographical size of the entire basin or region, an effective and economical basin-wide or region-wide treatment system is not practicable for the entire basin or region. The Administrator shall make grants for up to 90 per centum of the costs of eligible treatment works within such designated basin or region or portion thereof from funds allotted or reallotted under this section.

"(e) Notwithstanding any other provision of this section, the Administrator may increase the amount of a grant made under subsection (b) of this section by an additional 10 per centum of the amount of such grant for any treatment works which has been certified by an official State, metropolitan, or regional planning agency empowered under State or local laws or interstate compact to perform metropolitan or regional planning for a metropolitan area within which the assistance is to be used, or other agency or instrumentality designated for such purposes by the Governor (or Governors in the case of interstate planning) as being in conformity with the comprehensive plan developed or in process of development for such metropolitan area. For the purposes of this subsection, the term 'metropolitan area' means either (1) a standard metropolitan statistical area as defined by the Office of

Management and Budget, subject, however, to such modifications and extensions as the Administrator deems appropriate for the purposes of this Act, or (2) any urban area, including those surrounding areas that form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities, which in the opinion of the President lends itself as being appropriate for the purposes hereof.

"(f) Before approving grants for any treatment works under this section, the Administrator shall determine—

"(1) that such works are included in any applicable comprehensive program developed under section 2(a) of this Act;

"(2) that such works are in conformity with the State water pollution control plan approved under section 103 of this Act;

"(3) that such works (A) have been certified by the appropriate State water pollution control agency as entitled to priority over such other works in the State in accordance with such approved State water pollution control plan, and (B) have been approved by such agency;

"(4) that the applicant proposing to construct such works agrees to pay the remaining non-Federal costs of such works and has made adequate provisions satisfactory to the Administrator for assuring after construction thereof (A) proper and efficient operation, including the employment of trained personnel, and (B) maintenance of such works in accordance with an effective plan of operation approved by the State water pollution control agency, or, as appropriate, such interstate agency, and the Administrator;

"(5) that such works will provide effective treatment for all sewage and other wastes prior to discharge thereof into any waters, including the use of new or improved treatment processes and procedures;

"(6) that the source and composition of all industrial wastes discharged into such works is identified and, where appropriate, provision is made for treatment of such wastes at the source (A) to insure that no toxic or other hazardous industrial wastes which threaten the public health, safety, or welfare shall be discharged from such works, (B) to prevent damage to such works, or (C) to prevent impeding the efficient operation of such works; and

"(7) that such works meet such other requirements as the Administrator may from time to time prescribe by regulation, or by conditions in any grant agreement, or by both, which are consistent with the purposes of this section.

"(g) (1) The first $100,000,000 appropriated pursuant to this section for each fiscal year shall be allotted by the Administrator from time to time, in accordance with regulations promulgated by him, as follows: (A) 50 per centum of such sums in the ratio that the population of each State bears to the population of all States, and (B) 50 per centum of such sums in the ratio that the quotient obtained by dividing the per capita income of the United States by the per capita income of each State bears to the sum of such quotients for all the States. Sums allotted to a State under this paragraph, which are not obligated at the end of the fiscal year for which they were allotted because of a lack of treatment works which have been approved by the State water pollution control agency and certified as entitled to priority, shall be reallotted by the Administrator on such basis, as he determines to be reasonable and equitable and in accordance with regulations promulgated by him, to States having treatment works approved under this section for which grants have not been made because of lack of funds.

"(2) All sums in excess of $100,000,000 appropriated pursuant to this section for each fiscal year shall be allotted by the Administrator from time to time, in accordance with regulations promulgated by him, in the ratio that the population of each State bears to the population of all the States. Sums allotted to a State under this paragraph which are not obligated within six months following the date of such allotment, because of a lack of treatment works approved by the State water pollution control agency and certified as entitled to priority, shall be reallotted by the Administrator, in accordance with regulations promulgated by him. Priority in such reallotment shall be given to States which are eligible under this section for up to 60 per centum grants for such works and to States having designated basins or regions eligible for a maximum of 90 per centum grants under this section for the construction of such works in such basins or regions.

"(3) All reallotted sums shall remain available for obligation for one additional fiscal year following the end of the fiscal year for which they were appropriated. Any such sum made available to a State by reallotment under this subsection shall be in addition to any funds otherwise allotted to such State for grants under this section during any fiscal year.

"(4) The allotments and reallotments under this subsection shall be available, in accordance with the provisions of this section, for payments with respect to treatment works in such State approved under this section, except that—

"(A) in the case of any treatment works on which construction was initiated after June 30, 1966, and which was approved by the State water pollution control agency and which the Administrator finds meets the requirements of this section but was constructed without a grant under this section because of a lack of available Federal appropriations, such allotments and reallotments for any fiscal year ending prior to July 1, 1976, shall also be available for payments in reimbursements of State or local funds expended for such works prior to July 1, 1976, to the extent that grants could have been provided under this section if such works had been approved pursuant to this Act and if Federal appropriations up to the level of those authorized under this Act since July 1, 1966, were available; and

"(B) in the case of any treatment works on which construction was initiated after June 30, 1966, and which was constructed with a grant under this Act but the amount of such grant was a lesser per centum of the cost of construction than is allowable under this section because of lack of available Federal appropriations, such allotments and reallotments shall also be available for payments in reimbursement of State or local funds expended for such works prior to July 1, 1976, to the extent that grants could have been provided under this section if Federal appropriations up to the level of those authorized under this Act since July 1, 1966, were available.

"(5) Nothing in this section, including a finding by the Administrator that any treatment works meets the requirements of this section for approval for a grant under this section, shall be construed to constitute an actual or implied commitment or obligation of the United States to provide funds other than those appropriated under this section for purposes of reimbursement of State or local funds under paragraph (4) of this subsection.

"(h) For the purpose of this section, (1) population shall be determined on the basis of the latest available figures, as certified by the Secretary of Commerce, and (2) per capita income for each State and for the United States shall be determined on the basis of the average of the per capita incomes of the States of the continental United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce.

"(i) The Administrator shall make payments under this section through the disbursing facilities of the Department of the Treasury. Funds so paid shall be used exclusively to meet the cost of construction of the treatment works for which the amount was paid. As used in this section the term "construction" includes (1) preliminary planning to determine the economic and engineering feasibility of treatment works, the engineering, architectural, legal, fiscal, and economic investigations and studies, surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the construction of treatment works; (2) the erection, building, acquisition, alteration, remodeling, improvement or extension of treatment works; and (3) the inspection and supervision of the construction of treatment works.

"(j) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on treatment works for which grants are made under this section shall be paid wages at rates not less than those prevailing for the same type of work on construction in the immediate locality, as determined by the Secretary of Labor, in accordance with the Act of March 3, 1931, as amended, known as the Davis-Bacon Act (46 Stat. 1494; 40 U.S.C., secs. 276a through 276a–5), and the Secretary of Labor shall establish effective safety standards for the protection of such laborers and mechanics. The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in the Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276a).

"(k) The provisions of this section shall apply to all treatment works for which grants are made from funds appropriated under this section."

SEC. 4. Redesignated section 201 of the Federal Water Pollution Control Act is amended to read as follows:

"WATER QUALITY STANDARDS AND IMPLEMENTATION PLANS

"SEC. 201. (a) Water quality standards and plans for the implementation, maintenance, and enforcement thereof, including compliance schedules and timetable and effluent requirements, and revisions thereof established pursuant to this Act shall have the purpose of protecting and improving the public health, safety, and welfare, protecting and enhancing the quality of the Nation's waters for the benefit and enjoyment of present and future generations of Americans, and otherwise serving the purposes of this Act. In developing and considering such standards and plans or revisions thereof, the Administrator and the appropriate State—

(1) shall take into consideration (A) the present and future quality, use, and value of the applicable body of water for public water supply, propagation of fish, shellfish, and wildlife, and recreational purposes, and for agriculture, industrial, navigation, and other legitimate uses, and (B) the present and future sources of waste discharges into such waters and the composition, quantity, frequency, and extent of treatment of such discharges, and

(2) shall strive to enhance the quality of such water body. Public participation in water use designations of all or part of any such waters and in the development, revision, and enforcement of such standards and plans at all levels of government shall be provided and encouraged.

"(b) (1) The Administrator shall develop and publish, within 60 days after the effective date of this paragraph, criteria of water quality which, in his judgment, is requisite for the protection of the public health, safety and welfare and for the protection and enhancement of water quality. Such criteria shall accurately reflect the latest scientific knowledge useful in indicating the kind and extent of all identifiable effects on health, safety, and welfare and on water quality which may be expected from the presence of a pollutant or combination of pollutants in any body of water in varying quantities and at varying times.

"(2) Simultaneously with the issuance of criteria under this subsection, the Administrator shall issue to State and interstate water pollution control agencies information on pollution control techniques. Such information shall include technical data relating to the technology and costs of effluent control and such data as are available on the latest available technology and on alternative methods of prevention and control of water pollution, including cost-effectiveness analyses.

"(3) In order to assist in the development of information on pollution control techniques, the Administrator may establish one or more standing consulting committees which shall be comprised of technically qualified individuals representative of State and local governments, the academic community, industry, and the public. A verbatim transcript shall be kept of all meetings of such committees which shall be available to the public.

"(4) The Administrator shall from time to time review, but at least every two years, and, as appropriate, modify and reissue any such criteria or information.

"(5) Such criteria and information shall be set forth in the Federal Register.

"(c) (1) Each State shall, after reasonable notice and public hearings, adopt and submit to the Administrator, within nine months after the enactment of this section:

"(A) water use designations and water quality standards for all navigable waters and tributaries affecting such waters within or bordering such State, including interstate and underground waters, which are consistent with subsection (a) of this section and the criteria published by the administrator, and

"(B) a plan, including compliance schedules and effluent requirements, for the implementation, maintenance, and enforcement of such standards (hereinafter referred to in this title as the 'plan').

"(2) Water quality standards, including any implementation plan, approved under the Water Quality Act of 1965 and any enforcement action taken or pending prior to the date of enactment of this title shall continue in full force and effect until superseded or modified pursuant to this title, but all such standards and plans shall be reviewed and, where appropriate, revised to conform to the requirements of this section.

"(3) The Administrator shall, within six months after the date required for submission of water use designations, water quality standards, and a plan under paragraph (1) of this subsection, approve or disapprove such designations, standards, and plan or each portion thereof. The Administrator shall approve such designations and standards, or any portion thereof, if he determines that they were adopted after reasonable notice and hearing and are consistent with subsection (a) of this section and the criteria published by him under subsection (b) of this section. He shall approve such plan, or any portion thereof, if he determines that it was adopted after reasonable notice and hearing and that—

"(A) it provides that no toxic or other hazardous wastes which threaten the public health, safety, or welfare shall be discharged from any stationary source into any waters;

(B) it provides for the attainment of such standards as expeditiously as practicable, but in no case later than three years from the date of approval of such plan or any revision thereof;

"(C) it includes effective effluent requirements for all stationary sources discharging wastes into such waters and schedules and timetables for compliance with such requirements, and such other measures as may be necessary to insure attainment and maintenance of such standards, including, but not limited to, land use controls;

"(D) it provides that, wherever technically feasible, effluent requirements shall, except in the case of municipal waste treatment works, provide for the recycling of wastes or for other means which eliminate or substantially reduce discharges of wastes into any waters;

"(E) it includes provision for (i) the establishment and operation of appropriate devices, methods, and procedures necessary to monitor, compile, and analyze data on water quality, and (ii) upon request, making such data available to the Administrator and the public;

"(F) it contains, where appropriate, adequate provisions for intergovernmental cooperation, including measures needed to insure that discharges of wastes from any stationary source located on or near navigable waters or tributaries thereof located in or bordering one State, including interstate waters, will not interfere with the attainment and maintenance of such standards in another State;

"(G) it provides—

"(i) necessary assurances that the State water pollution control agency has or will have (within one year from the date of approval of such plan) adequate funding, authority, and trained personnel to carry out and enforce such plan;

"(ii) for installation, where appropriate, of equipment by persons owning, leasing, or otherwise controlling stationary sources to monitor discharges therefrom;

"(iii) for periodic reports on the composition, frequency, and quantity of such discharges, which shall be available to the public, and

"(iv) for authority comparable to that in section 204 of this Act, including effective contingency plans to implement such authority; and

"(H) it provides (i) for periodic review at least every three years, and, where appropriate, revision, after public hearings of such standards and designations, or plan, or both, to achieve the purposes of this section, (ii) for revision of such designations and standards or plan, or both, whenever the Administrator finds on the basis of information available to him that such designations and standards or plans are substantially inadequate to achieve the purposes of this section.

"(4) The Administrator shall, in accordance with the procedures and requirements of this subsection, approve any revision of such designations and standards or plan.

"(5) The Administrator may, whenever he finds it necessary and publishes his finding, extend the period for submission of any plan or portion thereof not to exceed six months.

"(d) The Administrator shall, after consideration of any State hearing record, promptly prepare and publish proposed regulations setting forth such designations and standards or plan or portion thereof, or both, if (1) a State fails to submit water use designations and water quality standards or a plan for implementation, maintenance, and enforcement of such standards within the time prescribed, or (2) the designations and standards or plan, or portion thereof, or both, submitted is determined by the Administrator not to be in accordance with the requirements of this section, or (3) the State fails, within 60 days after notice by the Administrator or such longer period as he may prescribe, to revise such designations and standards or plan as required by this section. If such State held no public hearing associated with adoption of such designations and standards or plan, the Administrator shall provide an opportunity for such hearing within such State on any proposed regulation for such State. The Administrator shall, within six months after the date required for submission of such designations and standards or plan, promulgate any such regulation unless, prior to such promulgation, such State has adpoted and submitted designations and standards or plan which he determines to be in accordance with the requirements of this section. Such designations and standards or plan promulgated by the Administrator for any State shall be the designations and standards or plan, or both, applicable to such State in the same manner as if such designations and standards or plan had been adopted by such State and approved pursuant to this section, and shall remain in effect until such State submits such designations and standards or plan and it is approved under this section.

"(e) (1) A petition for review of any action of the Administrator approving such designations and standards or plan, or both, may be filed in the United States court of appeals for the circuit which includes the applicable State. Such petition shall be filed, within 30 days from the date of such approval, by any person praying that it be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to the Administrator and thereupon the Administrator shall certify and file in such court the record upon which the approval complained of was issued, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have jurisdiction to affirm or set aside the determination complained of in whole or in part. The findings of the Administrator with respect to questions of fact shall be sustained if based upon a fair evaluation of the entire record at such hearing.

"(2) Proceedings before the court under this paragraph shall take precedence over all the other causes of action on the docket and shall be assigned for hearing and decision at the earliest practicable date and expedited in every way.

"(3) Such approved designations and standards or plans with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any subsequent civil or criminal proceeding for enforcement thereof under this Act."

SEC. 5. The Federal Water Pollution Control Act is amended by inserting after redesignated section 201 the following new sections:

"Federal Enforcement of Plans for the Implementation, Maintenance, and Enforcement of Water Quality Standards.

"SEC. 202. (a) (1) Whenever, on the basis of any information available to him, the Administrator or his authorized representative finds that any person violates any applicable water quality standard or applicable plan, or both, he shall notify such person and the appropriate State water pollution control agency of such violation. All such notices shall be made public when issued. Unless the Administrator finds, and publishes his finding, that such violation is being effectively abated by such agency within twenty days after such notice, he shall immediately issue or cause to issue an order requiring such person to comply with such standards or plan, or both.

"(2) On or after the effective date of this title, whenever the Administrator or his authorized representative finds that any per-

son is discharging into any navigable waters or tributaries thereof including interstate or underground waters, a hazardous substance, he shall issue an order requiring the abatement of such discharge within 10 days after the receipt of such order, or he shall bring a civil action in accordance with subsection (d) of this section. The Administrator shall notify the appropriate State water pollution control agency of such action.

"(b) A copy of any order issued under this section shall be sent to the State water pollution control agency of any State in which the violation occurs. Any order issued under this section shall state with reasonable specificity the nature of the violation, specify a time for compliance which the Administrator or his authorized representative determines is reasonable, taking into account the seriousness of the violation and any good faith efforts to comply. In any case in which an order under this section is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers. All such orders shall be made public when issued.

"(c)(1) Any person issued an order pursuant to the provisions of this section, or any person affected by such order or by any modification or termination of such order, may apply to the Administrator for review of the order within thirty days of receipt thereof or within twenty days of its modification or termination. Any person issued a notice pursuant to this section may, if he believes that the period of time fixed in such notice for the abatement of the violation is unreasonable, apply to the Administrator for review of the notice within twenty days of the receipt thereof. Upon receipt of such application, the Administrator shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing, at the request of any such person to present information relating to the issuance and continuance of such order or the modification or termination thereof or to the time fixed in such notice. The filing of an application for review under this subsection shall not operate as a stay of any order or notice.

"(2) Written notice of the time and place of the hearing shall be given at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code.

"(3) Upon receiving the report of such investigation, the Administrator shall make findings of fact, and he shall issue a written decision, incorporating therein an order vacating, affirming, modifying, or terminating the order, or the modification or termination of such order, or the notice, complained of and incorporate his findings therein.

"(4) In view of the urgent need for prompt decision of matters submitted to the Administrator under this section, all actions which the Administrator takes under this section shall be taken as promptly as practicable, consistent with adequate consideration of the issues involved.

"(d)(1) The Administrator shall commence a civil action for appropriate relief, including a permanent or temporary injunction, whenever any person—

"(A) violates or fails or refuses to comply with any order issued under this section; or

"(B) fails or refuses to comply with any requirement of subsection (f) of this section.

"(2) Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation and to require compliance. Notice of the commencement of such action shall be given to the appropriate State water pollution control agency.

"(e)(1) Any person, who violates any requirement of an applicable plan or fails or refuses to comply with any final order issued under this section, shall be assessed a civil penalty by the Administrator which penalty shall not exceed $50,000 for each such violation. If any violation is a continuing one, each day of such violation shall constitute a separate violation for the purpose of computing the applicable civil penalty. The Administrator shall not have the power to compromise such penalties.

"(2) Whenever the Administrator believes that a person is subject to the imposition of a civil penalty under the provisions of this subsection, he shall notify such person in writing (A) setting forth the date, facts, and nature of each act or omission with which the person is charged, (B) specifically identifying the particular provision or provisions of the section, rule, regulation, order, standard, or plan involved in the violation, and (C) advising of each penalty which the Administrator proposes to impose and its amount. Such written notice shall be sent by registered or certified mail by the Administrator to the last known address of such person. The person so notified shall be granted an opportunity to show in writing, within such reasonable period as the Administrator shall by regulation prescribe, why such penalty should not be imposed or why the amount of such penalty is not warranted. The notice shall also advise such person that upon failure to pay the civil penalty subsequently determined by the Administrator the penalty shall be collected by civil action. All such notices and writings shall be available for public inspection.

"(3) On the request of the Administrator, the Attorney General is authorized to institute a civil action to collect a penalty imposed pursuant to this section. The Attorney General shall have the exclusive power to compromise, mitigate, or remit such civil penalties as are referred to him for collection.

"(f)(1) Any person who knowingly—

"(A) violates any applicable water quality standard or requirement of an applicable plan, or

"(B) violates or fails or refuses to comply with any final order issued by the Administrator under this section, shall, upon conviction, be punished by a fine of not more than $75,000 per day of violation, or by imprisonment for not more than one year, or by both. If the conviction is for a violation committed after the first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 or less than $2,500 per day of violation, or by imprisonment for not more than two years, or by both, one-third of said fine to be paid to the person or persons giving information which shall lead to conviction. Any such person may sue any person subject to said penalty for recovery of that portion of the penalty to which he is entitled.

"(2) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device, system, or method required to be maintained under this Act, shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or by both.

"INSPECTIONS, MONITORING, AND ENTRY

"SEC. 203. (a) For the purpose of (i) designating water uses of any waters or developing or assisting in the development of any water quality standards and any plan for the implementation, maintenance, and enforcement thereof, including any effluent requirement and schedule or timetable for compliance, (ii) determining whether any person is in violation of any such standard, plan, requirement timetable, or schedule, or of any prohibition of discharge of a hazardous material, or (iii) of carrying out section 204 of this Act—

"(1) the Administrator may require the person who owns, leases, or otherwise controls any effluent source to (A) establish and maintain such records, (B) make such reports, (C) install, use, and maintain monitoring equipment or devices, (D) sample such effluents (in accordance with such methods, at such locations, at such intervals, and in such manner as the Administrator shall prescribe), and (E) provide such other information as he may reasonably require; and

"(2) the Administrator or his authorized representative, upon presentation of his credentials—

"(A) shall have a right of entry to, upon, or through any premises in which an effluent source is located or in which any records required to be maintained under paragraph (1) of this subsection are located, and

"(B) may at reasonable times have access to and copy any records, inspect any monitoring equipment or method required under paragraph (1) of this subsection and sample any effluents which the owner or operator of such source is required to sample under paragraph (1) of this subsection.

"(b) Each State shall develop and submit to the Administrator a procedure for carrying out subsection (a) of this section in such State. Nothing in this subsection shall prohibit the Administrator from carrying out this subsection in a State.

"(c) In carrying out the provisions of this title, the Administrator may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and other documents, he may administer oaths. Any records, reports, or information obtained under this title shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information, or particular part thereof (other than effluent data), to which the Administrator has access under this title if made public, would divulge methods or processes entitled to protection as trade secrets of such person, the Administrator shall consider such record, report, or information, or particular portion thereof confidential, except that such record, report, or information may be disclosed to the officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act. Witnesses summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpena served upon any person under this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Administrator, to appear and produce papers, books, and documents before the Administrator, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(d) Subject to the direction and control of the Attorney General, as provided in section 507(b) of title 28 of the United States Code, Attorneys appointed by the Secretary may appear for and represent him in any proceeding instituted under this section.

"(e) There is authorized to be appropriated annually to the Administrator beginning July 1, 1971, and ending June 30, 1976, $75,000,000 to carry out his enforcement responsibilities under this title, and he shall submit to the Congress on March 1 of each year a detailed report concerning the enforcement activities of the Administrator, including a discussion of the violations discovered, during the preceding calendar year. Such sums shall be available until expended.

"(f) The Administrator shall periodically hold public hearings in various regions or States of the United States to determine the effectiveness of approved water quality standards and plans and the enforcement thereof and to investigate significant pollution problems."

"EMERGENCY POLLUTION CONTROL

"SEC. 204. Upon receipt of evidence that a pollution source or combination of sources, including moving sources, (A) is presenting an imminent or substantial endangerment to the health or welfare of persons or to treaty-protected fish or wildlife, or (B) may present a substantial economic injury to persons because of their inability to market shellfish or shellfish products in commerce because of such pollution, the Administrator shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order, in the district court of the United States for the district in which the persons owning, leasing, or otherwise controlling such source or sources, is located or resides or is doing business. The district court shall have jurisdiction to hear and decide such actions and to issue such orders as it deems appropriate.

"CITIZEN SUITS

"SEC. 205. (a) Any person may commence a civil action on his own behalf or on behalf of a class of persons—

"(1) against any person (including the United States, and any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of (A) any water quality standard or plan or effluent requirement, schedule, or timetable of compliance, or prohibition of discharge under this Act, or (B) any order issued by the Administrator or a State with respect to any violation under this title, or

"(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act, including the enforcement of any water quality standard, plan, effluent requirement, schedule, timetable of compliance, or prohibition of discharge.

"(b) The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to hear and decide such actions and to issue such orders as may be necessary.

"(C) In any such action, the Administrator if not a party, may intervene as a matter of right.

"(d) Nothing in this section shall restrict any right which any person (or class of person) may have under any statute or common law to seek enforcement of any such standards or limitation or to seek any other relief (including relief against the Administrator or a State agency).

"(e) No bond shall be required by the court of the plaintiff, except that the court may, upon clear and convincing evidence offered by the defendant other than the Administrator, that the relief required will result in irreparable damage to the defendant, impose a requirement for security to cover the costs and damages as may be incurred by defendant when relief is wrongfully granted. Such security shall not be required of the plaintiff if it would unreasonably hinder the plaintiff in the maintenance of his action or would tend unreasonably to prevent a full and fair hearing on the activities complained of. The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate."

SEC. 6. The Federal Water Pollution Control Act is amended by adding after redesignated section 209 the following new section:

"EMPLOYEE PROTECTION AGAINST DISCHARGE OR DISCRIMINATION

"SEC. 210. (a) No person shall discharge or in any other way discriminate against or cause to be discharged or discriminated against any employee or any authorized representative of employees by reason of the fact that such employee or representative of employees has filed, instituted, or caused to be filed or instituted any proceeding under this Act, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Act.

"(b) Any employee or a representative of employees who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section may within thirty days after such violation occurs, apply to the Secretary of Labor for a review of such alleged discharge or discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to enable the parties to present information relating to such violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact. If he finds that such violation did occur, he shall issue a decision incorporating an order therein and his findings, requiring the party committing such violation to take such affirmative action to abate the violation as the Secretary of Labor deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no such violation, he shall issue an order denying the application. Such order issued by the Secretary of Labor under this subparagraph shall be subject to judicial review in the same manner as orders and decisions of the Administrator are subject to judicial review under this Act. Violations by any person of subsection (a) of this section shall be subject to the provisions of section 202 of this Act.

"(c) Whenever an order is issued under this section to abate such violation, at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees) as determined by the Secretary of Labor to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation."

SEC. 7. Redesignated section 209 of the Federal Water Pollution Control Act is amended by adding a new subsection at the end thereof as follows:

"(e) (1) Any person (A) required to comply with any order issued by a Federal court pursuant to this Act who fails to comply within the time period specified in such order, or (B) convicted by a Federal court for a knowing violation of any applicable schedule or timetable of compliance, effluent requirement, discharge prohibition, or water quality standard shall be ineligible to enter into any contract with any Federal agency for the procurement of goods, materials, and services to perform such work at or with any facilities which are subject to such action by the court and which are owned, leased, or supervised by such person. Such ineligibility shall continue until the Administrator certifies compliance with such order, or that the condition giving rise to the violation has been corrected.

"(2) The Administrator shall establish procedures to provide all such Federal agencies with the notification necessary for the purposes of paragraph (1).

"(3) In order to further implement the purposes and policy of this Act to protect and enhance the quality of the Nation's water, the President shall, not more than one hundred and eighty days after enactment of this paragraph cause to be issued an order (A) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and (B) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

"(4) The President may exempt any lease, contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

"(5) The President shall annually report to the Congress on measures taken toward implementing the purpose and intent of this section, including but not limited to the progress and problems associated with implementation of this section."

SEC. 8. The Federal Water Pollution Control Act is amended by adding after the new section 210 a new section to read as follows:

"DECEPTIVE ADVERTISING

"SEC. 211. (a) It shall be unlawful for any person who manufacturers any equipment, devices, or systems of any kind or description for commerce to make any false or deceptive claims, statements, or representations concerning their use and effectiveness for the control of pollution or the enhancement of the human environment. The Administrator shall promptly refer any complaints received by him concerning any violation of this subsection to the Federal Trade Commission for prompt investigation. All such complaints and the reports of each investigation thereon and supporting material shall be available to the public.

"(b) Any person who violates subsection (a) of this section shall be assessed a civil penalty by the Federal Trade Commission in accordance with the provisions of section 202(e) of this Act.

"(c) Any person who knowingly violates subsection (a) of this section shall, upon conviction, be punished by a fine of not more than $25,000, or by imprisonment for not more than six months, or by both.

SEC. 9. Redesignated section 303(e) of the Federal Water Pollution Control Act is amended by inserting the word "navigable" before the word "rivers."

SEC. 10. Redesignated section 102 of the Federal Water Pollution Control Act is amended by adding the following new subsection:

"No research demonstrations, experiments, or other such work shall be carried out, contracted for, sponsored, or authorized under this Act after the effective date of this subsection, unless all information, uses, products, processes, patents, and other developments resulting from such work will (with such exception and limitation, if any, as the Secretary may find to be necessary in the public interest and he publishes his finding) be available to the general public."

SEC. 11. Redesignated section 302(a) of the Federal Water Pollution Control Act is amended by adding the following new sentence:

"All regulations, criteria, or guidelines issued under this Act, unless otherwise provided in this Act, shall be published as

proposed rulemaking under 5 U.S.C. 553 and adequate opportunity shall be provided for public written comment thereon and copies of all such comments shall be available for public inspection."

SEC. 11. Nothing in this Act or the Federal Water Pollution Control Act, as amended, shall be construed as limiting the authority of the Secretary of the Army and the United States Attorneys under the River and Harbor Act of 1899 to vigorously enforce that Act against person or corporation violating the provisions of that Act or any registration issued thereunder.

INDIANA'S AMENDMENT TO FEDERAL UNIFORM TIME ACT

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, on February 3, 1971, the Indiana House delegation filed H.R. 3508 calling for a minor change in the Federal Uniform Time Act.

Indiana Senators, HARTKE and BAYH also filed S. 904 to amend the Federal Uniform Time Act. This amending legistion does not curtail the Federal Uniform Time Act, but will accommodate certain areas in the few States that are divided by two of the national standard time zones. The Senate Commerce Committee, chaired by Senator HARTKE, held hearings on S. 904 this morning. A large delegation from the 12 counties in Indiana adjacent to Chicago and Louisville appeared as witnesses, and supporters of this amending legislation.

I include with my remarks testimony which I submitted to the Senate Commerce Committee at the hearing this morning outlining the reasons and urgency for adopting this amendment to the Federal Uniform Time Act.

The testimony follows:

STATEMENT OF CONGRESSMAN RAY J. MADDEN ON THE UNIFORM TIME ACT

I commend Senator Hartke and Senator Bayh for joining with the unanimous Indiana delegation in the House of Representatives in filing S. 904, to amend the Federal Uniform Time Act, which gives permission for areas in certain states where division of uniform time exists to have the privilege of participating in temporary time change or standard time in certain exceptional cases.

On February 3, 1971 the Indiana House delegation joined as cosponsors with our colleague, Congressman Roush, in filing H.R. 3508 calling for this minor change in the Federal Uniform Time Law which, if adopted, will affect only a few areas throughout the Country strategically located across state lines immediately contiguous to large urban areas. This bill, S. 904, is a duplicate of H.R. 3508 and both have the unanimous endorsement and sponsorship of both Republican and Democratic Congressmen and the two Senators from Indiana.

If this legislation is enacted into law it will permit 12 Indiana counties the option to observe daylight saving time between the last Sunday in April and the last Sunday in October of each calendar year.

This legislation would only affect two highly populated urban areas in Indiana, including the highly industrial Calumet Region adjacent to Chicago and the equally large urban area of Evansville adjacent to Louisville, Kentucky.

Only the state line separates approximately 6 million people in the Chicagoland area and almost one million in several counties in Northwest Indiana adjacent to Chicago. Many thousands of people commute daily across the state line from the Northwest Indiana counties to the Chicagoland area and from the Chicagoland area into Northwest Indiana. If one hour's difference of time existed between these two areas it would throw this vast community into an economic turmoil and confusion and, no doubt, indirectly contribute greatly to slowing down business, both retail and industrial, thus bringing about many lost man hours to labor and industry and create conditions that border on turmoil, mental confusion, and the slowing down of our economy.

It would also affect the many projects, Federal, state, county and city, that are now operating in these contiguous areas in which a difference of one hour's time schedule would be devastating. This legislation would merely give 12 counties in Indiana legal authority to coincide with the heavily populated adjacent urban territory across the state line, to wit: Chicago and Louisville. It will give these sections within the state the opportunity of either adopting or not adopting daylight saving time. Such an amendment would not detract from the basic principal of uniformity which the Uniform Time Act seeks to establish.

The Federal Department of Transportation has endorsed this legislation and has advocated the present amendment to the Uniform Time Act. The bill would merely eliminate the unfair and ridiculous circumstances resulting in the few states divided into various time zones. It would merely give the opportunity for 12 states including Indiana, Kentucky, Tennessee, Florida, North Dakota, South Dakota, Kansas, Nebraska, Texas, Idaho, Oregon and Alaska to take advantage of the pending amendment if they so choose. Some of these states are not affected seriously but in Indiana if this legislation is not adopted it will create havoc, confusion and untold inconvenience to millions of citizens. It will also create a major inconvenience to the citizens and the economy of the adjacent urban area in the two neighboring states.

The sentiment throughout the State of Indiana is almost unanimous that this time option provided in the pending Senate bill S. 904 be permitted. Thousands of letters and requests have come into Washington from Hoosiers seeking Federal relief on this minor amendment to the Uniform Time Act.

The Indiana State Senate recently unanimously adopted a concurrent Resolution urging the passing of the pending amendment. Copies of this Resolution were transmitted to the Secretary of the Department of Transportation, and the entire Indiana Delegation in the U.S. Congress, both House and Senate.

Mr. Chairman, I do hope the Senate will take immediate action on S. 904, and I feel certain the House will join the Senate in favorable action on H.R. 3508 now pending before the House Interstate and Foreign Commerce Committee.

THE CLOSING OF TEXTILE PLANTS

(Mr. NICHOLS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, to paraphrase an often quoted expression "Congress is still fiddling while the textile industry is closing plants by the dozen." I refer, of course, to the unbearable burden placed on the textile industry in this country from the increasing imports which has brought about the shutdown of a number of plants.

In my own congressional district, one textile mill was forced into bankruptcy in November of last year and a second mill has ceased operations this month principally because of the import situation.

Mr. Speaker, what has happened in the small Alabama town of Roanoke, should not have happened to ones worst enemy; for economic conditions there and unemployment surpass the depression years of the 1932–33 era. Handley Mills, the town's largest manufacturing plant and an old textile mill in continuous operation since 1900 which employed 830 textile workers is closed. The mill and its equipment are up for sale; 830 textile workers have drawn their last unemployment check and are desperately seeking employment in other towns.

Rolane Manufacturing Co., which makes ladies' panty hose ceased its operations on March 15, 1971, and 450 employees have now joined the ranks of the unemployed in a town whose total population is only 5,500. Talk about hard times, and you only have to go to Roanoke to see the end results of our permissiveness in allowing these Japanese goods produced with exceedingly cheap labor, to continue to come into this country in larger and larger quantities every year.

Mr. Speaker, a substantial number of Members of this Congress worked hard last year for the passage of a trade bill only to see it sputter and die in the Senate. Many of us have reintroduced this trade bill, believing it is the only salvation when effective agreements to limit trade cannot be reached between this country and the Japanese industry. Again, I strongly petition the Committee on Ways and Means for early consideration of these bills. The recent Japanese offer is no more than a game of charades offering no measure of real relief to the textile industry. I am enclosing an article from the March 4 issue of the American Textile Reporter which lists only a partial number of the textile plants which were forced to cease operations last month. If the Congress should fail in its responsibility to rectify this injustice, then I am convinced that many, many more textile jobs are going to go down the drain in the months ahead. The article follows:

TEXTILE PULSE: PLANT CLOSINGS

The number of mill shutdowns has accelerated lately and what follows is a partial listing of plant closings for the last month.

Piedmont Cotton Mills, East Point, Ga., has ceased operations and is converting its facilities into an air freight terminal and office park. The 74-year-old family-owned facility was lucky in that it happened to be located near the Atlanta airport and so could easily switch over. The company had considered modernizing or moving, but the costs were prohibitive in the face of the current import situation and the current market.

Others are not so lucky though. Hillsboro Cotton Mills, Hillsboro, Tex., is presently phasing out its inventory prior to closing its doors forever. This plant was in its third generation of family management but has no definite plans at this time for the disposal of the plant site and equipment. Imports and high costs were blamed here also.

Bigelow-Sanford is discontinuing operations at its Thompsonville, Conn., facility. Parts of this plant are over 100 years old and although new equipment and up-dating of

old equipment has been done in the last few years, the age of the facility contributed to its closing. Another major reason for its closing was the fact that the Thompsonville facility manufactured primarily Wilton Carpet whose sales accounted for less than 5 per cent of Bigelow's total production.

The Maxon Shirt Company, Greenville, S.C., is closing its doors in April and will put 500 employees out of work. The plant which produces men's and boys' apparel blames unrestricted imports for their demise.

Burlington has had several plants closed lately. The Carolinian Plant, High Shoals, N. C., will be closed soon. The plant produces cotton fabrics from print cloth and sheeting yarns, and employs 400 people. Again, blame is placed on weak and unprofitable markets and the continuing flow of foreign imports. A Burlington yarn plant in Reidsville, N. C., will be closed by the middle of this month. Sluggish markets were blamed for the shutdown of this facility, employing 300 people and producing nylon yarn for the hosiery trade. This is reported to be the seventh Burlington plant closing since early 1969. All news is not bad at Burlington, however. They are planning to re-open their plant in Graham, N. C., soon. The plant which closed last fall, had been making rayon acetate yarns for its griege division but now will convert to be able to spin yarn for Burlington house fabrics div.

Fitzgerald Textiles, Fitzgerald, Ga., has closed, the explanation being given as 'economic reasons'. They previously produced course fancies.

The 136 years-old A. G. Dewey Co., Enfield, N. H., has closed its last facility, Baltic Mills, because of lack of orders to justify continuing operations.

The Garver Mfg. Co., Wilmington, N. C., men's shirt producer, will close this month letting its 415 employees go. Cheaper imports from the Orient are named as the cause for the shutdown.

Golden Belt Mfg. Co., Durham, N. C., is shutting down its cotton mill yarn division to go into more profitable operations. The company hopes to absorb 'some' of the estimated 100 employees in other divisions.

The 2000 man Monsanto Co., Greenwood, S. C., plant is 'temporarily' reducing its work force by 150 people. The same plant also 'temporarily' laid off 100 employees last month. The company promises to start recalling employees to work when production requirements begin to rise again.

Lisbon Mills, Lisbon Falls, Maine, has temporarily shut down its plant freeing some 200 workers. It does not know now when it will reopen although it hopes to be back in operation within two weeks.

Local residents and former employees pitched in in Easthampton, Mass., to get the United Elastic Company Dyehouse started up again after it closed recently. A new corporation has been formed to operate the facility as an independent commission dyehouse which will do contract work for the United Elastic Co. and also solicit outside customers. The company has re-named itself Easthampton Dyeworks, Inc. and initially will employ 40 people.

VFW PROGRAM FOR THIS YEAR—OPERATION PRISONER OF WAR

(Mr. TEAGUE of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TEAGUE of California. Mr. Speaker, earlier this month the national commander in chief of the Veterans of Foreign Wars of the United States, Mr. H. R. Rainwater, presented the highlights of his organization's program for this year in a hearing before the Committee on Veterans' Affairs.

VFW leaders from all over the country attended this hearing and were proud as I was of the presentation by Mr. Rainwater, a fellow Californian. I was particularly impressed with "Operation Prisoner of War" which is a tremendous effort by this organization composed of men who have served on foreign soil, to incite and develop citizen opinion and action against the treatment of members of the Armed Forces being held prisoners by the Communist forces in Southeast Asia. Commander Rainwater's statement follows:

STATEMENT OF H. R. RAINWATER

Mr. Chairman and members of the committee: Thank you for the privilege of appearing before this great Committee to present the legislative program of the Veterans of Foreign Wars of the United States.

I note that there are some new members on the Committee—and regretfully, that some long-time members are missing. I refer to Congressman William H. Ayres of Ohio, and E. Ross Adair, of Indiana. During their ten terms in Congress, these two distinguished gentlemen never failed to be present on this occasion.

The Veterans of Foreign Wars is deeply appreciative of their efforts in behalf of veterans' programs during their twenty years of service on this Committee. They will be missed by all of us.

As you know, the Veterans of Foreign Wars of the United States is the oldest major veterans' organization in America—having been initially formed by veterans of the Spanish-American War, 1899.

From that small beginning, we have grown steadily in membership and service—until today we have over 1,600,000 members. This is 110,000 more than we had at this same time last year. We expect to close out the current year with an all-time high of 1,750,000 members. This will make the nineteenth consecutive year that we have achieved a substantial increase in our membership.

The men who are with me this morning are primarily responsible for this continued growth. Through their efforts and leadership, the great purposes and programs of the Veterans of Foreign Wars are being carried out in all the states of this great nation.

One of these is our Voice of Democracy Program. It is a scriptwriting contest, whose theme this year is: "Freedom—Our Heritage."

The winners of that great patriotic contest are the young and handsome people you see just a few rows behind me. We are extremely proud of these young Americans. Five of them will receive college scholarships, totaling $22,500, at our Congressional Banquet tonight. We will have the privilege of hearing the first place winner deliver his or her speech. The first place prize is a $10,000 scholarship.

Mr. Chairman and Members of the Committee, the legislative program of the Veterans of Foreign Wars is determined each year by our delegates at our National Convention. Approximately three hundred separate resolutions dealing with veterans' rights and benefits; national security; and Americanism are weighed in the process.

Thereafter, our National Legislative and Security Committees meet here in Washington for the purpose of reviewing these resolutions and recommending a Priority Legislative and National Security Program.

That Priority Program for 1971 has been printed in an attractive brochure and distributed to the Congress, the Executive Branch, the news media, and to the public.

It would be deeply appreciated, Mr. Chairman, if a Digest of the Resolutions approved by the Veterans of Foreign Wars delegates attending our Miami Beach National Convention, and a copy of our Priority Legislative and Security Goals, may be made a part of my remarks at the conclusion of my statement.

When I assumed office as Commander-in-Chief of the Veterans of Foreign Wars, last August, I immediately announced operation "Prisoner of War." This was a petition-signing effort to incite and develop citizen opinion and action throughout the world, against the treatment of our men who are being held prisoners by the Communists in North Vietnam, the Viet Cong in South Vietnam and the Pathet Lao in Laos. Our members came through with flying colors. They gave me petitions carrying four million signatures. I later asked them to send 25 million letters to the North Vietnamese representatives in Paris—where I had been unable to deliver those petitions.

Immediate release of our men is our primary objective. But short of outright release of all prisoners of war, identification, adequate food and medical care, humane treatment, and the release of the sick and disabled, are obligations of the North Vietnamese Government under the terms of the Geneva Convention.

Looking optimistically toward the day when that release is effective, I have recommended to the Secretary of Defense and to the Administrator of Veterans Affairs that specific plans be developed to provide for the treatment and readjustment of these gallant men when they are returned to us. I am pleased to report that the Secretary of Defense has assured me that appropriate programs will be ready and operative when needed.

This Committee is to be commended for taking the initiative during the previous Congress in developing and gaining approval of legislation which has provided close to three-quarters of a billion dollars in additional assistance to veterans and their dependents. I refer, of course, to the general cost of living increase, and the 35 per cent increase in the GI Bill rates, and other VA educational programs.

Despite these increases, however, the inflationary costs of living continue to spiral—and it will not be long before additional increases are mandatory. VA compensation and pension checks never keep pace with the ever-mounting costs of today's economy. Certainly they have never yet anticipated the increased costs of the future. To this extent they both remain a game of "catch-up", in which the veteran is always behind on the economic ladder.

The Veterans of Foreign Wars has always maintained that there is a distinction between the honor of being buried in a National Cemetery, and the economic assistance provided through the veterans' burial allowance. This is the reason we have so long held to the position that there should be at least one National Cemetery in each state.

The continuation of the National Cemetery System, including Arlington National Cemetery, is a priority goal of our organization. We strongly support bills before this Committee which will carry out these purposes.

We in the Veterans of Foreign Wars are deeply disturbed at the use of drugs by many of our young servicemen. Many identified as marijuana users have been summarily discharged with undesirable discharges which bar them from VA treatment for this condition, as well as all other veterans benefits. For more than two years, the Veterans of Foreign Wars has been urging the Department of Defense to review existing policies with a view toward treatment and rehabilitation rather than punishment. We view the recently revised Defense Department policy in so far as marijuana users are concerned as a step in the right direction. At least it is an excellent first measure on the road to reform.

The establishment of the first of thirty planned drug treatment centers by the Vet-

erans Administration is still another program which the Veterans of Foreign Wars has long advocated.

We believe the Congress of the United States has the obligation to look ahead, just as it does in matters involving National Defense, and be prepared at all times to balance the equities and inequities which repeatedly occur in the Veterans Administration program.

Realistic compensation and pension payments for the disabled veteran and his family, or survivors; increased GI Bill assistance for returning Vietnam veterans; practical job assistance and training for those who do not use the GI Bill; preservation of veterans' preference in Federal employment, including the new Postal Corporation; and complete elimination of the pauper's oath for veterans seeking VA hospital care, are musts, in so far as the Veterans of Foreign Wars is concerned.

Important as these are, there is one veterans program which deserves even more attention. I refer to the VA hospital and medical program. During the past several years the Veterans of Foreign Wars has devoted its major effort to obtain additional badly needed funds for this program. Your distinguished Committee, Mr. Chairman, provided the leadership which added $155,000,000 to the VA hospital budget for last year.

Despite this, however, it appears that we failed to make a dent in the Office of Management and Budget. In spite of the fact that the Office of Management and Budget knows full well that the extra $155,000,000 was almost literally jammed down its throat by the Congress after overwhelming evidence indicated that much more was needed, it does not seem to have been impressed. For the VA budget for hospitals and medical care for fiscal year, 1972, is based on a substantial reduction in the medical care program for veterans. It contemplates taking care of 6,823 less veterans per day, starting next year,—79,000 patients per day, as against 85,935 on an average daily basis at the present time. Obviously this will force the VA to increase its rejection rate.

In other words, Mr. Chairman and Members of the Committee, it perpetuates a vicious circle. Each year the VA is given less money than it needs by the Office of Management and Budget. The VA is forced to reduce the number of patients on an average daily basis in order to live within this inadequate budget.

Then when the record shows that the average daily patient load is down, operating beds and other facilities are curtailed. Needed personnel are not hired. And the quality of medical care is reduced.

The next year the Office of Management and Budget forces the VA to accept a still smaller budget based upon this fictitious reduction, or perhaps I should say enforced reduction, of the daily patient load for the previous year.

It is very easy to predict the ultimate destruction of the VA hospital system if the Administration, through the Office of Management and Budget, continues this policy of starving the VA hospital and medical system.

I can assure this Committee and the Congress that the Veterans of Foreign Wars of the United States is well aware of the downward skid of VA hospitals since 1965. That was the year the then Bureau of the Budget tried to close 32 VA facilities. The Veterans of Foreign Wars stands ready to fight to the last ditch to save our VA hospitals.

Even the $155,000,000 that the Congress so wisely added to the VA hospital budget for this year was used in a manner which kept it from becoming a continuing budget item for successive years. Practically all of it was spent on equipment, maintenance, and other one-time budget items. It was not used for additional personnel and badly needed services. Yet it is the lack of sufficient personnel to provide essential services in our VA hospitals which has reduced their quality of medical care to veterans of this nation's wars.

The President, in his message to Congress on February 1, entitled, "Resubmission of Legislative Proposals", included a rehash of proposals to eliminate statutory payments for service-connected disability caused by tuberculosis, and the $250.00 burial allowance to which every veteran is not entitled. This message was obviously the creature of the Office of Management and Budget.

There are many ways in which money can be saved without saving it at the expense of veterans—especially those who were disabled while on active duty in the service of our country.

The Veterans of Foreign Wars strongly recommends that bills implementing these proposals to eliminate veterans rights be rejected by this Congress. It is our fervent hope that they will die when the 92nd Congress finally adjourns.

Mr. Chairman and Members of the Committee, there are other areas which greatly disturb the members of my organization. Two of these are the processing of veterans' claims in regional offices, and jobs for veterans. There has been a constantly rising case load of claims under the GI Bill and readjustment programs, compensation, and pensions in the VA. The Veterans of Foreign Wars commends the dedicated VA personnel who are doing a tremendous job in keeping up with this sharply rising work load during the past few years. We have sought in every way possible to call attention to the need for additional personnel. The proposed budget will add approximately 257 employees to these 57 VA regional offices. But here again, an additional 257 employees will not be enough.

The Congress took note of the sharp increase respecting the need of veterans for information and assistance by authorizing an outreach program, which is the 1970 word for an expanded contact program. Yet last year's VA budget did not have one cent in the VA appropriation for the newly-authorized expanded outreach services as provided in PL 91-219. Nor does there appear to be any money in this year's 1972 appropriation for that program. Without additional, competent personnel to advise veterans and their families respecting their rights and the assistance to which they are entitled, this program is completely nullified. Additional outreach personnel must be provided for if veterans and their dependents are to be advised about the assistance Congress has authorized for them.

The Veterans of Foreign Wars has committed itself to lending all possible assistance to the problem of obtaining jobs and job training for all veterans, and more particularly for veterans returning from Vietnam. We are cooperating with the President's Jobs for Veterans Program, and have our own continuing program to assist veterans in obtaining jobs.

Last, but far from least, Mr. Chairman, we are concerned about the recommendation to eliminate the most successful veterans program ever established by the Congress. I refer to the direct home loan program. It is inconceivable to the Veterans of Foreign Wars that this program, which is the only veterans program which has ever made money for the Government, should be earmarked for elimination.

The need for additional housing is on everybody's tongue. We all know that in our small towns and rural areas it is next to impossible to obtain a housing loan. That is why the Congress established the direct home loan program. It has experienced few losses. It is a paying program making its own way. Yet unless the Congress acts this veterans' program will come to an end. The 1972 budget calls for the expansion of various subsidized housing programs and includes the continuation of the direct loan program, handled by the Small Business and Farmers Home Administrations—yet the veterans direct loan program will be deleted.

I have not endeavored to deal with National Health Insurance and all of its implications respecting veterans hospitals. There is no question, however, that a true National Health Insurance program, as contemplated by the bills introduced in this Congress, would swallow up VA hospitals at least in part. Should such a system be established, we will need the wisdom and leadership of this great Committee if we are to continue to provide medical care and hospital treatment for veterans in separate facilities.

The Veterans of Foreign Wars will continue to oppose any attempt to eliminate these separate facilities, as we now oppose the efforts being made by the Office of Management and Budget to curtail service to America's veterans.

These, Mr. Chairman and Members of the Committee, are a few of the areas of intense concern for 1971 in the members of the Veterans of Foreign Wars of the United States.

May I again express my sincere gratitude for this opportunity to appear before this distinguished Committee. Many of us will be visiting with you individually throughout the remainder of the day.

We are hoping to return your courtesy by being your hosts tonight at our annual Congressional Banquet at the Sheraton-Park Hotel. All members of Congress have been cordially invited. The dinner will begin promptly at 7:00 P.M., with a reception beginning at 6:00 P.M.

Thank you for your attention.

JAPANESE TEXTILE INDUSTRY PROPOSAL UNSATISFACTORY

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to call to the attention of the Members of this House a statement issued recently by the distinguished president of the AFL–CIO, George Meany:

The AFL–CIO considers the unilateral proposal of the Japanese textile industry, to place its own overall ceiling on textile imports into the U.S., altogether unsatisfactory. We shall renew our efforts to achieve legislation that will establish a trigger mechanism for quotas, not only on textile footwear and apparel products, but on any products in which there is the loss of American jobs due to market disruption or the activities of American multi-national corporations.

I think this statement from the principal spokesman of organized labor in this country reflects the growing concern throughout this Nation in all industries over the prospects of continued dumping of foreign-made goods in the domestic markets of this Nation. If Congress fails to respond to this concern soon and impose a measure of restraint on the present unbridled growth of foreign imports into this country, then none of us here should be surprised if in 1 year's or 2 years' time the demand for action does not increase to the point where something far more drastic than the Trade Reform Act presently under consideration is demanded by the majority of the American people as a final solution to the problem. Those who objected to the provisions of last year's Trade Re-

form Act as passed by the House will then wake up to the fact that they have to accept a far more thoroughgoing reform of this Nation's trade policies than they would now. We might really be confronted with irresistible pressure for something approaching Smoot-Hawley in the absence of taking the mild medicine being prescribed now. I am not making idle threats. The workingman's patience with the present situation is fast running out. Demand for protection is spreading through more and more industries. Failure to act now will only add steam and build up pressure which Members will only be able to resist at the risk of their own political futures. Big business may well benefit from the present situation. The multinational firms provide the real support for the free trade groups in this country; but men's jobs are at stake in all of this and understandably the workers now demand a measure of protection from their Government. If we do not do something soon, we may well discover the hard way the truth to the observation that in order to have a market, people have to have jobs. Any unilateral declaration by foreign trading interests which really concedes nothing and protects no one, completely fails to tackle the problem at hand. What we need now are not a few steps in the right direction, or a sign of willingness to seriously negotiate, but remedial action here and now. The clock just will not stop as the monthly unemployment trends all too forcefully indicate. With the passage of each month that Congress fails to act in this matter, it becomes increasingly apparent that the final dose of medicine will be more difficult for those supporting the principle of free trade to swallow.

PRISONERS OF WAR AND MEN MISSING IN ACTION

(Mr. CARTER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CARTER. Mr. Speaker, this week our Nation pauses to give special attention to the plight of our fighting men who have been taken prisoner or are missing in action in Vietnam. Although constant efforts are made in their behalf by all segments of our society, we set aside this week in particular to commemorate the time, 7 years ago, when the first American soldier was taken as a prisoner of war by the North Vietnamese. Today we number over 1,500 men as prisoners of war or missing in action.

One of the principal tragedies of this war has been the attitude of the North Vietnamese toward United States servicemen who are prisoners of war. The Government of North Vietnam refuses to release a list of the men held prisoner. It refuses to allow an inspection of prisoner-of-war facilities. It has restricted communications between these men and their families. And it refuses to release the sick and the wounded.

For this reason, in May of 1969 President Nixon made a decision to publicize the plight of these men. It is our hope that by bringing pressure on Hanoi we may be able to alleviate the inhumane treatment of those men held prisoner.

Mr. Speaker, our country has been at war before, and during those times many of our boys have had to endure the hardships of the enemy's prison compounds. In all wars this country has fought there were always those who questioned our participation in them. But I do not recall an earlier time when some of our citizens were so critical of a war, that they failed to remember the Americans who were fighting that war.

In my view, too many Americans have forgotten about their brothers who suffer physical and mental anguish at the hands of the enemy. May God forgive them for debasing the heroism of those Americans guilty of nothing more than honorably serving their country. These are the men who answered when their country called. We owe a great debt to them, for they have served and continue to serve so valiantly. We owe a great debt to their loved ones for their unfailing courage. They endure a burden that belongs to all of us.

Let us renew our commitment to those who have given so much for us. Not just for this week, but for as long as it takes to reunite these boys with their families.

CREATION OF NEW VOLUNTEER AGENCY

(Mr. TERRY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TERRY. Mr. Speaker, creation of the new volunteer agency as proposed by the President has the two distinct merits of efficiency and economy.

Not the cold efficiency of a distant bureaucracy—but the welcome efficiency of an operation that reaches more people with programs than do the job.

This is because the new structure would combine the money and time-saving benefits of centralized administration, with the personalized benefits of local carry through.

From its national vantage point, the agency would enjoy an "over-view" of programs and needs, with the authority to match private contributions for worthy programs with Government funds.

On the local level, local initiative would be encouraged to develop and support local programs to solve local problems.

The goal as stated by the President to use to "the fullest advantage the power of all the American people to serve the purposes of the American Nation"—would be happily served by this cooperative effort by the Government and the people.

POW'S AND MIA'S

(Mr. HELSTOSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HELSTOSKI. Mr. Speaker, on January 22, 1971, I introduced House Joint Resolution 105, authorizing the President to designate the period beginning March 21, 1971, as "National Week of Concern for Prisoners of War/Missing in Action."

I am pleased that the President signed Proclamation 4038 on March 19 designating this week as POW/MIA Week and called upon all the people of the United States to observe this week in heartfelt prayer, and conduct ceremonies and other activities which are appropriate to express our concern for the prisoners and missing men, and which would inspire their loved ones with new courage and hope that someday, soon, they will be returned home.

Mr. Speaker, the known captured and missing now total at least 1,600 men and we owe them our unwavering support and give them our assurances that we shall not abandon them. On this day we must reaffirm and rededicate ourselves to expending greater efforts in bringing these men back to a world of peace and to familiar surroundings.

These are days of turmoil and it would be most gratifying to see a united America pursue its objective in ceasing all hostilities in Southeast Asia as soon as practicable—even tomorrow would not be too soon.

In expressing our concern for the POW/MIA I cannot help but feel that these men have performed their ultimate duty in a war that is unnecessary and immoral, which took many lives and relegated many more to various hospitals for treatment of battle scars.

Mr. Speaker, I implore my colleagues not to stop at the end of this week in our attempts to free our men from the prisoner-of-war camps. We are prone to take part in activities set aside for 1 week only, but neglect to concern ourselves with the plight of the POW as soon as the hoop-la is ended.

I feel that continued public expressions will bring this situation into focus and before the eyes of the entire world.

All civilized peoples agree that a war is tragic enough without imposing suffering on civilians. The mothers and children who have suffered the tortures of uncertainty for so long have the right to know as to the whereabouts and physical condition of their husbands and fathers. This applies also to the parents of the prisoners of war.

It is my most sincere hope that we will continue to work on this problem throughout the year and not only during the week of concern which comes and goes so rapidly. Whether or not these men wanted to serve in Vietnam is not the principal problem at this time. They were serving America and the least we can do is to make every effort to obtain their freedom.

Mr. Speaker, this is the first Week of Concern for POW's/MIA's, I wish that it is the first and last. Let us not permit it to become an annual event. Let us also hope for the termination of the conflict.

The arguments over this problem of the POW's can go on forever, but the answer we seek immediately is, "How and when can we bring them home?"

Mr. Speaker, I would like to suggest that we end this conflict in Southeast Asia as soon as possible so as not to add to the numbers of POW's in the hands of the North Vietnamese and to the honor rolls of the dead, and to the beds of hospitals where we must minister to the wounded.

RETIREMENT OF EDWARD H. HOLMES

(Mr. HARSHA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HARSHA. Mr. Speaker, on behalf of myself and the other members of the Public Works Committee, I wish to announce the April 2, 1971, retirement of Mr. Edward H. (Ted) Holmes from the Federal Highway Administration of the U.S. Department of Transportation after a highly commendable 43-year career in Federal service. Mr. Holmes entire professional life was spent in the Federal Government starting with the U.S. Bureau of Public Roads in 1928.

Those of us who have worked with Mr. Holmes, Associate Administrator for Planning in the Federal Highway Administration, are ambivalent over his departure. On the one hand, we cannot help but feel sad because the Nation will lose the expertise of a man who has made invaluable contributions to the advancement of traffic engineering, highway research, and transportation planning. On the other hand, we recognize that his years of dedicated service entitle him to take it easy and do the many things he did not have time for previously.

Mr. Holmes began his career after graduation from Massachusetts Institute of Technology with a bachelor's degree in civil engineering. He was awarded a fellowship for study in traffic research at Harvard University and received his master's degree from that institution in 1930. From 1956 to 1962, he was the Bureau's Director of Research and from 1962 to 1967, he was Director of Planning. In 1967 he was appointed Director of Policy Planning for the Federal Highway Administration, and last August was named to his present position.

Mr. Holmes in a large measure was responsible for the planning, adaptation and design of equipment and scientific techniques for the measurement of traffic characteristics. He played a major role in establishing statewide highway planning surveys which linked land use to highway planning.

He gave direction and counsel to the series of studies and reports which led to the enactment in 1956 of the Federal-aid program for construction of the Interstate Highway System. In the 1960's, he guided the development in urban areas of transportation planning processes designed to relate highways to total urban requirements.

Many honors came to Mr. Holmes during his years of Federal service. They included the Theodore M. Matson Memorial Award for outstanding contributions to the advancement of the science and profession of traffic engineering, the Highway Research Board's Roy W. Crum Award for Distinguished Service; and the Thomas W. MacDonald Award for Outstanding Service presented by the American Association of State Highway Officials.

When the Bureau of Public Roads was an agency of the Department of Commerce, Mr. Holmes received the Department's Meritorious Service Award in 1950, and the Department's Gold Medal Award for Exceptional Service in 1962.

Mr. Holmes is a man of extraordinary ability who exemplifies the finest in Federal service. He has played a stellar role in improving the lot of his fellow man helping to provide the highway facilities a mobile society demands. A dedicated employee, he has left an indelible mark on the Nation's highway program.

THIRTIETH BIRTHDAY OF SERVICE FOR THE UNITED SERVICES ORGANIZATION

(Mr. TERRY asked and was given permission to address the House for 1 minute and to revise and extend his remark.)

Mr. TERRY. Mr. Speaker, this year marks the 30th birthday of service for the United Services Organization, or the USO as it is more commonly known. As many of you know, the USO was founded in a common effort by the YMCA, the National Catholic Community Service, the National Jewish Welfare Board, the YWCA, the Salvation Army, and the Travelers Aid Association. Volunteers from all over the United States are attending a USO National Council meeting opening today at the Shoreham Hotel. Yesterday, they honored ambassadors of the 12 countries where the USO is represented. The meeting in Washington will discuss the growth and direction of the USO.

Whatever our feelings about the current conflict in Vietnam, most of us have warm feelings toward the USO dating from our World War II days. I know that I certainly do, and, in that connection, I have always sought opportunities to aid the USO in its work to the best of my ability. In this connection, I have served as chairman of the New York State USO since 1965. The younger generation may change, but the loneliness our young people experience away from home when in the service is changeless, and the USO, as we all know, fills a great void in that regard. The USO provides a wholesome place of relaxation where the protection of our servicemen's morals is regarded as important.

On the occasion of its 30th anniversary, I have today introduced a House concurrent resolution to commend the USO for its great contribution to the American way of life. It is my hope that others will join me and that the Congress will adopt this resolution and do honor to this organization as it so rightly deserves.

PLIGHT OF MASS TRANSIT

(Mr. MORSE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. MORSE. Mr. Speaker, recently the Massachusetts State Legislature adopted a resolution expressing their concern over the plight of mass transit. It calls for the adoption of legislation by the Congress to help meet the burdensome costs of mass transit through the use of the Federal Highway Fund.

We are all well aware of the deterioration of our mass transit system. Caught in the cycle of increasing costs, rising fares, shrinking revenues, decreasing quality, and declining passengers, virtually all of the remaining privately owned mass transit companies are on the verge of bankruptcy, while those publicly owned continue to operate at greater and greater deficits. Today the Penn Central is bankrupt, New York State owns the Long Island Railroad, and Massachusetts has assumed operation of the commuter lines formerly run by the Boston and Maine.

For too long we have relied almost solely on cars and highways, even encouraging this development by making it easy to obtain assistance for highway construction and difficult to obtain assistance for other modes of transportation. The effect of this development on the old, the young, the poor and the handicapped, those hardest hit by deteriorating transit systems, and on our environment, which is being choked by pollution and marred by "ribbons of concrete," can no longer be ignored. We cannot sit back and wait for the inevitable crisis to engulf us. Transportation systems are too vital a part of continued urban growth, and the need for an efficient and economical public transportation system is greater today than ever before.

Up until now, the burden of supporting these services has fallen mainly on State and local governments, and cities, already financially pressed, can no longer meet the costs. Additional Federal assistance is imperative and I hope that we may move forward in meeting the transportation needs of this country before we face a further decline in our public transportation system. I am pleased to bring this recommendation of the General Court of Massachusetts to the attention of my colleagues:

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION TO FINANCE MASSACHUSETTS TRANSIT COSTS BY USING THE FEDERAL HIGHWAY FUND

Whereas, Massachusetts transit costs have increased so rapidly and to such extent as to become almost unbearable; and

Whereas, The payment of such costs exceeds the capacity of the people to assume; and

Whereas, The solution of this problem now requires the aid of the federal government; and

Whereas, Numerous bills dealing with the problem have been introduced in Congress; therefore be it

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation to meet such costs not only in the commonwealth but throughout the United States by the assumption of the same by the use of the Federal Highway Fund; and be it further

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

DEFENSE DEPARTMENT PURCHASING POLICIES

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, on Thursday, March 18, I made a speech on the

floor criticizing certain purchasing policies of the Defense Department. In looking over my remarks recently, I was struck by how mild they were in relation to the great potential destruction that these purchasing policies have on the local economies.

I would like to pursue the idea of the deleterious effects of certain supposedly beneficial purchasing policies. By describing the contract award policies of the Defense Department as "to the lowest bidder," we imply something that is saving money for the Government and naturally for the people of the United States.

However, I believe I showed in my remarks of last Thursday that these policies, by creating sudden unemployment and by rewarding low-paying firms, actually, cost the Government more in unemployment benefits and lost taxes than they actually save.

I am afraid that I did not stress sufficiently on Thursday two very important points: First, the social and economic impact of Defense Department purchasing policies and two the proclivity of the Defense Department for dealing with low-paying firms with retrogressive, if not reactionary, employee policies. It stands to reason that in certain areas, particularly where the labor required is unskilled or semiskilled, cost savings will often come from lower wages paid to these workers. This is the obvious reason why so many firms move from northern, industrial, union organized areas to semirural, nonunion areas. By taking advantage of unorganized workers and the lack of high-paying competitive jobs, these firms can cut costs and more successfully compete for Government contracts.

However, the Government does not really save money. We know that the rate of unemployment in many industrial cities throughout the Nation is extremely high. Part of the reason for this, of course, is the administration's unsuccessful and destructive economic policies. But it is also in part due to the transfer of many medium-sized factories to lower paying areas of the country. The economic and social disruption this creates is manifold. The cost to State, local, and Federal governments in unemployment compensation, welfare, job retraining programs, is massive.

It is somewhat ironic that the whole thrust of Federal employment practices for the past 10 years is being thwarted by these purchasing policies. It has been the practice and the intention of the Federal Government's programs to increase employees' wages and fringe benefits and to bring new industry to unemployed areas, not just to move industries around. It has been our purpose, stated and enacted into legislation, to improve the lot of all American working men and not help some at the cost of a great many others.

It seems very clear to me that it would be possible to reward efficiency and low profits in industry without punishing workers for their hard won economic gains. If we examine the profit margins of companies a little more carefully, we might find that in awarding the lowest bidder in all cases actually means rewarding a handful of individuals for regressive employment practices.

Again, I call upon the appropriate committees of the Congress and the executive departments involved to examine these policies a little more carefully in order to produce a more equitable result.

THE COMPREHENSIVE CHILD DEVELOPMENT BILL

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I have today introduced for myself and nine other Members of Congress of both parties, the comprehensive child development bill. This measure is aimed at making educational, nutritional, and health services available to all preschool children in America.

The sponsors of this bill, five Democrats and five Republicans, feel this bill is the most significant proposal in child care ever introduced in Congress, and we urge prompt action on it by this Congress.

In the 91st Congress members of the House Select Education Subcommittee, which I have the honor to chair, worked hard on legislation similar to this bill, conducting 18 days of hearings on the subject of child development. Other sponsors of the bill I am today introducing are Representatives OGDEN R. REID of New York; PATSY T. MINK, of Hawaii; JAMES H. SCHEUER, of New York; LLOYD MEEDS, of Washington; WILLIAM "BILL" CLAY, of Missouri; ALBERT H. QUIE, of Minnesota; JOHN DELLENBACK, of Oregon; ORVAL HANSEN, of Idaho; and ALPHONSO BELL, of California.

The comprehensive child development bill, therefore, marks a genuinely bipartisan effort, and we hope the legislation will win widespread support from Members of both parties.

Mr. Speaker, I am glad also to be able to state that under the outstanding leadership of Senator WALTER MONDALE of Minnesota, who has been an eloquent and articulate champion of child development programs, and his distinguished colleague, Senator JACOB JAVITS of New York, legislation similar to the bill we are today introducing is being considered, and I am confident that interested Members of both bodies will work closely together on this vital measure.

Mr. Speaker, let me here highlight the principal features of the comprehensive child development bill:

Participation by both parents and their children is voluntary.

Priority in the provision of services under the bill will be given to economically disadvantaged children such as those at the moment eligible for Headstart.

Programs will be open to children from all income groups. Fees will be charged on a sliding scale basis for children above a certain level, with no charge for children whose family incomes are below that level.

There will be a strong emphasis on parent involvement in the planning and conduct of the programs authorized by the bill. The programs provided by this bill will strengthen family ties, not weaken them.

An Office of Child Development will be established in the Office of Health, Education, and Welfare to coordinate all federally supported child development programs. The present Office of Child Development is authorized only by Executive order.

The bill authorizes funds for the construction of day care facilities, for the training of child development personnel and for the operation of child development programs including education, nutrition, physical and mental health services and family consultation.

Mr. Speaker, by 1980 there will be 5.3 million working mothers aged 20 to 44 with children under 5. This represents an extraordinary increase of 43 percent over the present figure. Even now there are 5 million preschool children in the United States, but day care services are available for only 641,000 of them.

Mr. Speaker, I should like here to recall that in February 1969, President Nixon committed his administration "to providing all American children an opportunity for healthful and stimulating development during the first 5 years of life." The comprehensive child development bill we have today introduced establishes a framework for services to develop the potential of all American children, and supplies a legislative basis for the fulfillment of President Nixon's promise to the children of America.

Mr. Speaker, let me here also express warm appreciation for the work and support of the many organizations and individuals who have contributed to the shaping of this proposal.

I am today writing to all Members of the House to invite them to introduce companion legislation.

Mr. Speaker, I insert at this point in the RECORD a copy of the comprehensive child development bill, followed by a section-by-section analysis of it:

H.R. —

A bill to provide a comprehensive child development program in the Department of Health, Education, and Welfare

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 "Comprehensive Child Development Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that (1) millions of American children are suffering unnecessary harm from the present lack of adequate child development services, particularly during their early childhood years; (2) comprehensive child development programs, including a full range of health, education, and social services, are essential to the achievement of the full potential of America's children and should be available to all children regardless of economic, social, and family background; (3) children with special needs must receive full and special consideration in planning any child development programs and, until such time as such programs are expanded to become available to all children, priority must be given to preschool children with the greatest economic and social need; (4) while no mother may be forced to work outside the home as a condition for using child development programs, such programs are essential to allow many parents to undertake or continue full- or part-time employment, training, or education; and (5) it is crucial to the meaningful

development of such programs that their planning and operation be undertaken as a partnership of parents, community, State and local governments.

(b) It is the purpose of this Act to provide every child with a fair and full opportunity to reach his full potential by establishing and expanding comprehensive child development programs and services so as to (1) assure the sound and coordinated development of these programs; (2) recognize and build upon the experience and successes gained through the Headstart program and similar efforts; (3) make child development services available to all children who need them, with special emphasis on preschool programs for economically disadvantaged children and for children of working mothers and single parent families; (4) provide that decisions as to the nature and funding of such programs be made at the community level with the full involvement of parents and other individuals and organizations in the community interested in child development; and (5) establish the legislative framework for the future expansion of such programs to provide universally available child development services.

TITLE I—COMPREHENSIVE CHILD DEVELOPMENT PROGRAMS DIRECTION TO ESTABLISH PROGRAM

SEC. 101. The Secretary of Health, Education, and Welfare is hereby authorized and directed to establish child development programs and services through the support of activities in accordance with the provisions of this title.

CHILD DEVELOPMENT PROGRAMS

SEC. 102. Funds appropriated under section 108 may be used (in accordance with approved applications) for the following activities:

(a) planning and developing child development programs, including the operation of pilot programs to test the effectiveness of new concepts, programs, and delivery systems;

(b) establishing, maintaining, and operating child development programs, which may include activities such as—

(1) comprehensive physical and mental health, social, and cognitive development services necessary for children participating in the program to profit fully from their educational opportunities and to attain their maximum potential;

(2) food and nutritional services (including family consultation);

(3) rental, remodeling, renovation, alteration, construction, or acquisition of facilities, including mobile facilities, and the acquisition of necessary equipment and supplies;

(4) programs designed to meet the special needs of minority group, Indian and migrant children with particular emphisis on the needs of children from bilingual families for the development of skills in English and other language spoken in the some;

(5) a program of daily activities designed to develop fully each child's potential;

(6) other specially designed health, social, and educational programs (including after school, summer, weekend, vacation, and overnight programs);

(7) medical, psychological, educational, and other appropriate diagnosis and identification of visual, hearing, speech, nutritional, and other physical, mental, and emotional barriers to full participation in child development programs, with appropriate treatment to overcome such barriers;

(8) incorporation within child development programs of special activities designed to ameliorate identified handicaps and, where necessary or desirable, because of the severity of such handicaps, establishing, maintaining, and operating separate child development programs designed primarily to meet the needs of handicapped children;

(9) preservice and inservice education and other training for professional and paraprofessional personnel;

(10) dissemination of information in the functional language of those to be served to assure that parents are well informed of child development programs available to them and may become directly involved in such programs;

(11) services, including in-home services, and training in the fundamentals of child development, for parents, older family members functioning in the capacity of parents, youth and prospective parents;

(12) utilization of child advocates to work on behalf of children and parents to secure them full access to other services, programs or activities intended for the benefit of children; and

(13) such other services and activities as the Secretary deems appropriate in furtherance of the purposes of this Act;

(c) staff and administrative expenses of local policy councils and child development councils.

PRIME SPONSORS

SEC. 103. (a) The following shall be eligible to be prime sponsors of a comprehensive child development program in accordance with the provisions of this section:

(1) any State;

(2) any unit of general local government—

(A) which is a city with a population of—thousand or more persons on the basis of the most satisfactory current data available to the Secretary; or

(B) which is a county or other unit of general local government with a population of—thousand or more persons on the basis of the most satisfactory current data available to the Secretary and which the Secretary determines has general governmental powers substantially similar to those of a city;

(3) any combination of units of general local government having a total population of—thousands or more persons on the basis of the most satisfactory current data availabel to the Secretary;

(4) a federally recognized Indian reservation; or

(5) any public or private nonprofit agency or organization, including but not limited to community action agencies, single-purpose Headstart agencies, community corporations, parent cooperatives, organizations of migrant workers, labor unions, organizations of Indians, employers of working mothers, and public and private educational agencies and institutions, serving or applying to serve children in a neighborhood or other area possessing a commonality of interest under the jurisdiction of any unit (or combination of units) of general local government referred to in subsection (a) in the event that (A) such unit (or combination of units) of general local government either has not submitted an application pursuant to this section within 120 days of the implementation of this title by the promulgation of regulations by the Secretary, or has not submitted a plan pursuant to section 104 within 240 days of said implementation during the first fiscal year in which this title is funded or earlier than 90 days before the start of each succeding fiscal year, or, although serving as a prime sponsor, is found, in accordance with the procedures contained in subsection (f) of this section not to be satisfactory implementing a child development plan which adequately meets the purpose of this title.

(b) In the event that a State, a unit of general local government, a county or other unit of general local government, any combinations thereof, or a federally recognized Indian reservation have not submitted a plan under section 104 or the Secretary has not approved a plan so submitted, or where the Secretary has withdrawn authority under section 102 or where the needs of migrants and the economically disadvantaged are not being served, the Secretary may allocate funds for use by any public or private nonprofit agency or organization that he deems necessary in order to serve the children of the particular area.

(c) Any State, unit, or combination of units of general local government or Indian reservation that is eligible to be a prime sponsor under subsection (a) and which desires to be so designated in order to enter into arrangements with the Secretary under this title shall submit to the Secretary an application for designation as prime sponsor which, in addition to describing the area to be served, shall provide for—

(1) the establishment of a Child Development Council which shall be responsible for planning, conducting, coordinating, and monitoring child development programs in the prime sponsorship area and shall submit to the Secretary a Comprehensive Child Development Plan pursuant to section 14. Each Local Policy Council shall elect at least one representative to the Child Development Council; and one-half of the members of such Council shall be elected representatives of Local Police Councils. The balance shall be appointed by the chief executive officer of officers of the unit or units of government establishing such Council and shall be broadly representative of the unit or units of government; the public and private economic opportunity, health, education, welfare, employment, training, and child service agencies in the prime sponsorship area; minority groups and organizations; public and private child development organizations; employers of working mothers, and labor unions, and shall include at least one child development specialist. At least one-third of the total membership of the Child Development Council shall be parents who are economically disadvantaged. Each Council shall select its own chairman.

(2) the establishment of Local Policy Councils for each neighborhood or subarea possessing a commonality of interest or, pursuant to criteria established by the Secretary, a nongeographic grouping of appropriate size, composed of parents of children eligible to participate under this Act working or participating in training in a common area, or otherwise possessing a particular interest in the establishment of one or more projects under this Act, in the area to be served under the prime sponsorship plan. Such Councils shall be composed of parents of children eligible under this title or their representatives who reside in such neighborhood or subareas or, in the case of a nongeographical grouping, who are working or participating in training in the common area, and who are chosen by such parents in accordance with democratic selection procedures established by the Secretary. Such Local Policy Councils shall be responsible, among other things, for determining child development needs and priorities in their neighborhoods or subareas, and shall make recommendations relating thereto and encourage project applications pursuant to section 105 designed to fulfill that plan, and recommend applications for funding by the Child Development Council.

(3) the delegation by the Child Development Council to an appropriate agency (existing or newly created) of the State, unit or combination of units of general local government, or Indian reservation of the administrative responsibility for developing a Comprehensive Child Development Plan pursuant to section 104, for evaluating applications for such assistance submitted to it by other agencies or organizations, for delivering services, activities, and programs for which financial assistance is provided under this title, and for continuously evaluating and overseeing the implementation of

programs assisted under the title, provided that such delegate agency will be ultimately responsible for its actions to the Child Development Council and will cooperate with the Local Policy Councils.

(c) Any public or private nonprofit agency or organization that desires to be designated a prime sponsor pursuant to subsection (a) (5) in order to enter into arrangements with the Secretary under this title shall submit to the Secretary an application for designation as prime sponsor which, in addition to describing the area to be served, shall—

(1) demonstrate that such agency or organization qualifies as eligible prime sponsor pursuant to subsection (a) (5);

(2) evidence the capability of such agency or organization for effectively planning, conducting, coordinating, and monitoring child development programs in the area to be served; and

(3) provide for the establishment of a Local Policy Council which shall be composed of parents of eligible children or their representatives who reside in such area and who are chosen by such parents in accordance with democratic selection procedures established by the Secretary.

(d) (1) In the event that a State had submitted an application for designation as prime sponsor to serve or is acting as a prime sponsor serving a geographical area within the jurisdiction of a unit (or combination of units) of general local government or an Indian reservation which is eligible under paragraphs (2), (3), or (4) of subsection (a) and which has submitted an application for designation as prime sponsor that meets the requirements of subsection (b), the Secretary shall tentatively approve the latter application, subject to review of the Comprehensive Child Development Plan.

(2) When a unit (or combination of units) of general local government has submitted an application for designation as prime sponsor or is acting as prime sponsor serving a geographic area within the jurisdiction of another such unit (or combination of units) which is eligible under paragraph (2) or (3) of subsection (a) and which has submitted an application for designation as prime sponsor that meets the requirements of subsection (b), the Secretary, in accordance with such regulations as he shall prescribe, shall approve for that geographical area the application of the unit of general local government which he determines will most effectively carry out the purposes of this title.

(3) When a unit (or combination of units) of general local government has submitted an application for designation as prime sponsor to serve or is acting as a prime sponsor serving a geographical area under the jurisdiction of an Indian reservation that has submitted an application for designation as prime sponsor that meets the requirements of subsection (b), the Secretary shall tentatively approve the latter application, subject to review of the Comprehensive Child Development Plan.

(e) The Governor or appropriate State agency shall be given a reasonable opportunity to review applications for designation filed by other than the State, offer recommendations to the applicant, and submit comments to the Secretary.

(f) Except as provided in subsection (d), an application submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary in accordance with regulations which he shall prescribe, has provided—

(1) written notice of intention to disapprove such application including a statement of the reasons therefor;

(2) a reasonable time in which to submit corrective amendments to such application or undertake other necessary corrective action, and

(3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

(g) (1) If any party is dissatisfied with the Secretary's final action under subsection (f) with respect to the disapproval of its application submitted under this section or the withdrawal of its designation, such party may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such party is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary 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.

(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary 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.

(3) The court shall have jurisdiction to affirm the action of the Secretary or as to set 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.

COMPREHENSIVE CHILD DEVELOPMENT PLANS

SEC. 104. (a) Financial assistance under this title may be provided by the Secretary for any fiscal year to a prime sponsor designated pursuant to section 103 (b) and (c) only pursuant to a Comprehensive Child Development Plan which is submitted by such prime sponsor and approved by the Secretary in accordance with the provisions of this title. Any such plan shall set forth a comprehensive program for providing child development services in the prime sponsorship area which—

(1) identifies child development needs and goals within the area and describes the purposes for which the financial assistance will be used;

(2) meets the needs of children in the prime sponsorship area, within the limits of available funds, including infant care and before and after school programs for children in school with priority to children through age 5;

(3) give priority to providing child development programs and services to economically disadvantaged children by reserving for such children from such funds as are received under section 109 in any fiscal year an amount at least equal to the aggregate amount received by public or private agencies or organizations within the prime sponsorship area for programs during fiscal year 1972 under section 222(a)(1) of the Economic Opportunity Act of 1964; and by reserving no less than 65 per centum of the remainder of its allotment under section 109 for child development programs and services for economically disadvantaged children; for those children of families having an annual income below the cost of family consumption of the lower living standard budget as determined by the Bureau of Labor Statistics of the Department of Labor.

(4) gives priority thereafter to providing child development programs and services to children of single parents and working mothers;

(5) provides, insofar as feasible, that such programs under this Act will be approved only if there is participation without regard to family income and in accordance with an appropriate fee schedule as provided in paragraph (6) of this subsection;

(6) provides that (A) no charge for services provided under a child development program assisted under the plan will be made with respect to any child whose family has an annual income below the cost of family consumption of the lower living standard budget as determined by the Bureau of Labor Statistics of the Department of Labor, except to the extent that payment will be made by a third party (including a Government agency) which is authorized or required to pay for such services; and (B) such charges will be made with respect to any child who does not qualify under (A) in accordance with an appropriate fee schedule which shall be established by the Secretary by regulation and which is based upon the ability of the family to pay for such services, including the extent to which any third party (including a Government agency) is authorized or required to make payments for such services;

(7) provides that cooperative arrangements will be entered into under which public agencies, at both the State and local levels, responsible for the education of or other services to handicapped children will make such services available, where appropriate, to programs approved under the plan;

(8) provides that insofar as possible, persons residing in communities served by such projects will receive jobs, including in-home and part-time jobs and opportunities for training in programs authorized under title II of this Act;

(9) provides that, to the extent feasible, the enrollment of children in each program within the prime sponsorship area will include children from a range of socioeconomic backgrounds;

(10) provides for special needs of minority groups, bilingual, migrant and Indian children within the area served;

(11) provides equitably for the child development needs of children from each minority group residing within the area served;

(12) provides that children in the area served will in no case be excluded from the programs operated pursuant to this Act because of their participation in nonpublic preschool or school programs or because of the intention of their parents to enroll them in nonpublic schools when they attain school age;

(13) provides, insofar as possible, for coordination of child development programs with other social programs (including but not limited to those relating to employment and manpower) so as to keep family units intact or in close proximity during the day;

(14) provides for direct parent participation in the conduct, overall direction and evaluation of programs;

(15) provides that, to the extent appropriate, programs will include participation by paid paraprofessional aides and by volunteers, especially parents and older children, and including senior citizens, students, and persons preparing for employment in child development programs;

(16) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons in the community are fully informed of the activities of the Child Development Council and its delegate agency;

(17) provides that no person will be denied employment in any program solely on the ground that he fails to meet State teacher certification standards;

(18) assures that linkage and coordination mechanisms have been developed by preschool program administrators and administrators of school systems, both public and nonpublic, at a local level, to provide continuity between programs for preschool and elementary school children, and to coordinate programs conducted under this Act and programs conducted pursuant to section 222 (a) (2) of the Economic Opportunity Act of 1964 and the Elementary and Secondary Education Act;

(19) assures coordination of child development programs for which financial assistance is provided under the authority of other laws;

(20) establishes arrangements in the area served for the coordination of programs conducted under the auspices of or with the support of business, industry, labor, employee and labor-management organizations and other community groups;

(21) provides assurances satisfactory to the Secretary that the non-Federal share requirements will be met;

(22) provides for such fiscal control and funding accounting procedures as the Secretary may prescribe to assure proper disbursement of and accounting for Federal funds paid to the prime sponsor;

(23) sets forth plans for regularly conducting surveys and analyses of needs for child development programs in the prime sponsorship area and for submitting to the Secretary a comprehensive annual report and evaluation in such form and containing such information as the Secretary shall establish by regulation;

(24) provides that consideration will be given to project applications submitted by public, private, nonprofit and profitmaking organizations with emphasis given to ongoing programs, and that (A) comparative costs of providing services shall be a factor in deciding among applicants, and (B) such organizations must meet the standards for service under authority of this title; and

(25) makes adequate provision for staff and administrative expenses of the Local Policy Councils.

(c) No Comprehensive Child Development Plan or modification or amendment thereof submitted by a prime sponsor under this section shall be approved by the Secretary unless he determines that—

(1) each community action agency or single-purpose Headstart agency in the area to be served, previously responsible for the administration of programs under this Act or under section 222(a)(1) of the Economic Opportunity Act, has had an opportunity to submit comments to the prime sponsor and to the Secretary;

(2) any educational agency or institution in the area to be served responsible for the administration of programs under section 222(a)(2) of the Economic Opportunity Act has had an opportunity to submit comments to the prime sponsor and to the Secretary;

(3) the Governor or appropriate state agency has, in the case of a prime sponsor that is a unit (or combination of units) of general local government or an Indian reservation, or public or private nonprofit agency, had an opportunity to submit comments to the prime sponsor and to the Secretary.

(d) A Comprehensive Child Development Plan submitted under this section may be disapproved or a prior approval withdrawn only if the Secretary provides written notice of intention to disapprove such plan, including a statement of the reasons, a reasonable time to submit corrective amendments, and an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

PROJECT APPLICATIONS

SEC. 105. (a) A prime sponsor designated under section 103(b) may provide financial assistance, by grant, loan, or contract, pursuant to a Comprehensive Child Development Plan, to any qualified public or private agency or organization, including but not limited to a parent cooperative, community action agency, single-purpose Headstart agency, community development corporation, organization of migrant workers, Indian organization, private organization interested in child development, labor union, or employee and labor-management organization, which submits an application meeting the requirements of subsection (b).

(b) A project application submitted for approval under this section shall—

(1) provide such comprehensive health, nutritional, education, social, and other services as are necessary for the full cognitive, emotional, and physical development of each participating child;

(2) provide for the utilization of personnel, including paraprofessional and volunteer personnel, adequate to meet the specialized needs of each participating child;

(3) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons are fully informed of project activities;

(4) otherwise further the objective and satisfy the appropriate provisions of the Comprehensive Child Development Plan in force pursuant to section 104.

(c) The appropriate Local Policy Council may conduct public hearings on applications submitted to the prime sponsor under this section prior to making its recommendation for funding.

(d)(1) The Secretary may provide financial assistance, by grant, loan, or contract, to a prime sponsor designated under section 106(a)(5), which submits a project application meeting the requirements of subsection (b).

(2) Such financial assistance may be provided from the funds allotted under section 109 to the prime sponsorship area in which the section 103(a)(5) prime sponsor will be conducting programs, [and in the case of prime sponsors designated pursuant to section 103(a)(5)(C) such financial assistance may be provided from the funds reserved pursuant to section 109(a)(1).]

(3) The Child Development Council shall conduct public hearings on such project application prior to its submission to the Secretary and shall submit the record of such hearings to the Secretary with the project application.

ADDITIONAL CONDITIONS FOR PROGRAMS INCLUDING CONSTRUCTION

SEC. 106.(a) Applications including construction may be approved only upon a showing that construction of such facilities is essential to the provision of adequate child development services, and that rental, renovation, remodeling, or leasing of adequate facilities is not practicable.

(b) If within twenty years after completion of any construction for which Federal funds have been paid under this title the facility shall cease to be used for the purposes for which it was constructed, unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so, the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated:

(c) All laborers and mechanics employed by contractors or subcontractors on all construction, remodeling, renovation, or alteration projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(d) In the case of loans for construction, the Secretary shall prescribe the interest rate and the period within which such loan shall be repaid, but such interest rates shall not be less than 3 per centum per annum and the period within which such loan is repaid shall not be less than twenty-five years.

(e) The Federal assistance for construction may be in the form of grants or loans, provided that total Federal funds to be paid to other than private nonprofit agencies and organizations will not exceed 50 per centum of the construction cost, and will be in the form of loans. Repayment of loans shall, to the extent required by the Secretary, be returned to the prime sponsor from whose financial assistance the loan was made, or used for additional loans or grants under this Act. Not more than 15 per centum of the total financial assistance provided to a prime sponsor pursuant to section 109 shall be used for construction of facilities, with no more than 7½ per centum of such assistance usable for grants for construction.

PAYMENTS

SEC. 107. (a)(1) Except as provided in subparagraphs (2) and (3), the Secretary shall pay to each prime sponsor an amount not in excess of 80 per centum of the cost to such prime sponsor of providing child development programs. The Secretary may, however, in accordance with regulations establishing objective criteria, approve assistance in excess of such percentage if he determines that such action is required to provide adequately for the child development needs of economically disadvantaged persons.

(2) The Secretary shall pay to each prime sponsor approved 100 per centum of the costs of providing child development programs for children of migrant agricultural workers and their families.

(3) The Secretary shall pay to each prime sponsor approved 100 per centum of the costs of providing child development programs for children on federally recognized Indian reservations.

(b) The non-Federal share of the costs of programs assisted under this title may be provided through public or private funds and may be in the form of goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, or union and employer contributions: *Provided*, That fees collected for services provided pursuant to section 104(a)(5) shall not be used to make up the non-Federal share, but shall be turned over to the appropriate prime sponsor for distribution in the same manner as the prime sponsor's allotment under section 104(a)(3);

(c) If, in any fiscal year, a prime sponsor provides non-Federal contributions exceeding its requirements, such excess may be applied toward meeting the requirements for such contributions for the subsequent fiscal year under this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 108. There is authorized to be appropriated for the fiscal year ending June 30, 1973, and each succeeding fiscal year such sums as may be necessary to carry out the provisions of this title.

ALLOTMENTS AMONG PRIME SPONSORS

SEC. 109. (a) The Secretary shall first reserve the following from the amount appropriated under this title:

(1) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children of migrant agricultural workers bears to the total number of economically disadvantaged children in the United States, which shall be made available to prime sponsors;

(2) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children on Indian reservations bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among federally recognized Indian reservations for programs serving such res-

ervations so that the amount apportioned to each such reservation bears the same relationship to the total amounts reserved pursuant to this paragraph that the number of children residing in such reservation bears to the total number of children residing in all such reservations; and

(3) a sum, not in excess of 5 per centum thereof, for use by him, for purposes of this Act.

(b) The Secretary shall allot the remainder of the amount appropriated under this title (after making the reservations required in subsection (a)) among the States in the following manner:

(1) 50 per centum thereof so that the amount allotted to each State bears the same ratio to such 50 per centum as the number of economically disadvantaged children through age 14 in the State, excluding those children in the State who are eligible for services funded under subsection (a) to the number of economically disadvantaged children in all the States, excluding those children in all the States who are eligible for services funded under subsection (a);

(2) 25 per centum thereof so that the amount to each State bears the same ratio to such 25 per centum as the number of children through age 5 in the State, excluding those children in the State who are eligible for services funded under subsection (a) bears to the number of children in all the States who are eligible for services funded unded subsection (a);

(3) 25 per centum thereof so that the amount allotted to each State bears the same ratio to such 25 per centum as the number of children of working mothers and single parents in the State, excluding those children in the State who are eligible for services funded under subsection (a) bears to the total number of children of working mothers and single parents in all the States, who are eligible for services funded under subsection (a).

(c) The Secretary shall further apportion the amount allotted to each State among the prime sponsors in such State in the following manner:

(1) 50 per centum thereof so that the amount apportioned to each prime sponsor bears the same ratio to such 50 per centum as the number of economically disadvantaged children through age 14 in the area served by the prime sponsor bears to the number of economically disadvantaged children in the State;

(2) 25 per centum thereof so that the amount apportioned to each prime sponsor bears the same ratio to such 25 per centum as the number of children through age 5 in the area served by the prime sponsor bears to the number of children through age 5 in the State;

(3) 25 per centum thereof so that the amount apportioned to each prime sponsor bears the same ratio to such 25 per centum as the number of children of working mothers and single parents in the area served by the prime sponsor bears to the number of children of working mothers and single parents in the State;

(d) The number of children through age 5, the number of economically disadvantaged children, and the number of children of working mothers and single parents in an area served by a prime sponsor, in the State, and in all the States, shall be determined by the Secretary on the basis of the most recent satisfactory data available to him.

(e) The portion of any allotment under subsection (b) or (c) for a fiscal year which the Secretary determines will not be required, for the period such allotment is available, for carrying out programs under this title shall be available for reapportionment from time to time, on such dates during such period as the Secretary shall fix, or to other States in the case of allotments under subsection (b), or to other prime sponsors in the case of allotments under subsection (c), in proportion to the regional allotments, to such States under subsection (b), or such prime sponsors under subsection (c), for such year, but with such proportionate amount for any of such States, or prime sponsors being reduced to the extent it exceeds the needs of such State, or prime sponsor for carrying out activities approved under this title, and the total of such reductions shall be similarly reallotted among the States, or prime sponsors whose proportionate amounts are not so reduced. Any amount reallotted to a State or prime sponsor under this subsection during a year shall be deemed part of its allotment under subsection (b) or (c) for such year.

(f) The Secretary shall pay from the applicable prime sponsor allotment the Federal share of the costs of programs which have been approved as provided in this title. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(g) No State or unit (or combination of units) of general local government shall reduce its expenditures for child development and day care programs by reason of assistance under this title.

OFFICE OF CHILD DEVELOPMENT

SEC. 110. The Secretary shall take all necessary steps to coordinate programs under his jurisdiction and under that of the Federal agencies which provide child development services. To this end, he shall establish in the Department of Health, Education, and Welfare an Office of Child Development which shall be the principal agency of the Department for the administration of this Act and for the coordination of programs and other activities relating to child development. There are authorized to be appropriated such sums as may be necessary to enable the Office of Child Development to carry out its functions. The President shall take appropriate steps to establish, insofar as possible, mechanisms for coordination at the State and local level of programs providing child development services with Federal assistance.

FEDERAL STANDARDS FOR CHILD DEVELOPMENT SERVICES

SEC. 111. (a) Within six months of the enactment of this Act, the Secretary shall, after consultation with other Federal agencies, and with the approval of a committee established pursuant to subsection (b), promulgate a common set of program standards which shall be applicable to all programs providing child development services with Federal assistance, to be known as the Federal Standards for Child Development Services.

(b) The Secretary shall, within 60 days after enactment of this Act, appoint a special committee on Federal Standards for Child Development Services, which shall include parents of children enrolled in child development programs, public and private agencies or specialists, and national agencies or organizations interested in the development of children. Not less than one-half of the membership of the committee shall consist of parents of children enrolled in programs conducted under this title, section 222(a)(1) of the Economic Opportunity Act, and title IV of the Social Security Act. Such Committee shall participate in the development of Federal Standards for Child Development Services.

DEVELOPMENT OF UNIFORM CODE FOR FACILITIES

SEC. 112. (a) The Secretary shall, within 60 days after enactment of this Act, appoint a special committee to develop a uniform minimum code for facilities, to be used in licensing child development facilities. Such standards shall deal principally with those matters essential to the health, safety, and physical comfort of the children and the relationship of such matters to the Federal Standards for Child Development Services under section 111.

(b) The special committee appointed under this section shall include parents of children enrolled in child development programs and representatives of State and local licensing agencies, public health officials, fire prevention officials, the construction industry and unions, public and private agencies or organizations administering child development programs, and national agencies or organizations interested in the development of children. Not less than one-half of the membership of the commitee shall consist of parents of children enrolled in programs conducted under this title, section 222(a)(1) of the Economic Opportunity Act, and title IV of the Social Security Act.

(c) Within six months of its appointment, the special committee shall complete a proposed uniform code and shall hold public hearings on the proposed code prior to submitting its final recommendation to the Secretary for his approval.

(d) The Secretary must approve the code as a whole or secure the concurrence of the special committee to changes therein, and, upon approval, such standards shall be applicable to all facilities receiving Federal financial assistance or in which programs receiving Federal financial assistance are operated; and the Secretary shall also distribute such standards and urge their adoption by States and local governments. The Secretary may from time to time modify the uniform code for facilities in accordance with the procedures described in subsections (a) through (d).

USE OF FEDERAL, STATE, AND LOCAL GOVERNMENTAL FACILITIES FOR CHILD DEVELOPMENT PROGRAMS

SEC. 113. (a) The Secretary, after consultation with other appropriate officials of the Federal Government, shall within sixteen months of enactment of this Act report to the Congress in respect to the extent to which facilities owned or leased by Federal departments, agencies, and independent authorities could be made available to public and private nonprofit agencies and organizations if appropriate services were provided, as facilities for child development programs under this Act during times and periods when not utilized fully for their usual purposes, together with his recommendations (including recommendations for changes in legislation) or proposed actions for such utilization.

(b) The Secretary may require then, as a condition to the receipt of assistance under this Act, any prime sponsor that is a State, unit (or combination of units) of local government of a public school system shall agree to conduct a review and provide the Secretary with a report as to the extent to which facilities owned or leased by such prime sponsor could be available, if appropriate services were provided, as facilities for child development programs under this Act during times and periods when not utilized fully for usual purposes, together with the prime sponsor's proposed actions for such utilization.

REPEAL, CONSOLIDATION, AND COORDINATION

SEC. 114. (a) In order to achieve to the greatest degree feasible, the consolidation and coordination of programs providing child development services, while assuring continuity of existing programs during transition to the programs authorized under this Act, the following statutes are amended, effective July 1, 1973:

(1) Section 222(a)(1) of the Economic Opportunity Act of 1964 is repealed.

(2) Part B of title V of the Economic Opportunity Act of 1964 is repealed.

(3) Section 162(b) of the Economic Op-

portunity Act of 1964 is amended by striking out "day care for children" and inserting in lieu thereof "assistance in securing child development services for children, but not operation of child development program for children."

(4) Section 123(a)(6) of the Economic Opportunity Act of 1964 is amended by striking out "day care for children" and inserting in lieu thereof "assistance in securing child development services for children", and adding after the word "employment" the phrase "but not including the direct operation of child development programs for children."

(5) Section 312(b)(1) of the Economic Opportunity Act of 1964 is amended by striking out "day care for children."

(b) The Secretary shall promulgate regulations to guarantee that other federally funded child development and related programs, including title I of the Elementary and Secondary Education Act of 1965 and section 222(a)(2) of the Economic Opportunity Act of 1964, will coordinate with the programs designed under this title. Further, the Secretary will insure that joint technical assistance efforts will result in the development of coordinated efforts between the Office of Education and the Office of Child Development.

(c) The day care services furnished as a part of the child care services furnished under a State plan approved under part A of title IV of the Social Security Act, or as a part of the child welfare services furnished under a State plan developed as provided in part B of such title, shall be day care services made available under this title, and such services shall be deemed to meet the requirements of section 422(a)(1)(C) of the Social Security Act. The Secretary shall prescribe such regulations and make such arrangements as may be necessary or oppropriate to insure that suitable child development programs under this Act are available for children receiving aid or services under State plans approved under part A of title IV of the Social Security Act and State plans developed as provided in part B of such title to the extent that such programs are required for the administration of such plans and the achievement of their objectives, and that there is effective coordination between the child development porgrams under this Act and the programs of aid and services under such title IV.

TITLE II—FACILITIES FOR CHILD DEVELOPMENT PROGRAMS

MORTGAGE INSURANCE FOR CHILD DEVELOPMENT FACILITIES

SEC. 201. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for child care and child development programs.

(b) For the purpose of this section—

(1) The term "child development facility" means a facility of a public or private profit or nonprofit agency or organization, licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located), for the provision of child development programs.

(2) The terms "mortgage", "mortgagor", "mortgagee", "maturity date", and "State" shall have the meanings respectively set forth in section 207 of the National Housing Act.

(c) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to insure any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers a new child development facility, including equipment to be used in its operation, subject to the following conditions:

(1) The mortgage shall be executed by a mortgagor, approved by the Secretary, who shall demonstrate ability successfully to operate one or more child care or child development programs. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Child Development Facility Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

(2) The mortgage shall involve a principal obligation in an amount not to exceed $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment replacement cost of the property or project, including equipment to be used in the operation of child development facility, when the proposed improvements are completed and the equipment is installed.

(3) The mortgage shall—

(A) provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and

(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market.

(4) The Secretary shall not insure any mortgage under this section unless he has determined that the child development facility to be covered by the mortgage will be in compliance with the Uniform Code for Facilities approved by the Secretary pursuant to section 112 of this Act

(5) The Secretary shall not insure any mortgage under this section unless he has also received from the prime sponsor authorized in title I of this Act a certificate that the facility is consistent with and will not hinder the execution of the prime sponsor's plan.

(e) The Secretary shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Child Development Facility Insurance Fund (established by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

(f) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

(g)(1) The Secretary shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Child Development Facility Insurance Fund, and all references in such provisions to "Secretary" shall be deemed to refer to the Secretary of Health, Education, and Welfare.

(h)(1) There is hereby created a Child Development Facility Insurance Fund which shall be used by the Secretary as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Child Development Facility Insurance Fund.

(2) The general expenses of the operations of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Child Development Facility Insurance Fund.

(3) Moneys in the Child Development Facility Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Child Development Facility Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary in connection therewith, and all earnings on the assets of the fund, shall be credited to the Child Development Facility Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

(5) There are authorized to be appropriated to provide initial capital for the Child Development Facility Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

TITLE III—TRAINING OF CHILD DEVELOPMENT PERSONNEL

SEC. 301. Section 532 of the Higher Education Act of 1965 is amended by adding at the end thereof the following sentence: "There is additionally authorized to be appropriated the sun of $20,000,000 for the fiscal year ending June 30, 1972, and for each fiscal year thereafter for programs and projects under this part to train or retrain professional personnel for child development programs, and the sum of $20,000,000 for the fiscal year ending June 30, 1972, and for each fiscal year thereafter, for programs and projects under this part to train or retrain nonprofessional personnel for child development programs.".

SEC. 302. Section 205(b)(3) of the National Defense Education Act is amended as fol-

lows, by adding after the word "nonprofit" the phrase "child development program," by striking out "and (C)" and inserting in lieu thereof the following: "(C) such rate shall be 15 per centum for each complete academic year or its equivalent (as so determined by regulations) of service as a full-time teacher in public or private nonprofit child development programs or in any such programs operating under authority of title I of the Comprehensive Child Development Act, and (D)".

SEC. 303. The Secretary of Health, Education, and Welfare is authorized to award grants to individuals employed in child development programs operating under the authority of title I of this Act and to such programs for the purposes of meeting the costs of ongoing inservice training for professional and nonprofessional personnel including volunteers to be conducted by an agency carrying on a child development program by a community or higher education institution, or by a combination thereof.

SEC. 304. There is authorized to be appropriated for the purposes of section 303 the sum of $5,000,000 for the fiscal year 1972 and for each succeeding fiscal year.

TITLE IV—FEDERAL GOVERNMENT CHILD DEVELOPMENT PROGRAM

SEC. 401. (a) The Secretary is authorized to make grants for the purpose of establishing and operating child development programs (including the lease, rental, or construction of necessary facilities and the acquisition of necessary equipment and supplies) for the children of employees of the Federal Government.

(b) Employees of any Federal agency or group of such agencies employing eighty working parents of young children who desire to participate in the grant program under this title shall—

(1) designate or create for the purpose an agency commission, the membership of which shall be broadly representative of the working parents employed by the agency or agencies, and

(2) submit to the Secretary a plan approved by the official in charge of such agency or agencies, which—

(A) provides that the child development program shall be administered under the direction of the agency commission;

(B) provides that the program will meet the Federal interagency standards for child development;

(C) provides a means of determining priority of eligibility among parents wishing to use the services of the program;

(D) provides for a scale of fees based upon the parents' financial status; and

(E) provides for competent management, staffing, and facilities for such program.

(c) The Secretary shall not grant funds under this section unless he has received approval of the plan from the official or officials in charge of the agency or agencies whose employees will be served by the child development program.

SEC. 402. (a) No more than 80 per centum of the total cost of child development programs under this title during the first two years of such programs' operation, and no more than 40 per centum of the total cost of such programs in succeeding years shall be paid from Federal funds.

(b) The non-Federal share of the total cost may be provided through public or private funds and may be in the form of cash, goods, services, facilities reasonably evaluated, fees collected from parents, union and employer contributions.

(c) If, in any fiscal year, a program under this title provides non-Federal contributions exceeding its requirements under this section, such excess may be used to meet the requirements for such contributions of other programs applying for grants under the same title, for the same fiscal year.

(d) In making grants under this title, the Secretary shall, insofar as is feasible, distribute funds among the States according to the same ratio as the number of Federal employees in that State bears to the total number of Federal employees in the United States.

SEC. 403. There is authorized to be appropriated for carrying out this title during the fiscal year 1972, and each succeeding fiscal year, the sum of $5,000,000.

TITLE V—EVALUATION AND TECHNICAL ASSISTANCE

EVALUATION

SEC. 506. (a) The Secretary shall, through the Office of Child Development, make an evaluation of Federal Involvement in child development which shall include—

(1) enumeration and description of all Federal activities which affect child development;

(2) analysis of expenditures of Federal funds for such activities;

(3) determination of effectiveness and results of such expenditures and activities; and

(4) such recommendations to Congress as the Secretary may deem appropriate.

(b) The results of this evaluation shall be reported to Congress no later than eighteen months after enactment of this Act.

(c) The Secretary may enter into contracts with public or private nonprofit or profit agencies, organizations, or individuals to carry out the provisions of this section.

SEC. 502. The secretary shall establish such procedures as may be necessary to conduct such an annual evaluation of Federal involvement in child development, and shall report the results of such annual evaluation to Congress.

SEC. 503. Such information as the Secretary may deem necessary for purposes of the annual evaluation shall be made available to him, upon request, by the agencies of the executive branch.

TECHNICAL ASSISTANCE

SEC. 504. (a) The Secretary shall, directly or through grant or contract, make technical assistance available to prime sponsors and to project applicants participating or seeking to participate in programs assisted under this Act on a continuing basis to assist them in developing and carrying out Comprehensive Child Development Plans under section 103.

(b) Upon enactment of this Act, and during the succeeding fiscal year, the Secretary may provide financial assistance to prime sponsors and through prime sponsors to LPC's, for staff and administrative expenses relating to development, submission, and planning for implementation of child development plans and project applications.

(c) Payments under this section may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary may determine.

SEC. 505. There are authorized to be appropriated for the fiscal year ending June 30, 1972, and each succeeding fiscal year, such sums as may be necessary to carry out the provisions of this title.

TITLE VI—NATIONAL CENTER FOR CHILD DEVELOPMENT AND EDUCATION

DECLARATION OF PURPOSE

SEC. 601. It is the purpose of this title to focus national research efforts to attain a fuller understanding of the processes of child development and the effects of organized programs upon these processes; to develop effective programs from research into child development and to assure that the result of research and development efforts are reflected in the conduct of programs affecting children.

NATIONAL CENTER FOR CHILD DEVELOPMENT

SEC. 602. (a) There is established in the Office of Child Development an agency to be known as the National Center for Child Development (hereinafter referred to as the "Center").

(b) The activities of the Center shall include—

(1) research to determine the nature of child development processes and the impact of various influences upon them; research to develop techniques to measure and evaluate child development; research to develop standards to evaluate professional, paraprofessional and volunteer personnel; and research to determine how child development programs conducted in either home or institutional settings positively affect child development processes;

(2) evaluation of research findings and the development of these findings into effective products for application;

(3) dissemination of research and development efforts into general practice of childhood programs, using regional demonstration centers and advisory services where feasible;

(4) production of informational systems and other resources necessary to support the activities of the Center; and

(5) integration of national child development research efforts into a focused national research program, including the coordination of research and development conducted by other agencies, organizations and individuals.

GENERAL AUTHORITY OF THE CENTER

SEC. 603. The Center shall have the authority, within the limits of available appropriations, to do all things necessary to carry out the provisions of this title, including but not limited to, the authority—

(a) to prescribe such rules and regulations as it deems necessary governing the manner of its operations and its organization and personnel;

(b) to make such expenditures as may be necessary for administering the provisions of this title;

(c) to enter into contracts or other arrangements or modifications thereof, for the carrying on, by organizations or individuals in the United States, including other Government agencies, of such research, development, dissemination or evaluation efforts as the Center deems necessary to carry out the purposes of this title, and also to make grants for such purposes to individuals, universities, colleges, and other public or private nonprofit organizations or institutions;

(d) to acquire by purchase lease, loan, or gift and to hold and dispose of by grants, sale, lease, or loan, real and personal property of all kinds necessary for, or resulting from, the exercise of authority granted by this title;

(e) to receive and use funds donated by others, if such funds are donated without restriction other than that they be used in furtherance of one or more of the general purposes of the Center as stated in section 501;

(f) to accept and utilize the services of voluntary and uncompensated personnel and to provide travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

ANNUAL REPORT

SEC. 604. The Center will make an annual report to Congress summarizing its activities and accomplishments during the preceding year; reviewing the financial condition of the Center and the grants, contracts, or other arrangements entered into during the preceding year, and making such recommendations as it may deem appropriate. Supplemental or

dissenting views and recommendations, if any, shall be included in this report.

COORDINATION OF RESEARCH

SEC. 605. (a) Funds available to any department or agency of the Government for the purposes stated in section 501 or the activities stated in section 502(b) shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Center for such use as is consistent with the purposes for which such funds were provided, and the funds so transferred shall be expendable by the Center for the purposes for which the transfer was made.

(b) The Secretary shall integrate and coordinate all child development research, training, and development efforts, including those conducted by the Office of Child Development and by other agencies, organizations, and individuals.

(c) A Child Development Research Council consisting of a representative of the Office of Child Development (who shall serve as chairman), and representatives from the agencies administering the Social Security Act, Elementary and Secondary Education Act of 1965, the National Institute of Mental Health, the National Institute of Child Health and Human Development, and the Office of Economic Opportunity, shall meet annually and from time to time as they may deem necessary in order to assure coordination of activities under their jurisdiction and to carry out the provisions of this title in such a manner as to assure—

(1) maximum utilization of available resources through the prevention of duplication of activities;

(2) a division of labor, insofar as is compatible with the purposes of each of the agencies or authorities specified in this paragraph, to assure maximum progress toward the purposes of this title;

(3) a setting of priorities for federally funded research and development activities related to the purposes stated in section 501.

AUTHORIZATION OF APPROPRIATIONS

SEC. 606. There are authorized to be appropriated such sum each succeeding fiscal year as Congress may deem necessary for the purposes of this title.

TITLE VII—GENERAL PROVISIONS

ADVANCE FUNDING

SEC. 701. (a) For the purpose of affording adequate notice of funding available under this Act such funding for grants, contracts, or other payments under this Act is authorized to be included in the Appropriations Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same Appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

PUBLIC INFORMATION

SEC. 702. Applications for designation as prime sponsors, Comprehensive Child Development Plans, project applications, and all written material pertaining thereto shall be made readily available without charge to the public by the prime sponsor, the applicant, and the Secretary.

FEDERAL CONTROL NOT AUTHORIZED

SEC. 703. No department, agency, officer, or employee of the United States shall, under authority of this Act, exercise any direction, supervision, or control over, or impose any requirements or conditions with respect to, the personnel, curriculum, methods of instruction, or administration of any educational institution.

DEFINITIONS

SEC. 704. As used in this Act—

(a) "child development programs" means those programs which provide the educational, nutritional, social, medical, and physical services needed for children to attain their full potential:

(b) "children" means children through age 14;

(c) "economically disadvantaged children" means children of families having an annual income below the poverty level (as determined by the State agency pursuant to criteria established by the Secretary) or who are recipients of Federal or State public assistance;

(d) "handicapped children" means mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education and related services;

(e) "program" means any mechanism which provides full- or part-day or night services conducted in child development facilities, in schools, in neighborhood centers, or in homes, or provides child development services for children whose parents are working or receiving education or training, and includes other special arrangements under which child development activities may be provided;

(f) "parent" means any person who has day-to-day responsibility for a child or children;

(g) "single parents" means any person who has sole day-to-day parental responsibility for a child or children;

(h) "working mother" means any mother who requires child development services under this Act in order to undertake or continue work, training, or education outside the home;

(i) "minority group" describes any person who is Negro, Spanish-surnamed American, American Indian, Portuguese, or Oriental; and the term "Spanish-surnamed American" includes any person of Mexican, Puerto Rican, Cuban, or Spanish origin and ancestry;

(j) "bilingual" refers to persons who are Spanish surnamed, American Indian, Oriental, or Portuguese and who have learned during childhood to speak the language of the minority group of which they are members; the term "bilingual family" means a family in which one or both parents is bilingual;

(k) "Secretary" means the Secretary of Health, Education, and Welfare; and

(l) "State" includes the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SECTION-BY-SECTION ANALYSIS: COMPREHENSIVE CHILD DEVELOPMENT ACT

Sec. 2. Statement of Findings and Purpose:

States (a) the finding of Congress that (1) millions of children are suffering from lack of child development services; (2) comprehensive child development programs should be available to all children; (3) priority to preschool children with greatest economic and social needs; (4) no mother may be forced to work in order for children to receive services; (5) such programs should be undertaken as a partnership of parents, community, and local government.

(b) the purpose of the Act is to establish and expand comprehensive child development programs, building on the Headstart experience, with emphasis on economically disadvantaged and including children of working mothers and single parents, involving parents and community groups in the decision-making process, and establishing the legislative framework for eventual universally available child development programs.

TITLE I—COMPREHENSIVE CHILD DEVELOPMENT PROGRAMS

Sec. 101—authorizes Secretary of HEW to direct programs.

Sec. 102—Child Development Programs:

Lists activities for which funds can be provided, including: planning and development of programs; establishing, maintaining, and operating comprehensive programs with a broad range of activities; design, acquisition, construction, alteration, renovation or remodeling of facilities including mobile facilities; training programs for professionals, paraprofessionals, parents, older family members and prospective parents; public information activities; child advocate staff and administrative expenses.

Sec. 103—Prime Sponsors:

Authorizes any State, city over ———, county over ———, combination of units of local government over ———, or federally recognized Indian reservation to serve as prime sponsor. Secretary designates such prime sponsor upon receipt of application which (1) establishes a Child Development Council (CDC) to plan, conduct, coordinate, and monitor programs; ½ members to be elected representatives of Local Policy Councils, the balance appointed by the chief executive in the area to be broadly representative of the community; at least ⅓ of total membership must be parents of economically disadvantaged children; members select chairman; (2) establishes Local Policy Councils (LPC's) elected by parents of eligible children to serve appropriate subdivisions within the prime sponsorship area; determines needs and priorities within its area, encourages project applicants and recommends them to the CDC; (3) delegates administrative responsibility to an appropriate local agency.

Authorizes a public or private non-profit agency or organization to become a prime sponsor if the appropriate unit of local government has not submitted an application or is out of compliance, or if Secretary determines such prime sponsor is necessary to meet the needs of economically disadvantaged children.

Provides opportunity for State to comment on all applications for designation, notice and hearing before Secretary makes adverse decision on designation, and judicial review of Secretary's final action.

Sec. 104—Comprehensive Child Development Plans:

Requires submission by CDC and Secretary's approval of a Comprehensive Child Development Plan before a governmental prime sponsor may receive financial assistance. Such plan (1) identifies needs and goals and describes purposes for which funds will be used; (2) meets the needs of children in the area including infant care and before and after school programs; (3) gives priority to economically disadvantaged children by reserving funds equal to funds expended in the prime sponshorship area under Headstart and Title IV Social Security in FY 72 and then reserving 65% of the remainder of the prime sponsor's allotment for children whose families have an annual income below the cost of family consumption established by the Department of Labor; (4) gives priority thereafter to children of single parents and working mothers; (5–6) provides free services for children referred to in (3) and fees on a sliding scale for others; (7) cooperative arrangements required of State and local agencies serving the handicapped; (8) provides jobs and training insofar as possible for residents of the community; (9) provides insofar as possible for socioeconomic mix in centers; (10–11) provides for special needs of minority, bilingual, migrant and Indian children in the area; (12) assures benefits for children in nonpublic preschool and school programs; (13) coordinates programs so family members relate to each other during the day; (14) provides for parental

participation in plans and programs; (15) provides for paraprofessional and volunteers, including parents, senior citizens, students, other children, and those preparing for child development careers; (16) provides for dissemination of program information in language of parents; (17) eliminates barrier of State teacher certification standards; (18–20) assures coordination with schools and with other child development programs in the community; (21) assures payment of the non-Federal share; (22) provides for fiscal control and fund accounting procedures; (23) provides for continuing evaluation, analysis of needs and reports to the Secretary; (24) emphasis to on-going programs; (25) must provide adequate staff and administrative expenses of LPC's.

Gives opportunity for comment to governor, major or community action agencies, Headstart agencies and educational agencies; provides for notice and hearing before adverse decision or plan by Secretary.

Sec. 105—Project Applications:

Authorizes funding by CDC, of a qualified public or private agency which submits an application to run a child development program, which provides comprehensive services for children served, assures adequate personnel, and meets the appropriate provisions of the Comprehensive Child Development Plan.

Authorizes funding by Secretary of a non-governmental prime sponsor designated under Section 103 which submits a project application.

Sec. 106—Additional Conditions for Programs Including Construction:

Allows construction only of facilities essential to provide child development services, where use of existing facilities is shown to be not practicable. Provides for 20-year use of facility for child development programs or return of proportionate value of facility to the Federal government. Applies Davis-Bacon Law. Authorizes Secretary to establish interests rates of construction loans, with a 3% minimum rate. Provides grants and loans for construction limited to 50% of total cost except for private nonprofit groups, limits construction to 15% of total allotment to prime sponsor and limits grants for construction to 7½% of total.

Sec. 107—Payments:

Provides 80% Federal share (with allowance for Secretary to pay up to 100% if necessary to provide services) of costs to prime sponsor of programs for economically disadvantaged children; 50% Federal share of cost to prime sponsor of programs for children not economically disadvantaged; 100% Federal share of migrant and Indian programs. Provides that non-Federal share may be in cash or kind including fees paid by parents.

Sec. 108—Authorization of Appropriations:

Provides open-ended authorization with no funding levels established.

Sec. 109—Allotments:

Reserves for Secretary funds for migrant and Indian programs at a ratio equal to the ratio of such children to total number of economically disadvantaged children in the nation; 5% for Secretary's discretionary use, with the remainder apportioned among the States as follows: (1) 50% according to the ratio of economically disadvantaged children in the State, (2) 25% according to the ratio of children through age 5; (3) 25% according to the ratio of children of working mothers and single parents. Allots State's apportionment among prime sponsors according to the same formula.

Provides for reallotment of unused funds among prime sponsors and among States. Assures that no State or local government reduces its expenditures for child development or day care.

Sec. 110—establish Office of Child Development (OCD) to be principal agency in HEW to administer this Act.

Sec. 111—provides for promulgation of Federal Standards of Child Development Services, applicable to all programs receiving assistance under this Act.

Sec. 112—provides for promulgation of Minimum Uniform Code for Facilities, which replaces State and local standards for all facilities which receive assistance under this Act or in which programs which receive assistance under this Act are operated.

Sec. 113—provides for maximum utilization of existing Federal, State, and local public facilities, including school buildings, for child development programs.

Sec. 114—repeals, consolidates, and coordinates existing child development programs, effective July 1, 1973.

TITLE II—FACILITIES FOR CHILD DEVELOPMENT PROGRAMS*

Authorizes a program of mortgage insurance for child development facilities, administered by the Secretary of HEW, to provide a source of funds in addition to the direct grants and loans authorized in Title I for construction of such facilities.

TITLE III—TRAINING OF CHILD DEVELOPMENT PERSONNEL

* Sec. 301—authorizes $20,000,000 each for programs to train professional child development personnel and for programs to train paraprofessional child development personnel under the Higher Education Act.

Sec. 302—authorizes NDEA loans and forgiveness for training of full-time teachers in child development programs.

Sec. 303—authorizes training grants to individuals and child development programs.

Sec. 304—authorizes $5,000,000 annual appropriation for Section 203.

TITLE IV—FEDERAL GOVERNMENT CHILD DEVELOPMENT PROGRAMS

Authorizes direct grants to establish and operate programs for children of Federal employees. Authorizes $5 million to operate program.

TITLE V—EVALUATION AND TECHNICAL ASSISTANCE

Authorizes OCD to evaluate Federal involvement in child development and to provide technical assistance to prime sponsors and project applicants. Authorizes such funds as necessary to carry out such activities.

TITLE VI—NATIONAL CENTER FOR CHILD DEVELOPMENT AND EDUCATION

Establishes National Center within OCD to conduct, coordinate, and disseminate research on child development. Authorizes $20 million to operate the Center.

TITLE VII—GENERAL PROVISIONS

Sec. 701—provides for advance appropriations and advance funding of programs.

Sec. 702—assures public information, without charge.

Sec. 703—prohibits Federal control.

Sec. 704—defines the terms used in the Act to insure accurate interpretation of its intent.

THE CASE OF GEN. GEORGE YOUNG

The SPEAKER pro tempore (Mr. BOLLING). Under a previous order of the House, the gentleman from Arkansas (Mr. PRYOR), is recognized for 60 minutes.

(Mr. PRYOR of Arkansas asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. PRYOR of Arkansas. Mr. Speaker, my remarks today are concerned with a topic of current interest, one that has generated a great deal of contentiousness in the press, and one that should be of paramount importance to the U.S. Congress and the American people. I address myself to the case of the military justice system and Brig. Gen. George H. Young, Jr.

It would not be proper for me to comment on what did or did not happen in Mylai 4 on March 16, 1968, because criminal charges are still being tried regarding that subject matter. However, I do feel it is appropriate to discuss the breakdown of the military justice system as that breakdown is demonstrated by the actions now pending against Brigadier General Young.

In March of last year, charges against General Young and 13 other officers were announced in a high level press conference held at the Pentagon. The charges were said to concern themselves with a "coverup" of the activities of elements of the American division by the officers charged. The charges against General Young involved two allegations. First, that he had not reported to Major General Koster, American division commander, all of the information he had received concerning the operation of task force Barker on March 16, 1968, and second, that he had failed to insure that a thorough and impartial investigation of the allegations concerning that operation was conducted.

The charges against General Young as well as those against 11 other officers were referred to the commanding general, First U.S. Army, for appropriate disposition under the provisions of the Uniform Code of Military Justice. That officer directed that a task force of attorneys thoroughly review the charges and the evidence and advise him. Seven judge advocate officers were involved in this review which extended from the middle of March 1970 to February 1971. On June 23, 1970, after receiving the advice of his staff judge advocate and personally reviewing the evidence, Lieutenant General Seaman ordered the charges dismissed as "not supported by the evidence." In doing so, he approved the written advice of his legal advisers which stated that the preponderance of the evidence supported General Young as to the information known by him and reported to General Koster. The advice concluded that as to the charge of failure to properly supervise an investigation, General Young's alleged duties in this regard were based mainly on speculation.

General Young was officially notified that he had been exonerated of the charged misconduct. He was assigned important duties as director of maintenance, U.S. Army Materiel Command, an assignment that carried responsibility for an annual budget of approximately half a billion dollars. His file was sent before a special standby board of officers for consideration for promotion in September 1970. Although he was not selected for promotion at that time, he was told that he would again be considered for promotion when the regularly scheduled board met this spring. It is thus clear that no future adverse action was planned against General Young. In fact, a U.S. Senator had made an inquiry to the Department of Army concerning the future of General Young after all charges against him had been dismissed. In a letter signed by Kenneth G. Wickham, the

Adjutant General, and who was speaking for the Secretary of the Army, responded to the Senator on July 6, 1970, as follows:

The Secretary of the Army has asked me to reply to your inquiry concerning the careers of Brigadier General Young, Colonel Parson, and Major McKnight now that courts-martial charges have been dismissed.

You may be assured that the principle of presumption of innocence prevailed in these cases and that the careers of these officers will not be jeopardized as a resut of actions of the past few months.

Brigadier General Young has been assigned as Director of Maintenance, Headquarters, United States Army Materiel Command. This position will capitalize upon his past experience, and will develop his logistical expertise for future assignments.

What would a reasonable man have been led to believe by such a communication from the highest ranking legal spokesman for the Department of the Army?

But suddenly, February 11, 1971, the files of all Mylai cases on which final action had been taken were shipped from First Army Headquarters to the office of the Judge Advocate General in the Pentagon. General Young, on February 13 first knew of this action by reading it in the Washington Post. A group of five judge advocate captains had been given the job of again reviewing the evidence. They were briefed by counsel who had represented the Government. During the investigations conducted at Fort Meade, this group of officers took only about 1 week to recommend that harsh and punitive action be taken against General Young. The recommended actions included vacation of General Young's temporary appointment as a brigadier general, revocation of his Distinguished Service Medal, and the placing of a letter of censure in his file. On February 24, 1971, General Young was informed that the Secretary of the Army was considering a recommendation by the Chief of Staff that the actions recommended by the group of Pentagon lawyers be taken against General Young. General Young was further informed that he had only until March 5, 1971, to submit any matters he wished the Secretary to consider. That time has now been extended to March 31, 1971. General Young has now attempted to discover what, if any, new evidence has been brought forward which would warrant this extraordinary action. He has been informed in effect that the evidence has not changed in any way. He has not been afforded the opportunity to cross-examine any of his accusers. The proposed adverse action was based on the same allegations which were the subject of charges nearly a year ago. The Chief of Staff has made it clear that he feels free to disregard the findings of a duly constituted general court-martial convening authority and he has done so. For reasons which he does not explain, he expressly repudiates the advice of the First Army Staff judge advocate and the action of the First Army commander. He does so on the basis of a 1-week review of the evidence. He thereby repudiates an exhaustive 3-month review and the final judicial action which followed on that exhaustive review.

It can be said that administrative action is separate from and not determined by action taken under the Uniform Code of Military Justice. However, General Seaman had the authority to take or to recommend administrative action against General Young when he dismissed the charges against General Young more than 9 months ago. He has recommended administrative action when he thought such action appropriate in other related cases. He recommended no action against General Young because he accepted his legal advisor's considered opinion that the preponderance of evidence was in General Young's favor. This is not a case where evidence has been found by a general courts-martial authority to be sufficient for administrative action, but not sufficient to meet the test of proof beyond a reasonable doubt required in a criminal trial. In this case, the evidence has supported the man who has been accused.

The concept of military justice as envisaged by the Congress and most recently implemented in the Uniform Code of Military Justice in 1968 is one of equity and fair play. Thus, regardless of the nature of charges, each and every individual from private to general is presumed innocent until proven guilty. The Congress, and certainly with the concurrence of the military departments, has provided for clear procedural and substantive safeguards. The recent decisions of the Supreme Court in the area of criminal justice have only now caught up in large part with what has long been a part of the warp and woof of the military criminal system. That is, in the military justice system, each accused is entitled to know his accuser and to have the evidence against him in order that he may properly evaluate and determine the veracity of this evidence. He has a right to a public hearing; he has a right to free counsel at every stage of the military justice system; he has a right to present his case to various appellate bodies in the event that he is convicted. I submit to you that it has never been the intent of Congress, nor do I see any possibility of Congress ever subverting unique and superior system by allowing action to be taken against members of the military, whatever their rank or position, in a manner inconsistent with common fairness and decency. I say now that I am firmly convinced that this ill-advised action is neither fair nor decent. It does violence to the system and it destroys the credibility of the Army.

Why do I feel this way? Charges against General Young were dismissed without even referring them to a formal pretrial investigation. This was done because the evidence was so clearly in favor of the accused man. This has meant, however, that General Young has never had the opportunity to present his case in a public hearing. He has never had the opportunity to cross-examine those who would testify against him. In days gone by, it was the practice of the Army to try all serious allegations against officers by court-martial. In this way, the officer was granted an opportunity to fully and finally exonerate his honor in a public trial by a jury of his fellow officers. General Young, who is a man of honor, has relied upon the integrity and credibility of the military justice system. Will that system now be subverted?

He would have gladly submitted to a criminal trial had he thought it necessary in order to finally settle the allegations against him. He now finds that the same allegations, supported by no further evidence, have sprung again to life. Is not the theory of double jeopardy recognized in the confines of the Pentagon? Even more distressing, he is told that he must again prove his innocence, without public trial, and without confronting the witnesses against him.

No, Mr. Speaker, I do not think this is what the military system of justice is all about.

Here is a man who is giving his life to his country and to the military. Now, he suddenly discovers in the twilight of his military career and only 1 year before his retirement that the system he has so revered and honored and served is showing a merciless disregard for him as a product of that system.

Hopefully, there is enough remaining of the true spirit of the military judicial system to show its wisdom as it deals with the case of Gen. George Young.

Mr. Speaker, I include in the RECORD at this time the list of the decorations and awards received by Brig. Gen. George H. Young, Jr., during his illustrious career in the U.S. military. I further ask that the list of the major assignments held by General Young during his distinguished 29-year military career also be included in the RECORD.

The material follows:

U.S. DECORATION AWARDS

Bronze Star Medal, 1945.
Bronze Star Medal (1st OLC), unknown.
Army Commendation Medal, 1946.
Purple Heart, unknown.
Purple Heart (1st OLC), unknown.
Silver Star, 1951.
Air Medal, 1952.
Legion of Merit, 1964.
Air Medal (1–11 OLCs), 1968.
Distinguished Service Medal, 1969.
Legion of Merit (1st OLC), 1967.
Legion of Merit (2d OLC), 1967.
Air Medal (12–13 OLCs), 1968.
Legion of Merit (3d OLC), 1968.
Silver Star (1st OLC), 1968.

MAJOR ASSIGNMENTS

Chief, Plans Branch, Logistics Division, United States Army, Europe: June 1962–March 1964.

Commanding Officer, 1st Brigade, 3d Infantry Division, United States Army, Europe: March 1964–February 1966.

Chief of Staff, United States Army Communication Zone, Europe: February 1966–February 1967.

Deputy Chief of Staff, Plans and Operations, United States Army, Vietnam: March 1967–November 1967.

Assistant Division Commander, 23d Infantry Division (Americal) United States Army, Vietnam: November 1967–May 1968.

Commanding General, United States Army Support Command, Da Nang, United States Army, Vietnam: June 1968–November 1968.

Assistant Division Commander, 24th Infantry Division, United States Army, Europe and Seventh Army: December 1968–June 1970.

Director of Maintenance, United States Army Materiel Command, Washington, D.C.: July 1970–present.

Mr. Speaker, on Friday, March 19, 1971, Gen. George Young issued the fol-

lowing statement to the press. It is my own opinion that this accurately expresses his beliefs concerning this matter, and I insert it at this point in the RECORD:

STATEMENT BY GENERAL YOUNG

One year ago I was one of the principal American troop commanders in Europe. On 16 March 1970, I was told that charges had been sworn against me, alleging that in 1968 I had hidden information from my Division Commander concerning an operation at My Lai, Vietnam, and that I had not done a proper job of supervising an investigation into allegations concerning that operation. I was directed to leave my post immediately, without even a farewell to my troops, a privilege never denied an outgoing commander. Under the humiliating glare of public attention, I was assigned to First Army Headquarters at Fort Meade, Maryland for the sole purpose of undergoing preliminary processing of the charges against me. The charges were untrue, and on 22 June 1970, the First Army Commander dismissed them, as "not supported by the evidence".

Now, eight and one-half months later, the Secretary of the Army is considering a recommendation by the Chief of Staff that I be punished for the exact same charges which were dismissed last June. The Secretary is being urged to demote me to the grade of Colonel, to give me a letter of censure, and to revoke my Distinguished Service Medal. There has been no new evidence developed. I have never been given a public trial, because the First Army Commander found the evidence already developed to be in my favor. How can it be that I am now to be punished, eight and one-half months after I was declared completely exonerated by competent legal authority?

Because of the publicity surrounding the charges against me and others, I was concerned about my future career even after charges against me were dismissed last year. I could have retired from the Army with over 28 years service. But I was assured by the Deputy Chief of Staff for Personnel that, in fact, I would be considered for promotion this spring. A United States Senator was assured in writing by The Adjutant General, speaking for the Secretary of the Army, that "the presumption of innocence" was applicable, that my career was unaffected by the dismissed charges, and that I was being assigned to a very responsible position. In fact, I was given a sensitive and responsible job in Washington which involved the supervision of a substantial amount of our taxpayer's dollars. Clearly, as of last fall, I was considered a competent general officer and a man who still had a future.

On the 4th of February, all this began suddenly to change. A Congressman spoke on the floor of the House, saying that if the Army did not find a way to reverse themselves on the dismissal of charges, not against me, but against General Koster, they would rue the day. A few days thereafter, a group of young Army attorneys in the Pentagon was given the task of "reviewing the files" in all cases related to My Lai where charges had been dismissed as those charged had been acquitted. Approximately one week later, it was concluded that the legal staff at first Army Headquarters, who had taken three months to exhaustively review the 20,000 pages of Peers Committee testimony were wrong. On the 24th of February, the General Counsel of the Army wrote me to say that the Chief of Staff had recommended I be punished. I was also advised that I can submit a rebuttal, in writing by 31 March, to the recommendations of the Chief of Staff. Further, I have been assured a personal audience with the Secretary of the Army prior to his making a decision on this grave matter.

I cannot help feeling like a political scapegoat. And who will mourn the departure of a man who has been so depersonalized in the last year that he has come to be known as a "My Lai General"? The public does not know that the panel of senior attorneys whose job it was to draw charges after the Peers Inquiry, recommended no charges against me. The public does not know that I was 50 miles from My Lai on the day in question. The public, in fact, knows next to nothing about the facts in these cases, because all of us have been ordered not to discuss the testimony. This makes it easy for the public to believe that whomever is punished is guilty, since obviously something went wrong during and after the operation in My Lai.

I cannot discuss the testimony. Further, I would not make public statements which might hurt others still involved in these reborn charges. But I *can* say that I never was told of a war crime in My Lai while I was in Vietnam. I can, and I do, deny that any report came to me of noncombatants killed by infantry in My Lai. I have been in three wars, and I have commanded at every level. I would not be so stupid, as an Assistant Division Commander, as to try to hide something from my Commander. In the first place, I would not knowingly do anything to dishonor the uniform of the United States Army. In the second place, I would have nothing to gain and everything to lose, since I did not command the units involved and had a responsibility only to the Division Commander. Third, I could not hope to succeed.

In June 1968, I was Acting Division Commander of the Americal Division. A report of atrocities came to me then, and I took prompt and aggressive action to bring those guilty of crimes to trial and to report everything to higher headquarters. These cases are on the record and can be verified. I would have taken the same aggressive action had I known of crimes at My Lai three months before.

My family and I have quietly endured a great ordeal in the last year. But now I see that this case does not represent only an injustice to me, but also a threat of great harm to the Army's own fine system of justice and the morale of its officers and men. Dozens of officers have told me of their dismay that I would be subjected to this second gauntlet; if I am treated this way, what can they expect if it becomes expedient to sacrifice them? I do not blame them for their concern. The Secretary has been urged to show a studied lack of confidence in the military justice system. If he does so, no one else can have confidence in that system either.

I have confidence in Secretary Resor. Although I do not know him personally, his reputation is that of an honorable, just and reasonable man. I am sure that, when he recognizes the implications of the recommendation now before him, he will reject that recommendation.

Mr. Speaker, I include excerpts from a few of the statements I have examined pertaining to the character of Gen. George Young:

EXCERPTS PERTAINING TO GENERAL YOUNG'S CHARACTER

In all of these circumstances, I found George Young to be a man of honor and truth whose integrity was rock-ribbed and straight. He is not, in my opinion, a man who, during those times when I observed him, would take the easy way out when the right and moral decision was the harder choice. I have faith that General Young is still a man of honor who would not lie or fail to do his duty or carry out his orders simply because he did not want to face up to hard choices. His sense of responsibility is impelling. I say this not as one General Officer coming to the aid of another but as Harris Hollis who knows George Young and considers him to be a real man, a man of honor and decency.

HARRIS W. HOLLIS,
Major General, USA Deputy Chief of Staff, Personnel HQ, USAREUR and Seventh Army.

Without hesitation or reservation, I state that I have the greatest respect and admiration for General Young. In all of my dealings with and in all of my observations of him, I find nothing in his character makeup but a steadfast devotion to duty and a conscientious dedication to his mission and to his operations. Knowing him officially and socially, it is inconceivable to me that he could, in any way, be derelict in his duties in any matter, large or small. I am convinced that he would, without equivocation or subterfuge, report serious incidents to his superiors up the chain of command; that he would follow orders of his superior officers explicitly and comprehensively; and that, under no circumstances, would he violate his honor, even though it might be to his advantage to do so. I consider General Young to be a superb example of moral strength and rectitude. I know him to be a man of competence and self-confidence and, thus, a man who has no need to cover up, camouflage, or deceive. He is the type of man who has the moral strength to do what is right under any circumstances. I can think of absolutely no quirks of character which would permit him to be derelict in his duties or responsibilities.

EDWARD M. FLANAGAN, JR.,
Major General, USA, Commanding.

Throughout his career, General Young has consistently demonstrated the finest qualities the Army seeks in an officer: integrity, professional knowledge, judgment, common sense, a sense of the important, intellectual and physical stamina to get the job done well and quickly.

There can be no question that General Young is a most capable, dedicated officer. Equally true is the fact that he is incapable of dereliction of duty. For, he is too honest, too much of a professional, too dedicated to the service of his Country.

J. Q. DEAVER,
Colonel, USA Regional Officer, USCIN CSO Area, SAMAA.

During the period I have known General Young I have always considered him an outstanding professional soldier and commander. The characteristics and qualities of General Young which left a lasting impression on me were his honesty, his straightforwardness and loyalty, his conscientiousness and his dedication to the United States Army and the military service. It is impossible for me to believe that he would fail to keep his superior commander fully informed of any matters, incidents, occurrences that affected his command or his superior command, certainly never anything as serious as an alleged war crime. Nor would he ever fail to follow orders and directions to thoroughly investigate a reported incident. He is one of the most loyal, honest and "open and above board" and trustworthy individuals of my acquaintance. It is inconceivable for me to believe that he would lie in any case even if the truth were to his extreme disadvantage. He is a man of his word and lives up to his oath as a commissioned officer in the United States Army.

JOHN A. HEINTGES,
Lieutenant General, USA.

This series of contacts with this most dedicated man under some very trying circumstances has caused me to form an unshakeable conviction concerning him. I am convinced that his character and sense of honor are such that he would never lie under any circumstances, even though the truth were to be to his extreme disadvantage—that he

would follow his orders to the letter, no matter how difficult to carry out—and that he would never fail to report to higher commanders any matters, no matter how deleterious to the Army. General Young is one of the many graduates of The Citadel, the military college of South Carolina, with whom I have served in the last 29 years. My impression of these men, to include General Young, is so high that I have sent my own son to follow in their footsteps in that institution.

FRANK H. LINNELL,
Brigadier General, USA.

During the period that I have known General Young, no incident or observation has come to my attention that would indicate that he maintains anything less than the highest degree of honor and integrity and an impeccable sense of right and duty. I cannot conceive of him concealing a truth, even were it to his advantage or in a dereliction of duty and loyalty to his superiors, to his command and to the U.S. Army.

PAUL L. FREEMAN, JR.,
General, USA, Retired.

It would be completely out of character if General Young failed to inform his superiors of any atrocity or to follow orders. The entire makeup of this officer and the hallmark of his achievements have been a high sense of loyalty to his duty and his commander. I have seen this demonstrated on three tours of duty with General Young (as related above)—in Brazil, in Heidelberg and recently when he commanded the 24th Division Forward in Augsburg. He is a man of integrity and fine character and, in my opinion, would be incapable of guilt of dereliction or falsehood.

GEORGE M. SEIGNIOUS II,
Major General, U.S.A., U.S. Commander, Berlin.

All in all, I consider Brigadier General George H. Young, Jr., one of the finest officers I have had occasion to be associated with. He is a man of honor and integrity. He is reliable and trustworthy. I do not think that he would ever fail to inform his superior commander of any serious matter pertaining to any aspect of Army Regulations, especially an alleged war crime. I am positive he would follow directions to thoroughly investigate a reported incident. Under no circumstances would Brigadier General George H. Young, Jr., lie or deceive.

MERVIN C. DILLNER,
Principal, Augsburg American High School (Germany).

General Young is respected and revered to an unusual degree not only by his professional peers but by his subordinates and superiors. His integrity has never, to my knowledge, been called into even the slightest question. He is without a doubt a man of profound personal commitment, of deep dedication to the service of his country, and of humble and sincere, religious convictions. There is nothing of the superficial in his makeup. Principle, not expediency, is the mark of his leadership, and pragmatic self-interest has had no part in his military decisions. I regard General Young as a man whose character is admirable in the highest degree and would stake my own reputation upon his veracity and complete integrity.

Few officers I have known have combined in the same degree the professional competence and dedication with a personal life of such admirable standards, as General Young. His military record likewise supports everything I have said about him. If there is any way in which I can lend added weight to my stated convictions regarding the character and integrity of this outstanding patriot, soldier and Christian gentleman, I shall be only too happy to do so. My clumsy words inadequately express my admiration for and my absolute confidence in Brigadier General George H. Young, Jr.

FRANCIS L. SAMPSON,
Chaplain, Major General, USA, Chief of Chaplains.

He placed the security of the civilian population of the area over the necessity for security of the operation. He once stated at a briefing that if we took the land and there were no people to farm and live on the land, that we would not have accomplished much. To cite another example of Brigadier General Young's thinking, in one of his visits to my district headquarters, I mentioned that the people that had been moved from Pla-Tanga Peninsula were fishermen and that their nets and boats were at their old location. General Young called Lt. Col. Barker and told him to have an operation in that area and for his unit to secure these boats until they could be moved. Through General Young's efforts, the advisory team was able to secure the help of the Navy to move these boats to the safe haven. This type of action by General Young won many friends for the government of Viet Nam and Americans operating within the area. Based on the seven months I worked closely with the Americal Division and Brigadier General Young, not once did I hear any of the commanders state of any orders that General Young gave or issued that would have resulted in civilian casualties. On the contrary, at every briefing and meeting I attended that Brigadier General Young was present, he advised of the importance of winning the hearts and minds of the civilian population.

NEILL J. WILLOUGHBY,
Major, Infantry, District Senior Advisor.

I yield to my friend from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. I thank the gentleman for yielding.

Mr. Speaker, I, too, am immensely concerned that the Army is trying to punish unnecessarily Brig. Gen. George H. Young. A constituent of mine was also charged in the alleged Mylai incident. Fortunately he too has had his charges dismissed. The way the top echelon in the Army is acting in this case of General Young, it would not surprise me in the least to learn that my constituent might also have administrative action taken against him. As far as I am concerned, there is absolutely nothing "administrative" about this proposed action. It is strictly punitive in my humble judgment.

I know very little about General Young. He is not a constituent of mine. General Young is a native of Arkansas. I do know, however, it is repugnant to me to see an American—soldier or citizen—punished more than 8 months after he was declared innocent.

The Pentagon's approach is not very novel. They tried in March 1970, to "clear the Army's name" by producing a list of 14 persons whom they charged with an alleged cover up of the alleged Mylai massacre. The list was hastily compiled because when the Peers-McCrate investigating committee completed its work, it was faced with a 2-year statute of limitations and, roughly speaking, a week in which to decide whom to charge. A panel of lawyers was designated this task.

Someone described it at the time as, "they took some big ones and some little ones and some middle-sized ones." We know that General Young was not chosen by the lawyers' panel, but he was nevertheless charged by a man who worked for the Peers Committee. One would have to conclude that they needed another big one to balance the ticket. Never mind if he was innocent. He was the right size.

The second panel of lawyers who reviewed the testimony at Fort George G. Meade, Md., concluded that the charges were unsupportable by evidence and General Young was exonerated completely of criminal charges. That was 8 months ago. There was no formal investigation of any kind because it was ruled unnecessary.

Meanwhile, charges have been dropped at one stage or another on 12 more of those accused.

Now, another panel of Army lawyers has met in the Pentagon. Because of the timing, I can only assume that they were assembled in direct response to a recent explosive speech on this floor on February 4 when one of my colleagues voiced his dissatisfaction with the dropping of charges against former Americal division commander, Maj. Gen. Samuel Koster.

The Washington Post carried a story on February 13 to the effect that the files of all Army officers who were charged originally have been "flagged." No one could retire, be promoted, or be transferred during this time. The Secretary of the Army would conclude who had performed his duties in a manner befitting his rank and position. A list of punitive consequences was also printed.

Again, they needed a big one.

They need the man who was not originally chosen but who was charged anyway.

They need the man who was exonerated, because the charges were not substantiated by evidence.

They need the man who has gone on serving his country these 8 months, even though he had been betrayed.

Never mind if he is innocent.

Never mind if he has not been able to speak in his own behalf because he was ordered not to discuss Mylai.

They need a big one. A press story on March 1 tells us they are trying once more for General Young.

A man who has served in three long wars to preserve rights and justice is learning again that his sacrifices were in vain. Apparently, in his case, justice is synonymous with expedience.

The credibility of the Army is today under attack. I believe the action being urged for the Secretary of the Army to take against General Young, after he has been declared innocent of all criminal charges, will further impair its credibility. Let there be no doubt of my position on this grave matter—I urge the Secretary of the Army to uphold the dignity and credibility of the military justice by proceeding no further with this ill-advised punishment of Brig. Gen. George H. Young, Jr.—a professional soldier—a dedicated American—and the others who have been cleared.

Mr. PRYOR of Arkansas. I thank the gentleman from Tennessee for his very fine remarks.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. PRYOR of Arkansas. I yield to my friend, the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate

the gentleman yielding. I am vastly interested and I listened to every word the gentleman has said.

As a preface to my remarks, I should like to say that only this week have I addressed an inquiry to the Secretary of the Army and his staff as to how in the world he would ever expect to have a volunteer army if they are going to repeatedly try, in keeping with the Nuremberg trials, all officers or enlisted men who carried out their duty in fire zones and where the "pucker" zone is tight, to say the least. Conversely, I have asked the quesetion. I have served on the Committee on Armed Services, along with some of my colleagues on the special committee that has taken up this problem.

I believe the gentleman from Arkansas would join with me, in that he wants to see justice done. Certainly, although I am no lawyer, I would not want the legislative branch to violate the principle of sovereignty of powers and try to bring any preconclusions to the effectuation of the duties of the executive branch.

I have served in the executive branch. Perhaps that is unfortunate, but at least it gives one a bivalent feeling about the dual responsibility.

Has the distinguished gentleman, or any of the gentlemen speaking on this subject today, discussed it with any responsible members of the Committee on Armed Services who know this problem, and have they discussed it with the military liaison people, as to the universal code of military justice as revised and the procedures being carried out?

Mr. PRYOR of Arkansas. I would say to my friend from Missouri on that point, I have on at least one occasion—I believe actually on only one occasion—discussed this particular case with one of the members of the Committee on Armed Services. If my knowledge is correct he is in the Chamber today and may want to bring forth some of his own opinions as they might relate to the subject matter.

I do say to my distinguished friend, who I know actually and truthfully cares about the system of military justice, and one who is certainly a splendid student of the legislative system—probably one of the greatest students we have in this Congress of the legislative branch—that my position today is not to go to the substantive situation as to what happened or what did not happen in Mylai in 1968. I do not know exactly what happened. I do not know if anyone knows exactly what happened.

My situation is this: I see a man who has served in a military capacity, who has served for some 29 years, who has been decorated and honored; who suddenly found himself accused of a crime, who was exonerated by a very thorough and impartial procedure and completely exonerated, who was subsequently given a responsible position and even later sent to Southeast Asia on a factfinding mission for the Department of the Army, and subsequently came back and found by way of the press—not through regular channels; not through an attorney; but through reading in the press—that again these same allegations were coming up, that they had been revived and born again.

Mr. HALL. Mr. Speaker, will the gentleman yield on that point.

Mr. PRYOR of Arkansas. I am happy to yield.

Mr. HALL. I would certainly be sympathetic. Like the gentleman from Tennessee who spoke in the well, I have been placed in the same situation.

In addition to serving on the Committee on Armed Services, I have watched this extremely closely. Does it occur to my colleague and my personal friend from Arkansas that the timing of this is important? I care not what any paper says, and especially the Daily Post, or whatever it is.

It is entirely possible that the timing is important here, and lest we exert undue influence on the executive branch I want to postulate to the gentleman as to whether or not it might be possible that at the time administrative action was not taken against General Young that that failed to be done, because to have done so at that time might have constituted command influence in the determination as to whether or not General Koster and Colonel Henderson might be tried by a general court-martial under the UCMJ. It is a matter of law—and this Congress passed this law in 1965—that we ruled against command influence in the universal code of military justice proceedings and made it clear that no commander could exercise command influence concerning courts-martial during the time that they were under the investigative phase of the proceedings or prior to the time that was established for that.

I would like to submit for the record that the Department of the Army has agreed to bring witnesses to Washington and to provide stenographic care for questioning by General Young and his counsel. Also, that the Secretary of the Army has not made a decision in the case regarding administrative work.

I agree with the gentleman, first, that criminal charges were dismissed against General Young due to lack of sufficient evidence. I know you agree with me that this did not preclude any further administrative action and review in the case by the Secretary of the Army. It never does.

Third, administrative action was not recommended at the time by either the Chief of Staff or the Secretary of the Army, but possibly due to the fact that investigations were in progress on the other general or field grade officers, which would have constituted command influence.

Fourth, General Young has the opportunity and, indeed, the responsibility personally to appear with counsel before the Secretary of the Army to plead his case and is going to do so on March 31.

Fifth, that the Secretary of the Army, I repeat, has not made a decision in the matter.

I would plead, sixth, that we let the administrative process work prior to forming opinions or influencing the executive branch as to any general or field grade officer or enlisted man, for that matter, or company grade officer before we determine their guilt or innocence.

Finally, that the Secretary of the Army will base his decision on all of the facts in the case, and General Young's rights are being protected, and due process is being given him to give him the opportunity to plead his case to the Secretary prior to a decision.

As we have a uniform code of military justice, I am very familiar with the Doolittle report on modernization and all of those things. I am familiar with the difference between administrative action and criminal investigation. I helped to rewrite the uniform code of military justice at one time when I was in the executive branch albeit not an attorney at law.

Be that as it may, I wonder and I ask the gentleman solicitously if perhaps a discussion at this time serves a more useful purpose since the final decisions have not been made.

Mr. PRYOR of Arkansas. I appreciate the remarks of the gentleman.

Again I would like to read the second paragraph of this letter by Kenneth Whitman, the Adjutant General of the U.S. Army.

Mr. HALL. Who, by the way, is the highest administrative officer and not the highest legal officer.

Mr. PRYOR of Arkansas. His opinion is one that certainly should be considered.

Mr. HALL. He was speaking for the Chief of Staff.

Mr. PRYOR of Arkansas. He was speaking for the Secretary of the Army on the 6th of July after General Young was exonerated.

Again I would like to reiterate for the RECORD, and I quote from the letter written by the Adjutant General:

> You may be assured that the principle of presumption of innocence prevails in these cases and that the careers of these officers will not be jeopardized as a result of the actions in the past.

I say to my friend from Missouri that in stating this—when the Adjutant General replied to the Member of the other body, he did lead General Young to believe that he would have a career left. Any reasonable man would have gathered the same meaning from this statement.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, the gentleman realizes that was with respect to criminal investigation and whether or not he would be tried under a court-martial and not administrative action which is still a prerogative of the Army, does he not?

Mr. PRYOR of Arkansas. I think General Young had the perfect right to feel that it applied to the entire scope of his case. I feel surely, and I think this was a terrible position for our military to put a human being in, as it did to General Young.

Mr. HALL. As the gentleman says, if I can just finish up, I agree with the gentleman at that point. I am not trying to defend the military in this whole dastardly field of errors, but I hope we will not be presumptive——

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. PRYOR of Arkansas. I yield to the gentleman from Georgia.

Mr. FLYNT. Before the gentleman from Missouri leaves, if I could have his attention, since he directed the question not only to the gentleman from Arkan-

sas but to four or five of us who are interested in this matter, in answer to the question of the gentleman from Missouri, have any of us who are interested in this subject talked to members of the Armed Services Committee and members of the Department of the Legislative Liaison of the House or Department of the Army and to other officials in the Army, the answer to that is unequivocally "Yes," we have. One Member who is interested in this subject, like the gentleman from Missouri, is a member of the Armed Services Committee, and I refer to my distinguished colleague from Georgia (Mr. BRINKLEY). I know that the gentleman from Arkansas who has already answered that question in the affirmative; yes, he has talked to several members of the committee and several officials of the Department of the Army, and the gentleman from Georgia now speaking has also done so.

I think, if I may say so, although I had not intended to get up at this time, but I think my dear friend the gentleman from Missouri hit this matter on the head when he referred to command influence. In the name of heaven can I ask the gentleman from Missouri and if the gentleman from Arkansas will yield, what does he think this is on the part of the Department of the Army by asserting command influence that the gentleman from Missouri abhors as I do?

This case took its normal course of procedure under the Uniform Code of Military Justice. This man, General Young, was in effect found not guilty of all the charges against him. Then after he had been notified, and after the distinguished Senator from Arkansas had been notified in response to a question that he addressed in writing to the committee, he was told in effect that this case was closed. Because of circumstances which I suspect, but not being clairvoyant and not being able to read the mind of the Chief of Staff of the Army and the Secretary of the Army, I am not prepared to say what caused him to do this. But the gentleman from Missouri raised the question that this was not the proper forum to discuss this. I agree with the gentleman, but let me say to my distinguished friend from Missouri that we did not start this. This case was adjudicated and closed. It was reopened, if I may say to the gentleman from Arkansas and the gentleman from Missouri because of a speech made on the floor of this House. If it is going to be tried on the floor of the House, I want to have a part in it.

Mr. Speaker, I think the gentleman from Missouri is exactly right, that command influence ought to never have been brought to bear in this case. It looks to me that command influence was brought to bear and I think we should never have taken it up on the floor of the House.

But it was taken up on the floor of the House on the 4th day of February. And if it is going to be taken up then I think all of the facts ought to be put in the record on it.

Let us look to the record and the minutes, and see what happened in connection with this very case.

When General Young was acting division commander of the Americal Division, which he was during an interim period of time after Major General Koster was reassigned as Superintendent of the U.S. Military Academy and before Major General Gettys, who is a first cousin of a Member of this body, was assigned to command the Americal Division, Brigadier General Young was temporarily in command. While he was in command, let us see what he did.

He had some evidence upon which he could prefer charges, and what did he do? He did prefer charges. The persons against whom the charges were preferred were convicted by a court-martial. And that was the proper forum for them to be tried in.

What happened after they were convicted and sentenced? The very same group of people in the Department of the Army, who today want to try Brigadier General Young again, commuted the sentences of the persons who had been tried by a court-martial, and who had been brought to trial by Brigadier General Young.

Mr. Speaker, at this point I ask unanimous consent to include as part of my remarks an article which appeared in the Columbus Inquirer of Columbus, Ga., on March 1, which is an account of the war crime trials which were brought to trial by General Young.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The material referred to follows:

WAR CRIME TRIAL AFTER MY LAI WENT UNNOTICED

(By Billy E. Bowles)

From record of court-martial held at Chu Lai in the Republic of Vietnam, Sept. 17, 1968: "I understood that they would use her for the whole operation and then kill her. At this point I was pretty fed up with what I had heard and witnessed and I went to LT. DEWITT telling him that I wanted to go see the chaplain and that I was not going to continue fighting this war in this manner."

WASHINGTON.—The Americal Division, perhaps the best known fighting unit in Vietnam as a result of its involvement in the alleged My Lai massacre, figured in another war crimes trial that has virtually escaped public notice.

Army records here show that one officer and two infantrymen from the division were convicted in connection with the repeated rape of the two young Vietnamese girls suspected of being nurses for the Viet Cong. A young lieutenant was accused by Army investigators of murdering one of the girls, a 14-year-old, but was ruled mentally unfit to stand trial.

The incident occurred near Tam Ky about 60 miles south of Da Nang, on June 2 and June 3, 1968, less than two months after the mass slaying of villagers at My Lai. Different units from the Americal Division were involved in the two incidents.

The Tam Ky incident has not figured in the My Lai trial at Fort Benning, where 1st Lt. William L. Calley Jr. is being tried on charges of murdering 102 non-combatant villagers. However, Brig. Gen. George H. Young Jr., who was accused last year of failing to insure a proper investigation of the My Lai slayings, brought up the Tam Ky incident when he testified about My Lai last year before a House Armed Services subcommittee. Since it was he who ordered the investigation that resulted in the Tam Ky convictions, he cited that case to defend himself against charges that he failed in his duties at My Lai.

Young's reasoning was that if he held his men to account for their actions in one incident, why would he want to cover up the facts in another? Moreover, he would have had more reason to shield his division in the second incident, at Tam Ky, because by that time he was its acting commander. At the time of the assault on My Lai, he was merely assistant commander and it was Maj. Gen. Samuel W. Koster who had command responsibility.

Young was charged with dereliction of duty in failing to see that a proper investigation was carried out at My Lai, but the charges later were dropped. However, The Enquirer learned Sunday that the Army is considering demoting Young to colonel, taking away his Distinguished Service Medal and putting a reprimand in his record.

Are the two incidents comparable? In scope, no. The Army contends that 102 persons died at My Lai, and some estimates run higher. Apparently only two persons died at Tam Ky, and only three men were convicted in the case, one of whom was not criminally implicated. However, there is extensive testimony in the court-martial records here to indicate that many others were involved but did not stand trial.

Prior to being sentenced, one of the young soldiers acknowledged his guilt and told the court that he and his comrades acted "just like animals."

In an unusually strongly worded reprimand to the company commander convicted in the Tam Ky trials, the court panel deplored the "barbaric treatment" of the girls, and what it termed the "slaughter" of the younger of the two.

To the officer, Capt. Leonard G. Goldman, the court said, "Your abdication of responsibility corrupted the members of your command by permitting them to commit acts of uncontrolled debasement and tinctured the mission of the U.S. Army in Vietnam."

The unit involved at Tam Ky was the 198th Infantry Brigade, one of three brigades attached to the 23rd—or Americal—Division. All of those charged were in B Company, 1st Battalion, 52nd Infantry Regiment.

The two girls were among about a dozen Vietnamese picked up by the company on June 2, 1968, on a sweep through an area known as Dragon Valley, eight or nine miles southwest of Tam Ky. The group was seized after the Americans walked into an ambush in which a Sgt. Dutcher was killed and a radio-telephone operator named Pelligreedy —witnesses were uncertain of the spelling— was wounded.

One member of the ambush party was killed and his Communist weapon, an AK-47, recovered, but there were believed to be others who got away. The Americans then apparently rounded up all Vietnamese in the immediate area.

All except three of the prisoners were women and children. Two of the three men were elderly, and, as one soldier later testified, "probably innocent civilians."

The other man, believed to be about 26 years old, was a suspected Viet Cong named He Nghai—or, as the Americans dubbed him, "Horseface."

With the prisoners in tow, the company made camp shortly before dusk on a nearby hill, linking up with A Company of the same unit.

He Nghai and the two girls, Que, 17, and Yen, 14, were taken before two Vietnamese interpreters traveling with the American companies. There was repeated testimony at the subsequent courts-martial that the three prisoners were beaten with sticks and kicked by the interpreters.

Capt. Goldman and his platoon leader who later was accused of killing 14-year-old Yen, 1st Lt. William M. DeWitt, apparently took no part in this interrogation. Two of

the enlisted men who did were Spec. 4 Marlyn D. Guthmiller and a Sgt. Bonaparte.

The fullest accounts of what happened after that were given to Army investigators later by Spec. 4 Randolph C. Porter, whose complaint to his chaplain led to the investigation of the incident, and by Pfc. Walter F. Potter, who admitted he raped both girls and was granted immunity from trial for testifying against others involved. A number of other witnesses filled in details.

PFC Potter told Army investigators that "Guthmiller said that he would be the first one to rape the older nurse. I spoke up and said that I would be the first to get the younger nurse, and the others spoke up indicating where they would be in line."

According to several witnesses at the courts-martial, a number of the men had sexual relations with the two girls during this time, and Spec. 4 William C. Ficke, Jr. forced the younger girl to commit sodomy. Ficke later was convicted of this act but acquitted of another charge that forced the girl to submit by holding a knife to her head.

Potter said he and Guthmiller slept that night with Que, the older girl, and two other men slept with Yen. Potter said he was awakened by Que's crying, and that both he and Guthmiller raped her again.

The next morning, a member of A Company, Cpl. Stanley G. Weaver, heard a report that "Company B was having sexual intercourse with the nurses," and, as he later told investigators, he went over to check.

According to Weaver's statement, he sat down and cleaned his rifle and watched another soldier having sexual relations with the 14-year-old.

"It appeared to me that she was passed out," Weaver said.

Later, Weaver wandered over to where another soldier was having sexual relations with the older girl, he said.

Weaver returned to his company, he said, when word came from his company commander ordering his men "to stay away from all the activity."

Pfc. Potter recalled members of both companies sitting around watching.

Specialist Porter said Guthmiller told him the younger girl was raped more than 20 times and the older one 9 or 10 times.

This is Porter's account of what happened after that, as told to Army investigators at Chu Lai nine days later:

"The girls were taken before Captain Goldman at the CP (command post) and the 14 year old girl was led out in front of the detainees and the VC male was given LT DEWITT's M-16 with one round in the chamber and instructed by one of the interpreters to shoot the 14 year old girl or he (the VC) would be shot.

"The weapon was on safety and Lt. DEWITT had to take the safety off and give the weapon back to the VC. The VC then shot the girl in the throat but he did not kill her.

Lt. DEWITT took the weapon from the VC, put a magazine into the weapon and shot the girl in the head two times.

"The Lt. and another soldier dragged the girl to the vicinity where the other VC was lying that had been shot the afternoon before. All of this was witnessed by the detainees and I was told by Lt. DEWITT that the purpose for killing the 14 year old girl was to scare the 17 year old girl into giving us information and that the 14 year old girl would be the example."

The 17-year-old girl was not killed.

"I understood that they would use her for the whole operation and then kill her," Porter said in his statement to Army investigators. "At this point I was pretty fed up with what I had heard and witnessed and I went to LT. DEWITT telling him that I wanted to go see the chaplain and that I was not going to continue fighting this war in this manner.

"I told DeWitt that I wanted to see the CO (company commander) or for him to see the CO and he told me to talk with CPT. GOLDMAN myself. I went to talk to CPT. GOLDMAN and he told me to catch the next chopper out and see if I could find a job in the rear and that he would release me."

Porter returned to the base camp near Chu Lai, where he remained while awaiting reassignment to a new unit. While there, he talked to his executive officer but did not relate to him the events at Tam Ky. However, he did reveal the entire story to a chaplain on June 5 or 6.

Spec. 4 Porter said that as he awaited transfer to another brigade he became suspicious of what was happening in the mail room.

"I noticed it was locked," he said, "This was unusual, as the only time the mail room was locked was at night."

However, returning later, Porter found the mail room door ajar. He looked in and saw a sergeant and a Vietnamese girl, whose back was turned to him.

The sergeant pushed him out of the mailroom, "acting very strange," Porter told investigators. The sergeant told him to return to his mail later.

The next day, Porter said, he was asked by a Spec. 4 Michael Hornung "if I had seen the NVA nurse in the supply room."

"Hornung told me that he couldn't take the NVA nurse to S-2 because GOLDMAN would hang if she were interrogated," Porter's statement said. "I asked HORNUNG what they would do with the girl and he replied that they would probably take her out turn her loose and shoot her. I decided to come back and talk to someone at the 198th Bde (brigade)."

Porter said that he saw a cot in the mail room two days later but that the girl was gone. He went to the chaplain's office, but the chaplain was not in.

That afternoon, on June 12, Porter related his story an an official of the Army Criminal Investigating Division.

At division headquarters, when Gen. Young heard of Porter's charges, he immediately notified U.S. Headquarters in Saigon. Investigators returned to Tam Ky and exhumed Yen's body. The skull was shattered but tests to determine whether she had been sexually abused were inconclusive.

A CID officer reported to Gen. Young that there was reasonable cause to believe there had been a murder and two rapes. The investigating officer recommended that Lt. DeWitt be sent the next day to the nearest brig, at Da Nang.

"Get him to us there tonight," Gen. Young said.

The lieutenant never came to trial. His lawyers won a ruling that he was mentally unfit for trial, and he was rotated back home.

Capt. Goldman was tried by general court-martial at Chu Lai on Sept. 8 of that year. He was acquitted of the most serious charge, that he concealed knowledge "that First Lieutenant William M. DeWitt had actually committed a felony . . . the murder of a female Oriental human being."

However, the captain was convicted of failing to protect the prisoners in his charge, and of failing to report Yen's death. He was fined $2,500, reprimanded and returned to duty.

"You abdicated the basic principles of command by not taking care of those entrusted to your charge," the court told him. "Equally appalling was subsequent failure to report the non-battle death of the female detainee. Although not criminally implicated in the acual commission of the atrocities, under the circumstances your presence in the vicinity substantially degrades the honorable profession of arms and maligns the reputation of the officer corps."

Spec. 4 Guthmiller was sentenced on Sept. 15 to two years at hard labor for the rape of Que. He was reduced to private and fined $75 a month for two years. However, he was granted clemency seven months later by Secretary of the Army Stanley R. Resor. Released from the Army on May 12, 1969, he returned to his home in Pettibone, N.D., where he had worked as a well driller prior to being drafted.

Spec. 4 Steven G. Iten was tried on Sept. 16 on charges of forcing Yen to commit sodomy but was acquitted.

On Sept. 17, the last defendant, Spec. 4 Ficke, was sentenced to 12 months in prison, reduced to private and fined $75 a month for forcing Yen to commit sodomy. He, too, was granted clemency by Resor the following May 27.

Pfc. Potter did not stand trial.

The older nurse, Que, did not appear at any of the trials. She could not be found.

Mr. FLYNT. Mr. Speaker, he brought these to trial long before the My Lai incident was ever reported to anybody anywhere. Heaven knows, if he was as diligent as he was when he was the acting division commander of the Americal Division and brought these cases to trial only to see the results of those trials upset and overturned by the very same people who are trying to punish him now by administrative action, then we can certainly expect that if he had evidence of other and perhaps more serious war crimes that he would certainly have brought those to trial.

What we are complaining about, if I may say so, Mr. Speaker, is the procedure which is being used. The Department of the Army, the Chief of Staff, the Secretary of the Army, the General Counsel of the Army had every provision of the Uniform Code of Military Justice available to them in this case. They also had administrative procedures available to them. They could have gone either way. They could have reduced him in grade, they could have taken away his Distinguished Service Medal, they could have put a letter of reprimand into his 201 file by administrative action, or they could have preferred court-martial proceedings, which is the most serious of the two methods they could have followed. What did the Army do? The Army elected to prefer court-martial charges against Brig. Gen. George Young, Jr.

These charges were thoroughly investigated and, so far as I know, all of the evidence which is available now was available to the investigating officers, the judge advocate officers who investigated the charges, so that the charges were preferred by the very highest levels in the Army.

The investigation exonerated this man. What did they do? They are not satisfied, they come back and use the very same command influence that I join the gentleman from Missouri (Mr. HALL) in abhorring, and they are now trying to punish him by administrative action and flicted upon him if he had been tried by a ous punishment as would have been inflicted upon him if he had been tried by a court-martial.

The letter to him say something like this—and I do not have the letter before me, but I know the gist of it, and it says that "this action is administrative and not punitive in nature under the provisions of article 15 of the Uniform Code of Military Justice."

Let me say this, Mr. Speaker—that the

mere disclaimer by the Department of the Army that this action against Brigadier General Young is not punitive does not keep it from being so. After having spent 24 years in the Army, to be reduced in grade, stripped of decorations which he won honorably in combat, and to place a letter of censure in his file.

Mr. Speaker, I speak today on a matter which should be of grave concern to all Members of Congress and to all Americans who care about the reputation of the U.S. Army. I refer to the shabby, callous, and highhanded manner in which the Army proposes to deal with one of its own distinguished officers, Brig. Gen. George H. Young, Jr., of Arkansas.

Almost exactly 1 year ago, the Department of the Army held a press conference at which they announced that charges had been sworn against 14 officers who had served in the Americal Division in Vietnam, for "covering up" the alleged massacre at Mylai. Present at that press conference were the Chief of Staff and the Secretary of the Army. Americans everywhere were shocked at being told, in effect, that an entire division chain of command was suspected of deliberately hiding evidence of mass atrocities committed by American soldiers. Many of us who have served in the Army just did not believe that it was true. But I, for one, had faith that the Army would fairly and openly deal with the matter, and that in due course the American people would be able to judge, on the evidence, whether there was any truth to the charges. So I was willing to wait and see.

At the time the charges were announced, General Young was serving as the commanding general of the 24th Infantry Division—Forward—in Germany. He was unceremoniously yanked out of Europe and assigned to 1st Army Headquarters at Fort Meade, Md., where the charges against him were to be processed. At Fort Meade, a team of attorneys assembled, briefed and analysed all of the evidence in order to advise the 1st Army commander, Lieutenant General Seaman, which of the charges were warranted by the evidence. For the charges had been brought in great haste, just days before the statute of limitations ran out. The charges against General Young, in fact, were brought by an individual colonel after a team of Pentagon attorneys had advised against charging General Young. In June of last year, the 1st Army attorneys reached the conclusion that not only did the evidence not support the charges against General Young; in fact, the preponderance of the evidence supported General Young's memory of what happened in March 1968, in Vietnam. So it appeared that General Young had squarely faced his ordeal and had emerged with his honor intact.

General Young was reassigned to a position of great responsibility at the Army Materiel Command. His file was sent to a special board for consideration for promotion to major general, because he had been under charges when the regular board had met. Although he was not selected at that time, he was officially told on September 29 by General Westmoreland's Deputy for Personnel that he would be considered again for promotion this spring. Further, a U.S. Senator provided General Young with a copy of a letter he had received from the Army Adjutant General, speaking for the Secretary of the Army. That letter stated, in part, that "the principle of presumption of innocence prevailed in these cases," and "the careers of these officers will not be jeopardized as a result of actions of the past few months." The letter further stated that General Young's assignment at the Army Materiel Command would "develop his logistical expertise for future assignments."

Based on what happened following the dismissal of charges against General Young, you would conclude that, having tested him with criminal charges, the Army was now willing to stand by its system of military justice and allow this fine officer to continue his distinguished career. General Young certainly believed in the Army and placed his faith in its fairness. He had testified, without counsel and without fear, at the Peers Inquiry and at the hearings held by the Mylai Investigations Subcommittee of the House Armed Services Committee. He had stood ready to prove his innocence and his honor at a court-martial if that was thought necessary. But the evidence had been so strong in his favor that not even a formal pretrial hearing had been ordered. General Young, who could have retired, continued to offer service to the country, secure in the belief that his innocence had been shown.

But the Army had changed. In years gone by, officers accused of misconduct were sometimes tried by court-martial even if the evidence was weak, on the theory that a trial would clear the officer's name. Court-martials were forms of rough justice, perhaps, but they were trusted as measures of a man's worth. The Army had great pride in its honor code, and would not allow any outsider to question the manner in which it enforced it. Now, the Uniform Code of Military Justice is a finely honed system of justice. The only major problem with it is the people who run it.

What I am talking about is this. On January 29, 1971, it was announced that charges against Major General Koster, General Young's old division commander, were being dismissed. On February 4, a Member of this body who is present here today made a speech deploring the fact that no trial had been held in General Koster's case. On February 7, the New York Times carried an editorial stating that the dropping of charges on Koster raised doubts about the Army's willingness to discipline itself. On February 11, the Department of the Army ordered all the files on the cases at Fort Meade to be sent to the Pentagon. Less than 2 weeks later, General Young was sent a letter. That letter said the Chief of Staff had recommended to the Secretary of the Army that General Young be demoted, stripped of his Distinguished Service Medal, and censured. And what was the reason given? The same allegations, based on the same evidence, that General Young had met and soundly defeated over 8 months before.

Gentlemen, I submit that this cannot be permitted. My distinguished colleague who spoke of General Koster's case on February 4, did not intend this result. The Chief of Staff asks that Secretary Resor ruinously punish this man, 8 months after he was cleared, reassigned, and assured of a continued career. He does so in response to political pressure. He does so without affording the accused man a public hearing, or confrontation of the witnesses. By doing so, he repudiates the findings of the duly constituted judicial authority under the Uniform Code, and shows his contempt for the military justice system.

If we remain silent, a fine officer is ruined and disgraced unfairly and without cause. But more importantly, no soldier and no citizen can have that confidence I had last year in military fairness and honor. We must speak out, and tell Secretary Resor that 10 U.S.C. 3447 was never intended to do this kind of dirty work. We must tell him to proceed no further with this travesty.

If these three things are not punitive, then, Mr. Speaker, I do not know what the meaning of the term and the word "punitive" is.

Mr. Speaker, I certainly think the gentleman from Arkansas has served a service in calling these to the attention of the House of Representatives today.

Mr. PRYOR of Arkansas. I appreciate the remarks of my friend, the gentleman from Georgia.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. PRYOR of Arkansas. I yield to my friend, the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I appreciate the gentleman from Arkansas yielding to me. I want to express my appreciation to the gentleman from Arkansas for being good enough to advise me in advance that he was going to bring this subject up.

I am the gentleman who made the speech in question. I am the influential Member of Congress who General Young has said that the Department of Defense is mollifying by the action they are taking against General Young. I am the individual who made the speech the gentleman from Georgia referred to a moment ago, as trying this case on the floor of the House of Representatives.

Mr. Speaker, I must say that I am flattered that any remarks of mine, and particularly remarks made in a special order when there are very few people on the floor, should have had as much influence as those remarks are alleged to have had.

I was a member of the Hébert subcommittee that investigated the Mylai incident. I think I am familiar with it. I was appalled when the Army dropped the charges against the commanding general of the division involved while charges were still underway against other members, such as lieutenants and enlisted men, and a court martial was in progress.

I have no brief for the Army. I think they erred and have erred very seriously in connection with the Mylai case. They

made two serious mistakes. In the first place, they never should have dropped charges against General Young. That was a very serious mistake. They certainly never should have dropped the charges against General Koster. I would say this, however, and I think we should be clear on this—I am not a lawyer, but the dropping of the charges against General Young does not constitute a finding of innocence in this particular case. They simply elected not to prosecute. I do not know legally whether they can reinstitute those charges or whether they can bring General Young and General Koster to a court martial. But I would agree with the gentleman from Arkansas that he ought to be court martialed so he has his opportunity to be heard publicly and so that the people of America have some idea about what happened.

The important thing, however, I would say to the gentleman from Arkansas in this particular case is that this matter is too important today to rest on any mere technicality. The Hébert comittee, and I would recommend and I have recommended to the gentleman from Arkansas and the gentleman from Georgia and others, that they read the Hébert committee report——

Mr. PRYOR of Arkansas. The gentleman from Arkansas has read the report.

Mr. STRATTON. This is a report that has not, I am afraid, been read too much.

But the charges against General Young had not to do with the Mylai massacre, but with the coverup.

Here is what our committee said about that coverup:

> These tragic consequences might have been avoided had the My Lai incident been promptly and adequately investigated and reported by the army.
>
> The image of the army and the American people would have been helped if some effort had been made to carry out the investigation that should have been carried out.

Now the important thing is that this matter goes beyond the Army. It becomes a matter of public interest. The important thing is whether the American people are going to get the facts about Mylai or whether they are going to be covered up by a letter of censure of General Koster and a demotion for General Young—or whatever may be in the mill.

I think there is something else that ought to be said, if the gentleman will yield to me.

I think there is something else that ought to be said, if the gentleman will yield further to me. We have heard statements made that there was not a scintilla of evidence against General Young. I read from the report of the Hébert committee which was published last July 15:

> That responsible officers of the Americal Division and 11th Brigade failed to make adequate, timely investigation and report of the Mylai allegations.

That statement appears on page 4.

On page 6 the following statement appears:

> There was a surprising and almost unbelievable lack of recollection on the part of many of the Subcommittee witnesses whose responsibility to investigate the original Mylai allegations should have caused a more lasting impression on their minds as to the incidents and events involved.

Here is what is stated on page 26. General Young did not know anything about this? General Young, the assistant division commander, did not hear any allegations of atrocities which under the directive should have been reported to MACV? According to Lieutenant Colonel Holladay—

> The report furnished to General Young was substantially the same as Major Watke had given him the previous evening. He said that there was mention that a large number of civilians had been killed by ground forces. According to Lieutenant Colonel Holladay, the General remarked about the killing of civilians, "That's murder."
>
> General Young in sworn testimony denied having made such a comment.

Maybe we ought to find out before a court-martial just which testimony is to be believed.

Over on page 27 the following statement appears:

> General Young directed Colonel Henderson to investigate the report.

This is the report that never surfaced. This is the report that was buried. This is the report that did not get through. General Young was not involved in this? There is no evidence on which to proceed? Just take a look at the Hébert Committee report. Here is another statement that is even more damaging on page 37:

> The investigation was also characterized by the "close hold" attitude of all persons involved. According to a witness before the subcommittee, when General Young convened the March 18th meeting, he prefaced his remarks by saying, "Nobody knows about this except the five people in this room." And when Lieutenant Colonel Blackledge assigned the Henderson report for typing, he instructed that the contents were not to be discussed. The report was transmitted to division in an envelope addressed "For eyes of Commanding General Only."

I think the American people need the facts, and I would agree with the gentleman from Arkansas, that regardless of the technicalities, we ought to have a court-martial on these issues. We ought to have the general officers stand trial just like the lieutenants and the enlisted men.

Mr. ANDERSON of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. PRYOR of Arkansas. I yield to the gentleman from Tennessee.

(Mr. ANDERSON of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Tennessee. Mr. Speaker, I commend my good friend and distinguished colleague from Arkansas for bringing this discussion to the floor of the House. The gentleman has since his earliest days as a Member of this body established an unexcelled reputation for diligence and fair play. His statement today further enhances his stature.

The gentleman from Arkansas has presented the matter most ably and fully. Thus I will limit my comments to the very dangerous precedent being set by the Army in the case of General Young, a distinguished soldier and officer whom I understand will probably retire in about a year.

In doing so, Mr. Speaker, let me make it explicit that I presume neither guilt nor innocence on the part of anyone.

This is the second time in recent months that I have felt compelled to come to the House and speak about due process of law and fair play in a controversial case.

I first knew General Young as a classmate at Columbia Military Academy in my native State of Tennessee, from which the general and I graduated together in the class of 1938.

General Young was in Vietnam on March 16, 1968, the date the Mylai incident occurred. He was at that time an assistant division commander for the Army division with jurisdiction over Mylai operations. I have been advised he had held this post only 2 or 3 days prior to the incident.

As we know, after the Mylai incident came to public attention, Secretary of the Army Stanley Resor convened an investigatory body as an arm of his office in the fall of 1969. This body was established to investigate the incident at Mylai and was not convened as a formal legal proceeding against anyone. This body became known as the Peers-McCrate Board, and it completed its inquiry on March 9, 1970.

At this point it is important to remember that pursuant to the Uniform Code of Military Justice, according to reports received today, a 2-year statute of limitations was about to toll. The Board accumulated over 20,000 pages of testimony. This testimony was subsequently reviewed by a panel of Army Judge Advocates who recommended that General Young not be charged with any offense.

Under the Uniform Code of Military Justice, any person subject to the UCMJ may bring charges against any other person subject to the code.

On March 14, 1970, the man who is now Chief of the Military Justice Division of the Office of the Judge Advocate General of the Army swore charges against General Young, which alleged his failure to fully inform the division commander and failure to supervise closely enough the colonel who conducted the field investigation of the Mylai incident allegations.

Upon being so formally charged, General Young was summarily relieved of his command in Germany, and without being allowed so much as the customary farewell to his troops, he was ordered to return to the United States under 1st Army jurisdiction and stationed at Fort Meade, Md.

The formal charges were referred to 1st U.S. Army commander, Lt. Gen. Jonathan O. Seaman. General Seaman in turn referred the charges to a task force of Army Judge Advocates for review of the charges and evidence pursuant to the question of the subjection of General Young to a general court-martial.

After the review by the task force of Judge Advocates, the Staff Judge Advocate General of the 1st Army advised General Seaman to dismiss all charges against General Young and not to convene a general court-martial. General Seaman followed this advice.

On July 20, 1970, Capt. Juan D. Keller

of the Judge Advocate General's Corps, and Assistant Staff Judge Advocate signed the letter for the commander in which he stated—

This letter will serve as official written confirmation of the action of Lieutenant General Jonathan O. Seaman, Commanding General, First United States Army, Fort George G. Meade, Maryland, in dismissing the charges against you, which arose from the Peers Inquiry, Department of the Army, Washington, D.C.

Now at this time, Mr. Speaker, formal charges had been placed against General Young, they were found lacking in substance after an excruciating investigation followed by review of numerous Army attorneys, charges were dismissed and the general was so formally notified. And now, without question, the statute of limitations has run and the general should have been made free to resume his military career untainted or unstained, safe in the knowledge that he had been cleared of all Mylai charges under due process of law. But such has not been the case. For reasons unknown and unfathomable to me, there apparently is a move within the Department of the Army to again attack General Young by executive fiat after he has been exonerated under due process of law.

The general has received notification that he is subject to being demoted, censored, and deprived of his Distinguished Service Medal awarded in 1968.

Why, Mr. Speaker? Why is this distinguished soldier being singled out for attack after having gone through what must be the excruciating pain of months of investigations and serious allegations as to his fitness as an officer?

I should hope that Secretary Resor will consider the issue of double jeopardy and the due process of law before he makes a decision in the General Young case. The inherent fairness and justice through due process upon which the Uniform Code of Military Justice is based must be preserved.

But the issue before Secretary Resor goes beyond General Young. The issues go to the foundations of justice in our entire Military Establishment.

Mr. Speaker, if the Secretary of the Army, by executive fiat, can destroy the distinguished military career of General Young after he has been exonerated of all charges under due process of law, can he not destroy the career of any person under his jurisdiction? What will be the affect on younger generations of military personnel?

Free societies are built upon a foundation of justice under law; our military society is no exception. While demanding obedience to duly constituted authority, our military system has provided equitable recourse to law to any member of the Military Establishment under the Uniform Code of Military Justice. If this tradition is tampered with, faith in justice within the Military Establishment will be shaken and our national defense will suffer as a result.

This month General Young received a copy of a letter sent to Secretary Resor by one of the men who served under General Young when he was commanding officer of the 1st Brigade, 3d Infantry Division in Schweinfurt, Germany. This officer stated to Secretary Resor:

I ask myself, as many other young Regular Army officers ask themselves, if this can happen to a man of General Young's caliber, when he has not been proven guilty of any offense, what treatment can I expect? What can I expect for myself in the future?

Mr. Speaker, I ask Secretary Resor if he is willing to shake the faith in the system of military justice for all who serve under it for the sake of scapegoating one man for the Mylai incident? Is Secretary Resor planning to add one more case to the credibility of our system of justice by due process?

In conclusion, I think it important to emphasize again a letter from the Army to a Member of the other body, which I quote in part:

You are assured that the principle of presumption of innocence prevailed in these cases and that the careers of these officers will not be jeopardized as a result of actions of the past few months.

Mr. PRYOR of Arkansas. Mr. Speaker, I thank the gentleman from Tennessee for his fine remarks.

I yield now to the gentleman from Georgia.

Mr. BRINKLEY. Mr. Speaker, with much deference to my colleagues on the Armed Services Committee, and to the gentleman from Missouri (Mr. HALL), for whom we have so much respect, and to the gentleman from New York (Mr. STRATTON), for whom we have equally high respect, I am convinced I should say the things which are in my heart today and which I have written here. As a relatively new member of the Armed Services Committee and as a man, I am compelled to speak out today on a grave matter now being considered by the Secretary of the Army concerning a professional Army officer of the State of Arkansas, United States of America. I speak of Brig. Gen. George H. Young, Jr., of Pine Bluff, Ark.

Many of our colleagues, I am sure, are unaware what the Army is considering for General Young. Let me relate the "surprise" and I am sure you will be as disturbed as I am. Eight months ago—in fact last June 22—the Army declared General Young innocent of anything to do with an alleged "coverup" of the alleged Mylai war crimes. Subsequently, General Young was assigned to a very responsible position with the Army here in Washington. Now, he has been advised that, although he was declared innocent last summer, the executive branch feels that he performed in a substandard manner in Vietnam in 1968, because of the "incident" at Mylai and therefore, intends to demote him to the grade of colonel, give him a letter of censure and revoke the award of his Distinguished Service Medal. This action is based on the same evidence which existed in 1970. Does it not reek with command influence?

The Pentagon calls this "administrative action." I call it injustice. No law that I know of permits a man to be sentenced 8 months after he has been declared innocent.

General Young is a highly respected officer. I have spent several hours discussing this grave matter with Colonel Poydasheff, his counsel, and I have both sides of the argument for and against him. May I say that I have known Colonel Poydasheff for many years. He was posted at Fort Benning and assisted me and other lawyers in starting the Young Lawyers' Club in Columbus, Ga. I know his truthfulness. I believe General Young to be innocent.

Frankly, I think we have here a classic example of reaction to political pressure. I do not like to see an attempt to "railroad" any man, especially one who has given the best years of his life to this country and who has been declared innocent.

Throughout my service here, I have always attempted to support, to the very best of my ability, our military services, because I know of their necessity. But this contemplated action against General Young is not right. It is unfair, totally and completely to declare to him and others that he is cleared, permit him to function in a responsible position and then attempt to impose a punishment of such serious proportions. I am aware that the Army is not legally "estopped" in this case, but I submit that it is ethically and morally estopped. General Young could have retired with honor 8 months ago. That he did not was only because he was led to believe that he had continued viability in the service. Where now does it lie in their mouth to deny this? Is this an act of honesty and morality?

Let the record clearly indicate my position. I stand beside and for General Young. I appreciate what he has done for this country for the last 29 years. I do not intend to stand silently by while the executive branch makes this distinguished soldier and his family continue to suffer as they have. I, therefore, urge you to join me in insisting that Secretary of the Army Resor permit Brig. Gen. George Young to retire honorably—it is late in the day for any court-martial—as he could have over 8 months ago.

I thank the gentleman for yielding and permitting me to express myself.

Mr. PRYOR of Arkansas. I thank my friend from Georgia, a member of the committee, who deals with these matters. I deeply appreciate his remarks.

Mr. HALL. Mr. Speaker, will the gentleman yield again?

Mr. PRYOR of Arkansas. I shall be happy to yield. I believe we have only 1 minute left, and I can think of no better person to use that minute.

Mr. HALL. I want to join with what everyone has said about not submitting General Young to double jeopardy.

I still want to say that there is a question of assumption as to what the Secretary may be going to do about this after due process is given in an administrative manner. My sole purpose is to point out that the question here before us today is as to the propriety of that administrative action.

I can well understand the feelings of the gentlemen who have spoken, who are personal friends of the general, today. Would that I were, too, his personal friend. But the administrative action

recommended by the Chief of Staff to the Secretary of the Army was in view of the fact that court-martial charges were not preferred because of a lack of admissible evidence, and there has not been at any time any question that he would be brought back up for trial by court-martial or that this finding of nonadmissible evidence would be reversed.

Moreover, the dismissal of criminal charges does not preclude under the Uniform Code of Military Justice further administrative action for not following lawful regulations and/or for dereliction of duty.

The question before the Secretary, which he will decide after the conference on March 31 with counsel, and after the unusual step that has been taken in providing evidence that went through Army agencies to the Defense Council, is one that the Secretary must decide concerning General Young's performance of duty during and after Mylai.

It is for this reason that I not only compliment the gentleman in view of what has gone on before but still question as to whether we should carry it any further into the halls of debate.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise to join my colleagues in their protest over the ill-considered way the Army is treating General Young. Whatever the truth may be concerning the reasons for resurrecting these charges so long after they were dismissed, the timing and secretiveness which have surrounded this matter can only reflect badly on the Army's reputation for fairness.

The Armed Forces are a uniquely closed society, in the sense that a man who gives 20 years of his life to the Army or any other of the services cannot go to another "company" if he is discredited. There is only one Army, and once it turns its back on a man, his profession is closed to him.

General Young has given 29 years in the service of his country. Were he guilty of a crime, of course, he should have been tried for it. But he was exonerated of charges, although he stood ready for trial, without trial or formal hearing. The Army was apparently sincere in assuring him that the charges, having been found groundless, were dead and gone. Now, the Army threatens this man with more sentence than a court would have imposed for these technical, noncriminal charges, without trial or public scrutiny. It does not look fair; I am convinced it is not fair to this man. But more than that, it bodes ill for the Army as a whole.

I urge the Secretary of the Army to further enhance his own and the Army's reputation for fair play. I urge him to reject the recommendation of the Chief of Staff against General Young.

Mr. BROYHILL of Virginia. Mr. Speaker, I support the statements made here today concerning Brig. Gen. George H. Young, Jr. I know nothing about the alleged My Lai war crime. I do not know General Young, although he resides in my congressional district. I do know, however, that I am diametrically opposed to any man—soldier or civilian—being sentenced after being declared innocent. The Army hierarchy appears to be trying to do this to a professional officer who has served our country with distinction for almost 29 years.

The Army "brass" tells General Young they intend to demote him one grade, give him an official letter of censure, and revoke his Distinguished Service Medal. They propose to take this action without giving him a chance to face or answer his accusers. This action, if it is approved by the Secretary of the Army, appears to be a "railroad" job, and I do not want to see a resident of my district made a "scapegoat" for General Westmoreland or anyone else.

I submit the action being considered for General Young, referred to as "administrative" is actually "punitive"—and wrong. I further submit that it would be a travesty of justice for the Secretary of the Army to approve it. I do not like what the "brass" is planning—and I protest it.

Mr. MANN. Mr. Speaker, On February 4, 1971, a member of the special subcommittee on the My Lai incident addressed this House in relation to the dismissal of charges against Maj. Gen. Samuel W. Koster for his alleged part in concealing events at My Lai.

Subsequently, it was reported that the Chief of Staff had recommended administrative action against both General Koster and Brig. Gen. George H. Young, Jr., against whom similar charges had been dismissed more than 8 months ago. In General Young's case, the Chief of Staff recommended that he be reduced to the rank of Colonel, stripped of his Distinguished Service Medal, and that a letter of reprimand be placed in his file.

When General Young indicated that he would fight the administrative action, in accordance with his constitutional rights, the same member of the My Lai subcommittee who criticized the dismissal of charges against General Koster, is reported to have made public comments to the effect that if the Secretary of the Army rejected the recommendations of the Chief of Staff that he—Secretary Resor—would regret it.

Since such a report, if true, would appear to be an attempt to intimidate the Secretary of the Army and compromise the rights of an officer to a fair and impartial hearing, I feel compelled to raise my voice in protest against this highly unorthodox and prejudicial conduct on the part of a Member of Congress.

Although there is no question about the legality of the contemplated administrative action, there is much question about its justification—particularly in light of the publicity and controversy which it has generated.

I have reviewed the remarks which appeared in the CONGRESSIONAL RECORD on February 4, 1971—pages 1725–1731—and the Report of the Armed Services Investigating Committee which is quoted therein, and I find no basis upon which to indict General Young for complicity in the alleged concealment of events at My Lai.

In its review of events, the report mentions initially that on the basis of alleged confrontation between American forces and indiscriminate firing at My Lai, General Koster: 'directed General Young to have the matter investigated."

The report then goes on to say that on the basis of reports received from the District Chief and District Adviser in relation to civilian fatalities that General Koster: "directed Colonel Henderson to conduct an investigation of the allegation contained therein." From there, the report states that Colonel Henderson's report, as ordered by General Koster: "was placed in a double envelope and addressed 'For Eyes of Commanding General Only.' "

The report implicitly, if not explicity, establishes a direct line of communication between Colonel Henderson, the officer who was given responsibility for investigating the killing of civilians at My Lai, and General Koster. As a matter of fact, Colonel Henderson seems to have gone to extraordinary lengths to insulate his report from all eyes except those of the commanding general whose responsibility it was to relay the information to MACV.

If there was any conscious effort to conceal or repress information concerning My Lai, the subcommittee's own report would seem to remove General Young from suspicion in any such effort.

The report establishes that it was Colonel Henderson who conducted in the investigation and that he submitted his report directly to General Koster who was responsible for forwarding it to MACV.

General Young was exonerated from any blame in connection with the alleged "cover up" of My Lai almost a year ago. I do not recall any congressional criticism of the Army at that time for the dismissal of charges against General Young.

Yet now, he stands accused and in some quarters condemned on some "vague" charge relating to his performance of duty while serving under General Koster during the time the My Lai massacre is alleged to have occurred.

I emphasize the word "vague" since as far as the public is concerned, the charge of "substandard performance of duty" without clarification or elaboration is just that; and, in my judgment, will only serve to generate further suspicion concerning the Army's handling of the entire My Lai affair.

Administrative proceedings against an officer in a less sensational case would in all likelihood go unnoticed. However, we are dealing with one of the most controversial cases in the history of the Army where even the most routine action is subjected to microscopic inspection and interpretation by the news media.

Already, the media are seeing something sinister in the fact that administrative charges have been preferred against an officer who was previously exonerated of any criminal responsibility for the My Lai incident. One body of opinion holds that this officer is being sacrificed in order to satisfy the appetites of those who are demanding the blood of someone higher in rank than a captain or lieutenant. Others hold that the Army made an error in dismissing criminal charges against General Young, and it is

now trying to rectify its mistake by administrative action. Obviously, the vagueness of the charge, "substandard performance of duty," can be used to support these, as well as a score of other equally odius opinions—all of which serve only to impugn the integrity of the Army and the officer involved.

Under the circumstances, I feel that the Army is doing itself and General Young a grave disservice by allowing these unsavory conjectures to go unchallenged. While I realize that it is not customary for the Army to air the nature of its administrative proceedings in public, I feel that circumstances are such as to warrant a departure from custom in this case, and a full public hearing on the charges which have been made against General Young.

GENERAL LEAVL TO EXTEND

Mr. PRYOR of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

INVOLVEMENT IN VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. ABZUG) is recognized for 60 minutes.

Mrs. ABZUG. Mr. Speaker, as a comparative newcomer to Washington, I sometimes feel as though I have wandered through the looking glass into a fanciful world in which the meaning of words becomes reversed, nonsense is paraded as televised candor, and reality is prettied up beyond recognition.

Thus, after 10 years of direct American involvement in the war in Indochina, we heard President Nixon on a television interview the other night reproaching his critics for wanting instant peace.

We have seen developing in Laos a situation with 25 percent of the South Vietnamese troops there sustaining casualties, where desperate soldiers are clinging to the skids of helicopters and some are falling to their deaths thousands of feet to the ground in their hasty flight.

This, Vice President AGNEW tells us, is an orderly retreat. Defense Secretary Laird assures us that all is going according to a plan worked out in December, although he does not tell us whether the South Vietnamese or the American GI's were informed that they were expected to play the role of kamikazes.

The President describes the Laotian venture as vindicating Vietnamization, that policy which Ellsworth Bunker is reported to have bluntly described as changing the color of the corpses. Although most of the casualties have been Asians, as indeed they have been throughout this war, American corpses are piling up, too: young black men and white men ordered to their deaths in a war that has long since been repudiated by the American people.

Vietnamization, the President reports, is intended to make the South Vietnamese self-reliant and capable of carrying on their own war independently. He describes the campaign in Laos as proving the case for Vietnamization when, in fact, it suggests the opposite. Large numbers of what we have earlier been told were South Vietnam's best troops were wiped out. American helicopters have flown more than 145,000 sorties during this operation. The United States simultaneously conducted massive bombing raids in Laos and North Vietnam and the entire invasion has been planned, directed, and supplied by the American Army at the expense of the American taxpayers.

We are told that the Laotian venture has been worthwhile because 11,000 enemy soldiers have been killed. We are always given very precise numbers by the Army although one would have thought the recent disclosures at the trial of Lieutenant Calley, some of which we heard here in the earlier special order today, and at the war crimes hearings held by returned American Vietnam veterans—of just how these imaginative body counts are arrived at and who are included in them would have shamed them into an embarrassing silence.

We are told that further escalation of the war into Laos is not a violation of the Cooper-Church amendment even though American troops are touching down on the ground and operating in Laotian territory, and we are expected to pretend that a war conducted in the air is somehow not really a war, but merely an exercise in pacifism.

This is at a time when the total amount of bombs we have dropped on the anguished people of Indochina has reached more than 5.7 million tons—three times the amount of explosives dropped in all of World War II over a much vaster area.

And in a singular perversion of truth, the President tells us that one of his major goals in Indochina is to speed the release of American prisoners of war. In fact, the Laotian misadventure has resulted in the capture of more American prisoners and many more Americans reported dead and missing in action.

I suppose that a President who can describe himself as a "deeply committed pacifist" can also delude himself into believing his own propaganda. His comments would be ludicrous if they were not directed at a situation in which so much ghastly human suffering and tragedy are involved.

After a decade of watching the American Army mind at work in Indochina, I have learned not to believe anything the military tells us. They may occasionally tell the truth, but one never knows when and it is never the whole truth because the Army, and unfortunately the successive residents of the White House, have not yet been able to grasp the fact that no meaningful or lasting military victory can be won in Indochina.

Fortunately, the delusion of Washington and Saigon are not shared by the American people. According to the polls, more than 70 percent of the American people are now opposed to the war. The polls also report the continuing erosion of President Nixon's popular support to new lows. The people believe neither in his veracity nor in his assurance that the war is winding down.

A majority of the Americans want all of our troops out of Indochina by the end of this year. We have before us in Congress several resolutions that would set the date for withdrawal from Indochina. Although a number of us have introduced resolutions proposing various dates for total withdrawal, the most widely supported of these appears to be the Vietnam disengagement resolution which specifies December 31, 1971, as a termination date for America's role in the longest and most discredited war in its history.

The people want us to get out, and Congress has the authority under the Constitution to get us out. Repeal of the Gulf of Tonkin resolution has removed the last pretext of legality for this war.

And yet the war goes on, and we must ask ourselves why, and the people who elected us have a right to ask why. They have a right to ask why Congress has allowed so many months to drift by without action, why Congress does not assert its responsibility under the Constitution to cut off funds and order an end to the war.

True there has been no dearth of compelling arguments and eloquent speeches against the war from Members in both the House and the Senate, but we have yet to see any definitive action. In fact, we have yet to see any action at all.

If Congress is really so powerless that it cannot fulfill its responsibilities under the Constitution, then we might as well resign and stop pretending to be Representatives of the people. But I do not think we are all that powerless. What we are suffering from is not the lack of power, but a failure of leadership and purpose and a sense of urgency that reflects the crisis in our country and in tormented Indochina. And that failure is here among us in Congress, not just in the White House.

Mr. Speaker, I was deeply troubled to read a news report in the New York Times on March 20 which said that "for the time being, at least, the controversy over the Vietnam issue has abated on Capitol Hill."

The article goes on to say that the debate may erupt again—and we in the House know that this is already happening.

But it notes that the more moderate doves are keeping their own counsel. It continues:

> A principal reason they offer for doing so is a reluctance to weaken the public's confidence in the Presidency. Such doves as Senator MIKE MANSFIELD, the majority leader, and Senator JOHN SHERMAN COOPER, say that they were disturbed by recent polls showing that the public was losing confidence in President Nixon's handling of the war to the point that 7 out of 10 of those questioned believed that he was withholding information.
>
> Even before the polls, the doves were worried about a loss of public faith in the ability of the Presidency and Congress to deal with the Vietnam issue. They say that it was partly out of concern that they might

have gone too far in questioning administration policies that several Senate doves—Mr. MANSFIELD and Mr. COOPER; another Republican, GEORGE D. AIKEN of Vermont, and two other Democrats, J. W. FULBRIGHT of Arkansas and FRANK CHURCH of Idaho—made an informal agreement earlier this year to restrain their criticism.

Mr. Speaker, I have no idea whether there is any basis in fact for the assertions in this article, and I would hope there is not, because these are men who have had a long history of effort against the war, and in efforts to get and bring peace to this country. But it is curious that in the same edition of the Times that reported this muting of congressional criticism of the war, another article appeared from Madison, Wis., describing a remarkable transformation in the attitudes of such previously pro-war groups as the hard hats, and in the article, the reporter, Anthony Lewis, quoted political analyst, Richard Scammon, as saying he believes a consensus is developing against the war for a simple reason:

The public has concluded that basic American interests are not at stake in Vietnam, so it asks: If we are going to get out why not now?

Mr. Speaker, the White House may prefer to drown out the cries for peace by turning up the sound on the televised football programs, but we in Congress cannot be deaf to the demands for prompt action to end the war. And we can expect that the demands will get more piercing as the carnage in Indochina continues and our cities fly into deeper crisis.

I was elected to Congress by a constituency that is repelled by the war for reasons of both morality and practical self-interest. They are in no mood to hold still for a policy that will have 284,000 American troops in Indochina this summer, and that offers no concrete date for complete withdrawal. They are alarmed by Mr. Nixon's formula of inflation plus recession, his cutbacks in domestic programs and his proposals for a $3 billion increase in military spending.

Although the President's full employment budget is an interesting admission that the first 2 years of his administration were a failure, my constituents do not believe that his recently announced economic policies are really going to stem inflation, or halt unemployment, or relieve the crisis in our cities.

As long as the war continues to consume our young men and our national resources, my constituents and most Americans face severely increased hardships. In New York City within recent weeks the people there faced a crippling of their schools because of a shortage of funds. They were hit by an increase in taxi fares, and were also told to expect a phone rate increase, a Blue Cross increase, a gas and electric rate increase, a subway fare increase, and a postage increase.

And the Governor and the Mayor propose more taxes that would cost taxpayers an average of $600 more a family per year. The alternative they are offered is to face drastic cuts in basic services for human needs.

Prices go up; unemployment spreads among Vietnam veterans, blue-collar workers and professionals; the welfare rolls soar; and crime has converted New York into a virtual city under siege. A feeling of anger, despair, and frustration spreads among people. Conditions in the cities are explosive, and our young people, including the 18-year-olds in whom we place so much hope, tell us that maybe Mr. Nixon is right, maybe this is the last war, and maybe they are the last generation.

Mr. Speaker, it is against this background of human need and desperation that I would urge my colleagues in Congress to assert their responsibility under the Constitution and to act swiftly and decisively to use the legislative means at hand to end the war.

I found it personally disheartening last week when the leaders of the Democratic caucus postponed action on the Vietnam disengagement proposal, but at the same time there have been other more positive moves toward peace action in recent days. The decision to call a special caucus meeting on March 31 to consider a Vietnam withdrawal resolution is highly welcome. I urge the Democratic leadership to join with the Members in working out a strategy to insure that Congress asserts its constitutional authority and that it votes to cut off funds for this war so that it is terminated no later than the end of 1971.

I would further propose that beginning right now Members of Congress from both parties go up and down the country mobilizing and organizing the majority antiwar sentiment that exists among the people. If Congress is loathe to act without a massive show of support from the people, let us help to focus that support.

In New York City and Westchester County, this weekend, for example, a number of New York Members of Congress, including myself, will be barnstorming at public meetings, business, and shopping centers to campaign for an end to the war.

We do not have to wait for people to plead with us for peace. We must not simply represent. We must lead. We must act.

Mr. Speaker, I believe that the Congress has the responsibility to assert its investigative powers and to bring to the American people the full story of what is happening in Indochina and Laos, a story which has been covered up by the Nixon administration press embargo. I have introduced a resolution calling on the House Government Operations Committee to conduct an on-the-spot investigation to determine the extent to which the Cooper-Church amendment is being violated by the Laotian campaign.

I believe that personal interviews by Members of Congress with our young men at Khesanh, on the Laos-Vietnam border and those helicopter crews who are undergoing the hellfires and torment of war would provide a sobering counterpoint to the hymns of self-praise offered us almost daily on television by President Nixon and members of his administration.

I would also urge the Congress to act on requests for investigations into American economic interests in Southeast Asia and their possible connections with our Government's disastrous war policies in Indochina and President Nixon's apparent determination to maintain residual forces there.

I renew my request that Congress look into reports that major U.S. oil companies are bidding for concessions off the shores of Vietnam and that they have received assurances from the Government that their investments will be protected by maintaining the present corrupt Thieu-Ky government in power by maintaining U.S. military presence there indefinitely.

If the Nixon administration is making secret commitments to U.S. oil companies which will result in prolonging the war, then the American people have the right to know about it.

Mr. Speaker, at this point I would like to insert in the RECORD the various newspaper articles which I have referred to as well as additional material.

I would particularly call attention to a recent article, "The President Is the Problem," by Townsend Hoopes, who was Under Secretary of the Air Force in the Johnson administration. In this article, Mr. Hoopes analyzes and documents the serious contradictions in Mr. Nixon's policies in Southeast Asia.

Pointing out that Mr. Nixon's insistent definition of a "just peace" is really a euphemism for a military solution, Mr. Hoopes says that domestically the Nixon doctrine fosters the notion of noninvolvement in future American wars. At the same time, he continues, "it rejects the inevitable corollary—which is retreat from insistence on U.S. paramountcy in every corner of Asia, and a basic move toward accommodation with China."

Mr. Hoopes continues:

The notion that, under the Doctrine, the United States will henceforth remain aloof from Asian conflicts is thus seen to be a myth, for U.S. involvement will flow directly from the administration's plan to lock insubstantial fringe states into positions of permanent tension and hostility toward China, and then to back them up when that impossible mission proves beyond their strength.

Secretary Laird has now made clear that the unfettered use of air power in Cambodia is one application of the Nixon Doctrine. The President has now added Laos and North Vietnam to those areas where he feels free to use this instrument without limit and without further Congressional consultation or public debate.

Mr. Speaker, I agree with Mr. Hoopes that the contradiction in Mr. Nixon's policies are too glaring to conceal. Although ground troops are being reduced, the President is still sending 19,000 American draftees a month to Vietnam. Our troops are not being withdrawn. Massive bombing of North Vietnam has been resumed, and the threat of even wider and more provocative air action which could lead to confrontation with China is implicit in the President's refusal to disavow the Thieu-Ky's government talk of invading North Vietnam. It is time for Congress to call a halt to this reckless policy. It is time to get this tragic albatross off our necks, and time to end a war that is destroying the people and the

country of Southeast Asia and preventing us from dealing with the enormous human and environmental needs both here and abroad that have been so long neglected.

Leaders of the Democratic Party as well as a number of Republicans want us to get out of Indochina. The people want us to get out. We have the authority under the Constitution to get ourselves out. Let us get out.

Mr. Speaker, at this point in the RECORD I wish to insert various newspaper articles which I have referred to, as well as additional material.

The articles and materials are as follows:

"Controversy on Vietnam Policy has Abated on Capitol Hill," New York Times, March 20, "On Wisconsin," Anthony Lewis, New York Times, March 20, 1971, "Desperate Saigon Soldiers Scramble for Helicopters," Ivan Peterson, New York Times, March 22, 1971, "Kick Them Off the Skids," Tom Wicker, New York Times, March 23, 1971, "The President Is the Problem," Townsend Hoopes, New Republic, March 6, 1971.

[From the New York Times, Mar. 20, 1971]

CONTROVERSY ON VIETNAM POLICY HAS ABATED ON CAPITOL HILL FOR THE MOMENT

(By John W. Finney)

WASHINGTON, March 19.—For the time being, at least, the controversy over the Vietnam issue has abated on Capitol Hill.

Thomas E. Morgan, the Pennsylvania Democrat who, as chairman of the House Foreign Affairs Committee, has stood behind Democratic and Republican Administrations on Vietnam policy, concedes to visitors that sentiment among his colleagues has shifted toward complete withdrawal as soon as possible.

The debate may erupt again, for the more moderate doves are keeping their own counsel. A principal reason they offer for doing so is a reluctance to weaken the public's confidence in the Presidency.

Such doves as Senator Mike Mansfield, the majority leader, and Senator John Sherman Cooper, Republican of Kentucky, say that they were disturbed by recent polls showing that the public was losing confidence in President Nixon's handling of the war to the point that 7 out of 10 of those questioned believed that he was withholding information.

Even before the polls the doves were worried about a loss of public faith in the ability of the Presidency and Congress to deal with the Vietnam issue. They say that it was partly out of concern that they might have gone too far in questioning Administration policies that several Senate doves—Mr. Mansfield and Mr. Cooper; another Republican, George D. Aiken of Vermont, and two other Democrats, J. W. Fulbright of Arkansas and Frank Church of Idaho—made an informal agreement earlier this year to restrain their criticism.

The doves are neither homogenous nor a flock.

Senator George McGovern, out of conviction and Presidential ambition, tends to go off on solitary flights of rehetoric that many of his fellow doves say they find too high-pitched. Occasionally, Senator Mansfield's Irish indignation boils up in statements that alternately praise the President for troop withdrawals and criticize him for getting involved in Cambodia and Laos.

For the most part, though, Mr. Mansfield and those of his colleagues who lead the dovish opposition in the Senate have preferred to grumble in private.

CHURCH EXPLAINS PLAN

Senator Fulbright has postponed plans for hearings by his Foreign Relations Committee on "how to end the war." He explains that he is tired of taking a front-row seat and wants the initiative to come from others. But there has been no pressure from Senator McGovern or from Senators Mark O. Hatfield, Republican of Oregon, or Walter F. Mondale, Democrat of Minnesota, for hearings on their bills that would set a withdrawal timetable or preclude an invasion of North Vietnam.

In some cases, the doves have turned to what they hoped would be effective persuasion. Whatever the political dividends for the Democrats, Senator Mansfield says he believes he was strengthening Mr. Nixon's hand in pushing through the Senate Democratic caucus a resolution that called in vague terms for withdrawal of all American troops by the end of 1972. His purpose, he says, was to demonstrate to the President that he would face no Democratic criticism if he decided on complete withdrawal.

Echoing such themes, Senator Church insists that he is interested in preserving national unity—and at the same time encouraging the President to withdraw—in drafting a resolution expressing the sense of Congress that the United States should pull its troops out as soon as possible.

The President is no longer seeing Senator Mansfield over the breakfast table on a weekly basis, as he did last year. Senator Cooper, who has unsuccessfully sought Presidential audiences from time to time, leaped at the chance to fly to Kentucky with Mr. Nixon Wednesday for the Whitney Young funeral in the hope that he might get his ear.

Privately, the doves are continuing to challenge fundamental tenets of Administration policy.

Republicans such as Messrs. Aiken and Cooper say they would like to believe that the President's policies will lead to withdrawal but are no longer sure. More and more the doves, raising an issue that has not figured large in the Congressional debate, are questioning the morality of fighting a proxy war with South Vietnamese troops and American planes.

Whether outspoken criticism pours forth again probably depends as much upon the President as upon the doves.

Mr. Nixon, in interviews and appearances, appears to be trying to bolster his standing with the public, but he is making no apparent effort to open lines of communication with his Congressional critics.

The doves say that at this point they want the President to listen even if he does not agree with their views.

ON WISCONSIN

(By Anthony Lewis)

MADISON, Wisc.—Harold Rohr, known to everybody as Babe, has been a local symbol of hard-hat support for the Vietnam war. He is president of the Madison Building Trades Council. As an alderman a few years ago he fought the peace groups and opposed a referendum on the war.

Babe Rohr has just come out for "immediate" withdrawal of all American forces from Indochina. When he said that on the radio the other night, a woman in the antiwar movement was so astounded that she telephoned him to ask if she had heard right. He laughed and said he had changed his mind about a lot of things.

The transformation of Babe Rohr reflects a shift in public attitudes out here that a visitor finds astonishing. The instinctive trust in the President that used to be so evident, the patient willingness to give his policy of gradual and aggressive withdrawal a chance—that mood is gone or going fast.

The impression does not come just from this university town, with its liberal tradition. Consider the comment of a leading Republican in central Wisconsin.

"It has happened in the last three months," he said. "Now nobody cares how we get out, with honor or without, with something we can claim as a victory or not. It's rampant—not just the students and the peaceniks.

"People are saying, 'Ike did it in six months in Korea. What the hell is Nixon monkeying around about?'"

Here in Madison, the Student Association of the University of Wisconsin has just completed its annual symposium. In this remarkable project, the association brought politicians and philosophers and others from all over the country to lecture and talk during a two-week period; many of the programs were broadcast throughout the state.

The theme this year was alternative futures for America. And so, in many different ways, people talked about how this country has to change—and whether it can change fast enough. Naturally there were those who said "the system" had to be replaced. But what was interesting was the relative absence of provocative rhetoric, revolutionary or stand pat, and the general acceptance at all age levels of the need for change.

The muted tone of the students came partly in reaction to the bombing of the Army Mathematics Research Center on campus last August; that terrible event took a lot of the glamor out of the rhetoric of violence. But as the students have sounded more moderate, so also have some older people become more sympathetic to their unchanged views on what is wrong with America: the war most of all.

There may, for example, be a widening realization of what Vietnam is doing to the American people's attitude toward defense policy generally.

It is no surprise that students turn their feelings of revulsion over what we have done in Indochina into a general disapproval of American intervention anywhere. One faculty member here said he guessed that 90 per cent of his students, regardless of their political outlook otherwise, would be deeply skeptical of the whole apparatus of alliances and the American military role in world politics that we have accepted as a premise of policy for a generation.

What is surprising is the indication that those who believe in American strength as the basis of world order are beginning to see Vietnam as a threat.

The new Democratic Governor of Wisconsin, Patrick Lucey, spoke last month to a lunch of National Guard leaders. As a critic of the war, he thought he could not avoid the subject. What he did was warn that "this ill-advised war" was destroying public respect for the military and hurting the ability to fund "legitimate defense needs." He was amazed when the audience cheered.

At the student symposium Richard Scammon, the political analyst and explorer of middle America, said he thought a consensus was developing against the war for a simple reason: the public has concluded that basic American interests are not at stake in Vietnam, so it asks: if we're going to get out, why not now?

The question is whether this change of public mood with all its significance for limiting his options in Indochina, is getting through to President Nixon loud and clear.

"It's like a joke I heard awhile ago on 'Laugh-In,'" a Republican said. "The majority isn't silent. Washington is deaf."

DESPERATE SAIGON SOLDIERS SCRAMBLE FOR HELICOPTERS

(By Iver Peterson)

HAMNGHI COMMAND POST, SOUTH VIETNAM, March 21.—The men who are considered South Vietnam's best soldiers are coming out

of Laos, some in orderly fashion, others in panic. The North Vietnamese are right behind them.

For five days, American helicopters have been shuttling between Laotion battlefields and the allied staging area at Khesanh near here, bringing out as many weary South Vietnamese ground troops as possible.

The American pilots—the only United States forces operating across the border—are also bringing out horror stories. The pilots say that many of the South Vietnamese soldiers, their leaders lost, break into an undisciplined retreat when the helicopters come down through enemy fire to pick them up.

Instead of returning the fire, according to the pilots, the South Vietnamese cower in their foxholes until the helicopter is near the ground and then scramble for a place on the rapidly overloaded craft.

"We just have to kick some of them off," a pilot here said today as he prepared to return to Laos in a new helicopter. His previous one was shot yesterday.

"We have to think about ourselves too," he added. You just cannot lift this bird with 15 guys clinging to it."

Reports that South Vietnamese troops are carried out clinging to the landing skids are frequent.

Some soldiers manage to hold on, and can be seen landing here gripping the skids in the harsh beating winds of the rotor. But there are others who fall off when they can hold on no longer and drop as much as 3,000 feet to the ground, the pilots say.

"You can't blame them—every helicopter that comes in makes them think it is the last one, the last chance to get out," another pilot said.

Everywhere now there are the signs of the pullout.

Army trucks, loaded with dust-caked and dismantled equipment, are lined up on Route 9, the long highway that cuts the border, ready to move through the Annamite Mountains back to the coast.

The activity on the road, which was reopened in February for the operation, is indicative of the enemy's determination to harass the withdrawing South Vietnamese troops. The allied advance westward along the road was almost without incident when the operation began on Feb. 8. Now larger and larger sections have become unsafe.

American helicopters are reporting enemy ground fire closer to Khesanh every day. South Vietnamese officers say an enemy regiment—about 1,500 men—has moved closer to Route 9 between Khesanh and the border, menacing the withdrawal of three South Vietnamese armored battalions that abandoned Fire Support Base Aloui de Laos Friday.

The American armored commanders expect the columns to reach here tomorrow. An American adviser said sarcastically:

"Oh, they will. You have not seen how our ARVN armor can move backwards."

The Vietnamese commanders here describe the pullback as a "change in direction," but an American infantry adviser said:

"The only direction they are going is home."

The American advisers, who took a back seat during the Laotian operation because the Vietnamese forces did the fighting alone for the first time, have assumed some of their old authority.

At an armored division camp near here, an American major asked a South Vietnamese captain why a vehicle had not yet been repaired. But the American did not wait for an explanation.

"Well, you'd better get it fixed quickly tomorrow," the adviser snapped, "because we have to move on out of here." The Vietnamese captain tried to be conciliatory, but the American ignored him.

In addition to threatening Route 9, the North Vietnamese have also bombarded Khesanh for the last six days.

The huge American air and logistical support base for the South Vietnamese operation has changed dramatically, from a noisy, bustling plateau—studded with tents and aircraft—into a nearly silent plain with men digging hard to make bunkers and foxholes.

Brig. Gen. Pham Van Phu, who commands the South Vietnamese First Infantry Division stood in the sunshine outside his command bunker here yesterday when the rockets began to hit the base.

"Now they know where we are" one Vietnamese artillery officer said, as the men scrambled * * * that it is the First Division, General Phu said, "because we are mobile."

And as he waited for the end of the barrage the general reminisced about his days as a captain in the French colonial army, and how he had held his outpost at Dienbienphu 40 minutes longer than the French commander fighting near him before the final wave of Communist troops swept up the hill and forced his surrender.

[From the New York Times, Mar. 23, 1971]

KICK THEM OFF THE SKIDS

(By Tom Wicker)

WASHINGTON, March 23.—Some South Vietnamese soldiers, in the retreat from Laos, have been clinging to the landing skids of American helicopters. Some have been falling to their deaths from these precarious perches, and in addition, "we just have to kick some of them off," an American pilot has reported. "We have to think about ourselves, too. You just cannot lift this bird with fifteen guys clinging to it."

Let that stand as the epitaph of the Laotion invasion, as it comes to an end so much less than glorious that even those who claim great things for it do not sound as if they have convinced themselves. It is an appropriate epitaph, for if the invasion had any rational purpose at all it was, in the familiar incantatory words of the Nixon Administration, "to save American lives."

This is not a purpose any American can oppose, but how high a price must the rest of the world, particularly the Indochinese, pay to rescue Americans from a decade of blunders? In the Laotian operation alone, taking Saigon's figures at their dubious face value, more than 12,000 North Vietnamese and 1,031 Vietnamese have been killed; in addition, 219 South Vietnamese are missing and 3,985 were wounded. When North Vietnamese wounded and missing are considered, these figures suggest that perhaps 25,000 Indochinese military casualties have been suffered. (At least 59 American helicopter crewmen have been killed, 68 wounded and twenty are missing.)

What were the civilian casualties produced by this meatchopper of an operation? It is a safe bet that no one can say, because no one in Washington or Saigon, any more than in Hanoi, bothers to make such estimates before launching big military strikes, and it is only weeks or months later that the refugees and the wounded and the dead begin to make their miserable marks. Thus, it was only last week that semi-official figures were obtained from Senator Kennedy's subcommittee on refugees: 125,000 to 150,000 civilian casualties from military action by both sides in South Vietnam in 1970, with 25,000 to 35,000 civilians killed.

These figures have not so far been disputed here or in Saigon. They do not include civilian casualties in Cambodia or Laos. They are included in the estimated 1.1 million civilian casualties, including 325,000 deaths, in South Vietnam since 1965, when Americans entered the war in force; of the total of those casualties, about a third are thought to have been children under thirteen.

Aside from the bloodshed, once more a military operation was heavily oversold in advance as a decisive action, one that proved the South Vietnamese "can give an even better account of themeslves than the North Vietnamese" (General Abrams via Mr. Nixon's news conference).

No doubt this hardsell will cause Mr. Nioxn domestic political problems. It is more important that, once again, the American command made the old familiar error of assuming that when it made a move, the other side would have no answer; in this case, the answer was at least partially a mass of heavy tanks. Moreover, since the President himself predicted that the North Vietnamese would fight and fight hard, it is also clear that the fighting abilities of the South Vietnamese Army were overrated. All of that suggests a continuing underestimate of the power and determination of Hanoi and the people it commands, a repeated overestimate of Saigon's ability, with or without American help, to match the effort from the North, and another mistaken effort at a quick, winning blow in a war that will not permit such a blow.

It would probably be a mistake, nevertheless, to think that the Laotian repulse will lead Mr. Nixon to a significant change of policy. If he accedes to the request General Abrams probably will make for a slowdown in American withdrawal, the President will wreck his domestic political stance; and he is more likely than ever to think that pulling out at a faster rate would open both Saigon and any remaining American forces to disastrous attack.

Nor is there any reason to believe that the explusion of the South Vietnamese from Laos signals anything but even wider and more destructive aerial warfare "to protect American lives." The heavy series of air attacks on North Vietnam at this time can be read in no other way than as Mr. Nixon's defiant message to Hanoi that he still has the will and the means to carry on the fight, if only by air.

So the long, costly, shabby policy of withdrawing while propping up Saigon and ravaging Indochina probably will go on, without any new attempt to negotiate an end to the slaughter. It is a policy of kicking them off the skids so the American bird can fly.

[From the New Republic, Mar. 6, 1971]

WATCHING NIXON LIQUIDATE (ESCALATE) THE WAR: THE PRESIDENT IS THE PROBLEM

(By Townsend Hoopes)

(NOTE.—Townsend Hoopes was Under Secretary of the Air Force in the Johnson Administration and is the author of The Limits of Intervention.)

As the first reports of the Laos "incursion" seeped out of Saigon and the Pentagon about February 10, the listless response of the American people seemed to reflect a mood of moral exhaustion, a weariness mixing incredulity with resignation, a profound sense of the futility of trying to influence our Indochina policy. Like several predecessor Presidents, Mr. Nixon had shown himself possessed of the raw power—unrestrained by congressional guidance or public debate—to make events and deepen commitments, leaving the American people and countless others to cope with the open consequences as best they could. He alone bestrode the scene, reducing senators, scholars, journalists and the rest of us to impotence. No reasoned criticism or moral protest made any difference. Senator Fulbright summed it up in one pathetic sentence: "There is nothing we can do."

By February 22, the country seemed to have recovered its morale, its capacity to think and speak out. The news of serious South Vietnamese defeats along Highway 9 showed yet again the egregious quality of Mr. Nixon's strategic and military judgment, and underlined with blinding clarity the fundamental

contradictions of his Indochina policy. The President was once again under serious challenge from his critics, and there was in the new confrontation the distinct possibility of a constitutional crisis.

From the sidelines it's now possible to adopt either a sanguine or a grave view of the prospects, with the choice turning almost entirely on how one predicts the shape of political pressures likely to be generated as we approach the 1972 election. The sanguine view proceeds from the belief that, whatever Mr. Nixon may now be doing in Cambodia and Laos, and whatever he may be saying about the need to retain indefinitely a sizeable US "residual force," political pressures for total withdrawal are in fact growing and by 1972 will prove irresistible. The grave view proceeds from the belief that Mr. Nixon will effectively resist pressures for full withdrawal until conditions in South Vietnam have met his requirements for a "just peace"—i.e., the assured survival of a non-Communist government—but that such conditions will again prove unrealizable.

Several pieces of evidence can be mustered to support the sanguine view. For one, the American Army in Vietnam is now beset by a galloping deterioration of discipline and morale—a fact which reflects the pervasive inability of American public opinion to believe that our official war aims are any longer attainable, important, or moral. This creates a political and operational imperative swiftly to reduce total force levels and terminate the US ground combat role, or else suffer the humilitation of an expeditionary force coming apart at the seams. If further large force withdrawals are made over the next twelve months, they will powerfully strengthen the political logic of withdrawing all the way. Conversely, any stretchout will make manifest the reality of a semi-permanent "residual" force. At that point, what is already apparent to many will become a naked truth for all to see—namely, that so long as we insist on the survival and dominance of the Thieu regime, the war will continue in endless stalemate; and that our commitment, our military participation, our inability to recover our prisoners, and the domestic consequences of all of these factors will also continue.

The foregoing are arguments for the hopeful proposition that, in the crunch decisions looming up toward the end of 1971, President Nixon will yield to political reason and the mood of the country, that he will abandon the notion of a "residual" force and will play the card of total withdrawal as a means to a compromise settlement and the recovery of American prisoners. This view is buttressed by the strong possibility that he will face in 1972 a Democratic opponent explicitly pledged to such a position (in late January, the Gallup Poll showed 73 percent of Americans in favor of total withdrawal from Vietnam.)

The opposing view is that Mr. Nixon will in the end yield not to political reason, but to his combative instincts, his convictions about the threat of "International Communism," and his concern for the credibility of American commitments elsewhere. This prospect rests on the fundamental perception that he is not a consensus President, but a determined Commander-in-Chief with a strong personal view of what the national interest requires. Compelling evidence indicates that a clear-cut, anti-Communist solution in Vietnam is paramount for Mr. Nixon, and that he is quite prepared to accept further risks of searing domestic division and demoralization in order to go on trying to get it. US military action in Indochina is now bent toward assuring the Thieu regime's survival; at the same time, moderate American troop withdrawals are proceeding. Beyond a certain point, however, American withdrawals must contribute to a net weakening of the allied military position and will then begin to increase the risks to Thieu's survival. The grave view is that, when this critical juncture is reached, Mr. Nixon will shed the present ambiguity and come down hard on the need for an indefinite American military effort in Indochina, no matter what the mood of the country. He came close to doing this in his press conference of February 17.

Support for this view derives from his steady insistence that the Thieu regime, or something very like it, must prevail without participation by Communist elements; it is seen in warnings against American "humiliation and defeat" if the elected Government of South Vietnam should be overthrown, and in his easy resort to impassioned cold war rhetoric (which was so notable a feature of the speech announcing the attacks on the Cambodian sanctuaries last April 30). One must also take note of Mr. Nixon's sense of being constantly under test by the dark powers in Moscow and Peking and of having constantly to prove his toughness. This facet of the President's personality has the effect of raising many international issues to the level of personal challenge. His tactical combativeness is aroused. Through an inability to accept transient setbacks for the sake of larger goals, he is often led into actions which deepen the involvement and harden the commitment, contrary to the judgments of his senior advisors.

For example, it is now clear that many senior American officials (military and civilian, in Washington and Saigon) did not share the President's conclusion last spring that the fall of Prince Sihanouk and the subsequent movement of Communist forces in Cambodia "posed an unacceptable threat to our remaining forces in Vietnam." They discerned neither an increase in the size of enemy forces in Cambodia, nor an increased threat to U.S. forces. They did not believe that strikes into Cambodia were necessary to protect American lives or to maintain the scheduled rate of troop withdrawals. Some advisors did see "opportunities" in striking at the sanctuaries while the Communist forces (unsettled by the coup and by Lon Nol's ultimatum that they depart Cambodia in 72 hours) were moving or facing westward. In fact these opportunities had been seized by the Saigon Army as early as March 20—just two days after Sihanouk's ouster and nearly six weeks before Mr. Nixon acted. ARVN mounted steadily larger raids from that date until late April—air strikes, armored patrols, and sustained task force operations that penetrated a number of miles into Cambodia and remained for several days; some of these were conducted in coordination with the new Cambodian regime.

The governing factors in Mr. Nixon's decision of April 30 are thus an interesting speculation. Whether he appreciated that the ARVN cross-border operations may well have provoked the Communist forces to move west (in anticipation of a larger US–ARVN attack, or to put pressure on the new Cambodian government for the adoption of a less hostile attitude) is not clear. But he appears to have been virtually alone in perceiving this movement as "an unacceptable threat" to remaining US forces in Vietnam, if indeed that was his substantive judgment and not merely the stated reason for the US attacks. From Stewart Alsop's engrossing look at the famous yellow pad calculations on this occasion (*Newsweek*, June 1, 1970), one gains the strong impression that Mr. Nixon's chief concern lay elsewhere. He was disturbed by the prospect that, if neither side moved, an "ambiguous situation" might arise in Cambodia which, by underlining the neutral status of that country, would thereafter inhibit US military actions. It is a fair inference that Mr. Nixon's decision to send US forces against the sanctuaries and to release ARVN for the conduct of much wider operations in Cambodia was aimed at preventing both the restoration of a hitherto unfavorable neutrality and the possibility that Cambodia might "go Communist."

But whether he foresaw the consequences of his act—for Cambodia, for aid to Cambodia, for ARVN, for US airpower—is doubtful. He made a very personal decision, involving the kind of dramatic action and stirring rhetoric appropriate to his chosen role of Global Brinksman. The central question he posed in his later television address of June 3 made clear that he perceived the playing field as much wider and the stakes much higher than Cambodia or even Indochina: "If an American President had failed to meet this threat to 400,000 American men in Vietnam, would those nations and peoples who rely on America's power and treaty commitments for their security—in Latin America, Europe, the Middle East or other parts of Asia—retain any confidence in the United States?"

In the same speech, delivered as American forces were pulling out of the sanctuaries, he described the action in Cambodia as "the most successful operation of this long and very difficult war." By mid-February 1971, close to half of Cambodia had passed out of Cambodian control; the country's productive capacity—embracing rubber plants, cement plants, fertilizer plants, paper mills and rice mills—had been severely damaged by heavy American air strikes and other war operations; roads, railroads, bridges and other communications had been extensively cut. Although the Cambodian armed forces had grown from 35,000 to 165,000, most of the major cities were in enemy hands and the capital remained virtually under siege. All of this had produced a Cambodian budget deficit of $40 million in 1970, and an anticipated shortfall of $400 million in 1971. While the United States continued to disclaim any commitment to uphold the Lon Nol government, its actions steadily belied its words. Initially a few thousand captured Russian rifles and American carbines were quietly provided the Cambodian army; then $100 million in emergency military assistance was transferred from other programs. Then Congress was pressed to vote $250 million of combined military and economic aid in exchange for the Administration's explicit promise that no US ground forces would reenter Cambodia, and its implied judgment that the whole US military effort would be gradually diminished.

In the June 3 speech, Mr. Nixon also stated that "the only remaining American activity in Cambodia after July 1 will be air missions to interdict the movement of enemy troops and material where I find that is necessary to protect the lives and security of our men in South Vietnam." In fact, the American air effort has been dramatically intensified throughout Cambodia, involving not only long-range interdiction, but close support of Cambodian and South Vietnamese troops. The full panoply of tactical air power—reconnaissance, forward air control, fighter bombers, gunships, flareships, medical evacuation, and leaflet drops—has been employed. In the January effort to reopen Route 4 (the highway south from Phnom Penh to the Gulf of Siam), the Administration finally abandoned the pretense of adhering to the President's position, and acknowledged that it was using "intensive air power" in Cambodia, but not of course to support the Lon Nol government! The purpose, as explained by Secreary Laird, was "to protect Americans in South Vietnam . . . to enhance Vietnamization." In his own press conference of February 17, and referring not only to Cambodia, but also to Laos and North Vietnam, Mr. Nixon said that (except for resort to tactical nuclear weapons) "I am not going to place any limitation upon the use of air

power." Small wonder that the credibility of his pretensions to a policy of restraint is being steadily lost.

Not even rash optimists now expect that anything conclusive will be achieved in Cambodia. What most see is the making of another quagmire: American airpower committed to endless months of devastating, yet inconclusive destruction of human life and property, and the American treasury to endless years of compensatory economic assistance—all to support a government to which we have no formal commitment of any kind and whose need for support arises chiefly from events precipitated by U.S.-ARVN attacks on the sanctuaries. While the U.S. interest in Cambodia is obscure, the survival of the Lon Nol Government has now become, for practical purposes, intimately linked with the Thieu regime's view of its own security. For this reason, plus the military incompetence of the Cambodians, a major combat role in Cambodia has been thrust upon the ARVN. If long sustained, these operations could lead to a weakening of the security situation in South Vietnam.

The prospect presented by the situation in Laos is, if anything, less encouraging. A fundamental question in the equation—the acid test of Vietnamization—is whether the ARVN will be able to operate more or less on its own in the foreseeable future. Senior American officials insist there has been some improvement, but one central fact is undeniable: ARVN remains absolutely dependent on the whole panoply of U.S. air, artillery, airlift and technical maintenance support—not only for mobility but for survival. Perhaps 2000 U.S. combat aircraft are committed to the Laos operation. During the first two weeks of fighting, U.S. helicopters flew 10,000 missions across the border (for purposes of troop lift, gunship support, supply, and evacuation). During the same period U.S. fighter bombers flew 700 strike missions, and B-52 bombers made 420 heavy attacks. Two fundamental conclusions follow: (1) it is difficult to see how large ARVN formations could be logistically supported—or avoid entrapment—if U.S. combat support forces were totally withdrawn, or even if they were reduced much below the level of 150,000–200,000 men; and (2) even the staggering dimensions of the U.S. air-support effort in Laos have not prevented serious ARVN defeats in the mountainous terrain. But given Mr. Nixon's unrelenting commitment to Thieu, the spreading bog does not encourage the hope that U.S. withdrawal from Indochina is imminent.

As analysis elsewhere has shown, there are perilous risks in a course of piecemeal, but partial, US withdrawal. Were reductions to proceed downward to, say, 100,000 men or less, we would face not only the immobilization of ARVN, but also serious dangers for the physical security of the remaining American forces. If the US were to announce a definite timetable for total withdrawal, we could rather heavily discount the Nixon assumption that the other side is eager to humiliate us by terrorist attacks on our troops during embarkation (Ho Chi Minh was once quoted as saying that his side would strew our departing path with roses). On the other hand, if the reality emerges that we intend to provide starch and mobility to the ARVN in perpetuity, then we may be sure Americans will become special targets of enemy violence. At that point might be posed the same hard question we faced in 1965—to escalate or liquidate. But if such a question were posed in 1971 or 1972, it would have to be decided in an atmosphere of profound war-weariness, disillusionment, and spreading bitterness; any attempt at reescalation might snap the remaining strands of national patience, and produce political tumult. Yet the logic of the Nixon policy is painting us into that kind of corner.

The bizarre raid on the prisoner compound at Sontay may also reveal Mr. Nixon's thoughts about the future. It has always been clear that even successful Vietnamization will not bring American prisoners home, for it is a policy aimed not at promoting serious negotiations, but at substituting for them. Only a negotiated settlement (though it could be confined narrowly to the military issues between the United States and North Vietnam) can secure the return of our prisoners. This truth spreads slowly through American opinion. Last September 17, the Vietcong representative in Paris offered to negotiate the prisoner issue immediately following public announcement of a definite US timetable for withdrawal.

The Sontay raid can be read as Mr. Nixon's considered reply. Constituting a rejection of the proposal, the raid demonstrated (while seeking to camouflage) the painful truth that Vietnamization holds out no hope for the prisoners. As even the Administration's friends now admit, the raid was largely an exercise in domestic public relations. It aimed at dramatically demonstrating that the Administration was not "standing idly by," but it was in fact designed to bring back few, if any, prisoners. The determining factors in selecting the Sontay site were its accessibility to helicopter assault and the ease with which the attackers could get in and out of the compound. Intelligence gathering to ascertain the presence of prisoners was either very casual, or else the attack was deliberately made on an abandoned compound in order to reduce the operational hazards.

The Administration's oft-stated position on the prisoner issue seems either deluded or disingenuous. On February 17, in another effort to relieve domestic anxiety, Mr. Nixon asserted that so long as North Vietnam holds American POWs, American military forces will remain in Vietnam; moreover, that they will remain in sufficient numbers to give the other side "an incentive to release the prisoners." This suggests a belief that US tenacity will at some point break the will of the North Vietnamese and cause them to negotiate on our terms; if the belief is real, it is another minifestation of the prime delusion that the US somehow has more at stake in Vietnam than do the North Vietnamese. On the record of the past ten years, it would be more accurate to reverse the President's proposition, and to say that so long as American forces remain in Vietnam, North Vietnam will continue to hold American POWs. On the other hand, the President may fully understand this, and may be using the prisoner issue as merely another justification for perpetuating American involvement in the war.

In a wider context, further evidence against the sanguine view of an orderly letting-go in Indochina is the developing perception that the Nixon Doctrine is a rather elaborate camouflage for the determined pursuit of old policies. Widely advertised as the promise of a lower US profile in Asia, it appears to perpetuate the confrontation with China by other means. As a concession to the current mood in America, the doctrine calls for a reduction of US military deployments in Asia. But it seeks to compensate for this, in part by efforts to strengthen the military establishments of pygmy states on the fringes of China, and in part by reaffirmation of every existing US commitment in the region. Public statements have stressed our intention to transfer the major burden of deterrence and defense to local states; the statements have conspicuously failed to acknowledge the inherent incapacity of those small, weak, divided countries to "contain" a China whose continued hostility will have been assured by unrelenting American efforts to maintain them in an anti-China posture (including a steady flow of arms and military advice).

The Nixon Doctrine thus contains serious contradictions. Domestically, it fosters the notion of non-involvement in future Asian wars; at the same time, it rejects the inevitably corollary—which is retreat from insistence on US paramountcy in ever corner of Asia, and a basic move toward accommodation with China The notion that, under the doctrine, the United States will henceforth remain aloof from Asian conflicts is thus seen to be a myth, for US involvement will flow directly from the Administration's plan to lock insubstantial fringe states into position of permanent tension and hostility toward China, and then to back them up when that impossible mission proves beyond their strength. Secretary Laird has now made clear that the unfettered use of airpower in Cambodia is one application of the Nixon Doctrine. The President has now added Laos and North Vietnam to those areas where he feels to use this instrument without limit and without further congressional consultation or public debate.

Beyond some finite point, progressive troop withdrawals and the promise of more to come cannot be reconciled with an unlimited commitment to a South Vietnamese regime which seeks a clear-cut military solution. But the contradictions may be more apparent than real, for Mr. Nixon's insistent definition of a "just peace" is really a euphemism for a military solution. Indeed the only real question for the Administration may be the particular mix of US and ARVN forces, and the amount of time required to achieve it—that is, to defeat all resistance in South Vietnam and thereafter enable the Thieu regime to govern the country in a tolerable state of civil order. No doubt, Mr. Nixon hopes that Thieu and the ARVN can do the lion's share, and soon, but he seems quite determined to maintain powerful American forces in Indochina for an indefinite period, if that is necessary to guarantee an undiluted non-Communist solution. Presumably he judges the political risks of this course to be high, but manageable.

Up to now they have proved manageable. Those who oppose his policy and seek to resolve the issue through scheduled withdrawal and compromise negotiation are not so much in intellectual disarray as they are simply overwhelmed by the sheer power and momentum of the Presidency. They are not isolationists or proponents of a Communist victory; neither are they unilateral disarmers, summer soldiers nor defeatists. They have made a considered judgment, based on long and painful experience, that the tragic American involvement in Indochina has been based (probably from the beginning, certainly from 1965) on fundamental misconceptions of what was necessary, possible, moral or important for our security interests. They are convinced that these profound mistakes must be acknowledged, and the acknowledgement translated into clarifying action, before the US Government and the American people can once again think constructively and sensibly about foreign policy and the American role in the world. They are absolutely convinced that further military efforts to "win" in Southeast Asia can only increase our national frustration and delay the inevitable reappraisal and adjustment of our general position. Delay has already constricted responsible choice; more of it will imperil American leadership elsewhere in the world and could destroy our society at home.

Two weeks ago, such judgments seemed entirely academic. And they are still no match for the President's power of initiative, his control of the war machine, his capacity to manipulate information and events under the inherently fluid and confusing conditions of the war. But public opposition is stirring again. The contradictions of the President's policy are too glaring to conceal.

You cannot fool all of the people all of the time.

Mr. BADILLO. Mr. Speaker, will the gentlewoman yield?

Mrs. ABZUG. I yield to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Speaker, I want to commend my good friend and colleague, the gentlewoman from New York (Mrs. ABZUG), for taking this time today to again focus on the war in Southeast Asia. I know there are those who feel there is nothing new to be said about the war. There are even those who feel it is no longer an issue. And I would say to all of them: You are dead wrong. We should be talking about this war every day and we should be reasserting the responsibility of Congress to shape our foreign and military policy by bringing the war to an end—now.

Can anyone say the war is no longer an issue, when Americans continue to fight and die, not for our own national interests, but to keep in power a repressive regime in Saigon; when billions of dollars continue down the rathole of Indochina while our cities become further mired in decay and blight; when an administration which came into office with a pledge to square with the American people over the war, blatantly refuses even to tell the people or the Congress what it is spending on the war.

I would point out to my colleagues that in his interview Monday evening with ABC Commentator Howard K. Smith, President Nixon would not characterize the war in Vietnam as either a victory or a defeat for the United States. In my opinion, this war has been and will continue to be a tragic defeat for this Nation—a defeat for our constitutional system of checks and balances between branches of the Government; a defeat for our traditional principle of committing this Nation to war only when our own national interests are at stake; a defeat for our urgent national priorities for better schools, housing, and health for all Americans; a defeat for the poor and the black and the young, whose aspirations have been crushed by the misallocation of resources; and yes, a defeat for the people of Vietnam itself, who have suffered death and injury not only at the hands of those we call their enemies, but at the hands of us—their so-called defenders. Twenty-five thousand Vietnamese civilians dead and another 100,000 injured last year alone is scarcely the hallmark of a mission of mercy, and I just do not see how it can be called winding down the war.

I think it is clear that the President holds the same dream of a military victory that proved the undoing of his predecessor. I think it is clear that he has given up all hope of a negotiated settlement. I think it is clear that only the style of our warfare has changed; not its substance and not its goal.

I think it is clear that Congress must act to end this war—now.

And it is certainly clear that all of us here in the Congress have a responsibility to keep calling the attention of the Members to the urgent need to act now, and for that I again commend my colleague from New York.

Mrs. ABZUG. I thank the gentleman.

Mr. ANDERSON of Tennessee. Mr. Speaker, will the gentlewoman yield?

Mrs. ABZUG. I yield to the gentleman from Tennessee (Mr. ANDERSON).

Mr. ANDERSON of Tennessee. I wish to commend the gentlewoman for a most excellent statement, which has brought forth the many, many elements related to the war and our hopes for its earliest possible end.

The gentlewoman's statement is excellent, and I think it is one that should receive wide attention and distribution.

The distinguished gentlewoman spoke of the President saying that some people apparently wanted what he called instant peace. I do not think anyone thinks there can be instant peace, but would the gentlelady not agree that at the rate the President is going we are getting out of Vietnam probably at a slower pace than would be possible if we were withdrawing by way of Hannibal's elephants?

Mrs. ABZUG. Mr. Speaker, I thank the gentleman from Tennessee.

Mr. DELLUMS. Mr. Speaker, will the gentlewoman yield?

Mrs. ABZUG. I yield to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Speaker, I consider it a privilege to join the gentlewoman from New York in the special order on Indochina.

I came to Congress very seriously committed to the notion that our involvement in Indochina is the No. 1 priority that confronts the 92d Congress. I consider our involvement in Indochina illegal, immoral, and insane. We are in a war which is the greatest human and economic drain on American resources in modern times—a war disproportionately waged on the backs of blacks and browns and reds and yellows and poor and working class whites, a war resulting in an untold number of deaths of the Vietnamese people, a war that is justified only by the notion that we, as a nation, must save face.

I would suggest the only way this Nation can save face with respect to our involvement in Indochina is to stand up and admit to the world we made a tragic mistake in Southeast Asia and then to get out of Vietnam.

The problems of Vietnam can be solved by the Vietnamese people. It is rather presumptuous on the part of this country to assume that we can assert our way of life and our attitudes and our philosophy over other people.

We in this Congress must be willing to respond to the will of the people. The substantial majority of people in this country are tired of war and death and destruction and militarism which has characterized this Nation's involvement in Indochina.

If the administration which is presently assuming what is ostensibly called leadership in this country does not fix a date for American withdrawal from Indochina, then we, as a Congress—the body of government that is often referred to as the people's branch of government—must fix a date to end the madness. We must become leaders for peace.

Any of us who believe that peace can be achieved without this Nation assuming some bold and courageous steps in order to achieve it are living in a never-never land. Bold steps must be taken for this country to regain much-needed credibility as a nation concerned about peace and humanity.

Step No. 1 is for America to get out of South Vietnam. If 434 of my fellow colleagues agreed with me, I would say there should be immediate, total, absolute, unilateral withdrawal from Indochina, but I recognize the realities. I recognize that we often put political issues before human life. Perhaps then on that basis we, as people, in Congress can come together at least to end this madness and this insanity by the end of this year.

The second bold step is to end the draft. Millions of people in the country are no longer willing to engage in such folly and be cannon fodder, and go across the water to spill their blood on foreign soil in a cause many of them do not even understand.

As a third step, let us make some drastic cuts in our military appropriations. Let us stop this national chauvinism, the Pentagon chess games that allow underdeveloped nations to act as pawns with human life hanging in the balance. I would submit, Mr. Speaker, that if this Nation, in fact, needs a weapon in the world, then let that weapon be this Nation's ability to make democracy a reality for all human beings.

Then we will not have to export it at the end of a bayonet or at the end of a bomb blast or napalm, because if democracy works, and it is good, it will be imported by other people without the absurdity of violence, death, and destruction.

The way we are going to make democracy a reality is to strike a blow against racism, discrimination, prejudice, poverty, hunger, and disease.

Let us take those previously committed funds for the military and start dealing with human questions, with the quality of life in this country. Let us help the underdeveloped nations in the world. I am not an isolationist, but I believe we should not hand money to them with one hand and tie it up politically, militarily, and diplomatically with the other.

Next, let us say to the administration, "We want to have the strategic arms limitation talks move off dead center." In order to do that let us say to the President and the leadership in this country that we want to stop the absurdity and the deployment of the ABM and the insanity of what I call perhaps the most heinous weapon ever devised by man, the MIRV system.

Next let us admit, gentlemen we have to either create or strengthen a mechanism in the world that allows us to solve international disputes short of the absurdity and insanity of war. War by its very nature is a psychotic state. Where else can you send young people to kill or to be killed in a cause they do not even understand?

We can take 9-year-old children on the elementary school playgrounds and tell them to stop fighting, and then 10 years later give them an M–16 and tell

them to go kill. That is the height of hypocrisy, folly, and contradiction.

Maybe if we can tell the young people in this country today to stop violence and stop fighting, we ought to call upon the young people of this country today to tell us old folks to stop the insanity of killing and the absurdity of war. Because war, reduced to its fundamentals, is pain, stench, sorrow, suffering, and death—nothing more, nothing less.

Let us assume our responsibilities as Representatives of the people in this branch of Government to respond to the will of the people who are saying, "End our involvement in Indochina." Let us end our adventurism, our involvement in a covert attempt to replace the French in Indochina. Let us prepare this Nation to receive peace without a heavy reliance in our economic system on militarism and destruction, and let us start dealing with the quality of life of human beings in this country.

Let us get on with dealing with the problems of racism and poverty and hunger and inadequate education, the problems of sex discrimination, the problems of destroying our environment, and all the other crippling problems which confront us as human beings.

And let us stop the emptiness, gentlemen, of merely giving speeches on the floor of Congress and come together as people to deal with the human questions in this country.

I realize that this colloquy was made very late, but it is rather tragic we have to talk about one of the greatest problems in this world with a handful of Congressmen on the floor and maybe a few more people in the gallery, when human life hangs in the balance and desperately needed programs go unfunded in this country.

Gentlemen, destiny is in our hands. Let us seize the time and use the power to end our involvement in Indochina and to end the military mentality of this country and get on with achieving the quality of life for blacks, browns, reds, yellows, and whites in this country.

Thank you.

Mrs. ABZUG. I thank the gentleman.

Mr. DRINAN. Mr. Speaker, will the gentlewoman yield?

Mrs. ABZUG. I yield to the gentleman from Massachusetts, Congressman DRINAN.

Mr. DRINAN. I wish to commend the Congresswoman from New York for her leadership in this matter and to note that there are troublesome days ahead as we seek to evaluate the precipitate withdrawal from Laos. It has certainly been a depressing and distressing thing to be a freshman Congressman and to have during the first 8 weeks of your tenure the President of the United States invade another neutral nation without any authorization or justification from this Congress.

There is no way to evaluate the claims of the administration that Laos has been useful. All I know is that a new credibility gap has arisen because, contrary to predictions and expectations, the United States has now withdrawn from Laos prior to the rains and the monsoons.

Independently, however, of what you may evaluate or however you may judge what we are told or what we are not told, the fact of the matter is that this invasion was done in total violation of at least two of the rules of war—those rules which incorporate the basic commitment that all of humanity has to the civilized waging of warfare.

I commend to all an article in the Foreign Affairs magazine for April 1971 entitled "Laos: The Anatomy of the American Involvement" by Roland A. Paul, who is counsel to a subcommittee of the Senate Foreign Relations Committee.

This tragic land has now been further decimated by activity which is justified by the Department of State. It is indeed once again discouraging to be a freshman Congressman and have the Secretary of State at the very height of the Laotian invasion testify before the Senate Foreign Relations Committee on March 5, 1971, saying that this administration will not ratify the 1925 Geneva protocol banning all biological and chemical warfare. This administration will accept that protocol only with the understanding that the United States can continue and will feel free to use tear gas and chemical herbicides. Both of these, I assume, have been used in Laos.

We can assume that, contrary to the rules of war of all civilized humanity, we continue to indulge in crop destruction and defoliation. Secretary Rogers admitted what is known by all, namely, that this protocol has long been accepted by every major nation on earth. Secretary Rogers' testimony was followed up and confirmed by State Department officials who have not yielded and will not yield from the position of this administration.

It is more than a little disturbing to note that in 1969 the General Assembly of the United Nations in an 80 to 3 vote adopted a resolution stating that the use of all chemicals, including tear gas and herbicides, would be in fact contrary to the 1925 Geneva protocol. The United States was one of the three nations out of 83 nations voting that dissented from the overwhelming sense of all of humanity that all chemical and all biological warfare, including tear gas and herbicides, should be banned by civilized nations. The only motivation for the United States so to act in 1969 was, of course, the continued use by the United States of tear gas and herbicides in the war in Vietnam. We can assume that that illegal conduct has been continued in the invasion of Laos. The continued use of tear gas chemicals is justified by this administration in a statement to the effect that "the employment of this type of weapon is more humane than napalm." It is, however, difficult to justify the use of any form of tear gas, any form of herbicides, or napalm in view of the Geneva protocol's prohibition against the use of "asphyxiating, poisonous, or other gases and analogous liquids, materials, or devices."

In view of the broad and sweeping language of the Geneva protocol it is not surprising that the Federation of American Scientists criticized the Nixon administration's interpretation of the Geneva protocol as "highly questionable legally, absurd politically, repugnant morally, and foolish strategically."

I would like to state as vigorously and forcefully as I can that I feel that the continued refusal of the United States to accept the 1925 Geneva protocol because of its insistence in using these chemicals in the Vietnam war is, in my judgment and in the words of the Federation of American Scientists, "repugnant morally."

The position of the administration constitutes a clear admission that the United States continues to prosecute the war in Southeast Asia by the use of certain forms of biological and chemical warfare which have been outlawed by every major nation except America and condemned overwhelmingly by the United Nations.

I would therefore ask that the Nixon administration alter its position on these weapons of war and proclaim to this Nation and to the world that the United States will henceforth comply with the minimum standards for civilized humanity set forth in the 1925 Geneva protocol.

Mrs. ABZUG. I thank the distinguished gentleman for his contribution.

Mr. DOW. Mr. Speaker, will the distinguished gentlewoman yield?

Mrs. ABZUG. I yield to the distinguished gentleman from New York (Mr. Dow).

Mr. DOW. Mr. Speaker, I want to commend all of the speakers this afternoon on this special order about the war on Southeast Asia and especially the distinguished gentlewoman from New York, because they are not accepting the conclusion that the Vietnam conflict is winding down and that it is just a routine affair now and one to be ignored. We cannot go on to any other project until this problem in Southeast Asia is resolved.

Mr. Speaker, on March 1, I sent my constitutents a letter; in that letter I said:

> The recent foray that we have engineered of sending Saigon soldiers to cut the Ho Chi Minh Trail in Laos is building up to a crisis that may soon be a major turning point.

The unwisdom of sending a small contingent of 16,000 Saigon troops into the position most vital to the North Vietnamese, is another example of the mistakes that our civil and military leaders have been making regularly for years. Anyone can see that if our marines could not hold the base at Khesanh, it is reckless to send a small number of Saigon troops into an enemy nest miles beyond Khesanh.

My letter stated:

> All of this promises to be a setback to the Laos expedition and the United States backup efforts. It may shortly present the administration and the Nation with the hard decision whether to expand the war even further or to accept the setback. I predict much trouble in this situation shortly.

And, so, following up on those words of 3 weeks ago, I would like to say that critics of this sorry expedition, which has exacerbated the war and pretty well discredited the program of vietnamization, now face a serious dilemma. If we criticize the operation, then the pride of our military and civil leaders is publicly challenged and they could be moved to

escalate the war. There are dangerous signs that they might do this, and such a sign is the recent bombing of North Vietnam on a heavy scale. If, on the other hand, we do not criticize the incursion into Laos, then we acquiesce in what is obivously another link in the long chain of unwisdom that has drawn our ship of state into dangerous waters.

I do not know which of the dilemma's horns we should seize. I do know that the last incursion was a gross mistake. I mourn the courageous helicopter pilots who were the victims.

How long must this cruel routine continue? How long must American blood be spilled on ground that is alien to us, and will always be alien? How long must our country stand this extravagance while our poor suffer from high prices, our families from high taxes, and our elderly from downright poverty?

Mrs. ABZUG. Thank you, Congressman Dow.

GENERAL LEAVE

Mrs. ABZUG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the object of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

MONTHLY BRIEFINGS ON ECONOMIC INDICATORS CANCELED BY LABOR DEPARTMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SISK) is recognized for 5 minutes.

Mr. SISK. Mr. Speaker, I am shocked and appalled to learn of the cancellation of the regular monthly briefings of the Labor Department on economic indicators.

The Bureau of Labor Statistics of the Department regularly provided us with valuable tools for assessing the state of our economy. Reported immediately in the press, on radio, and television, and knowing what past figures indicated, we could at a glance tell whether we were progressing, standing still, or regressing.

This impartial assessment is necessary, Mr. Speaker, if we are to correct those imbalances which develop in every society as it evolves. These impartial assessments enable us to correct conditions before they become crises.

I deeply regret, although I am sure that is the intention of the administration in canceling the interpretation briefings, that media attention will now be diverted to official White House explanations of the statistics. I fear colorful interpretations of the sometimes stark forms of reality will be the rule and unpleasant facts will be hidden behind a smokescreen of wishful thinking, or become so exaggerated as to be unbelievable. Danger lies in both extremes for our democratic processes. Either erodes public confidence.

The self-serving statements of officials who want to sugarcoat the bitter pills of unemployment and economic repression will not go down well in the long run. This is fantasy which leads to self-defeat. In the process, however, the loss of public respect for public officials is not pleasant to contemplate.

We cannot pick up a newspaper these days, listen to a news broadcast without being aware of the tremendous gap between promise and fulfillment. The muzzling of officials who can impartially interpret economic indicators, in my mind, can only help widen the gap.

For 20 years now—during Republican and Democratic administration—we have had impartial interpretations of statistics. This action can only demonstrate that the administration does not have faith in its own predictions of the economy.

There is also the problem created for the administration itself in following this course. If spokesmen believe that what they say about a problem is more important than what they do about it, we are in for real trouble. I am afraid it suggests that we are in for a dramatic script written in Hollywood east, but which can hardly be likened to a blueprint for betterment.

Congress has pointed the direction to go. What we need is an incomes policy now, jobs now. Why should we wait until the election year of 1972? Voters eat in other than general election years.

We have proposed public works programs, legislation which will put people back on the payrolls immediately.

Mr. Speaker, this new step by the administration can only serve to obscure the real state of the Nation. Therefore, I have written to our colleague, Mr. HOLIFIELD, the chairman of the Government Operations Committee, requesting a full and complete investigation of the President's action. I urge my colleagues in the House to join me.

AUTHORIZING CONSTRUCTION OF BRIDGE ACROSS THE CHESAPEAKE AND DELAWARE CANAL AT ST. GEORGES, DEL.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware, (Mr. DUPONT) is recognized for 15 minutes.

Mr. DUPONT. Mr. Speaker, I introduce today, a bill to authorize construction by the Army Corps of Engineers of a new, six-lane bridge across the Chesapeake and Delaware Canal at St. Georges, Del. This bill, Mr. Speaker, is a companion bill to the one introduced by my distinguished colleagues from Delaware in the other body late last week. This particular crossing at St. Georges, Del. is the vital link between upstate and downstate Delaware. U.S. Route 13 is the only major artery which runs north and south through our State. Already, the bridge is overcrowded every day of the year. During the summer, the bridge carries as many as 30,000 cars per day. Many, many residents of Delaware, Pennsylvania, New Jersey, Maryland, and other States, use this bridge as the vital link to the Delaware shore area. Also, this bridge is the vital link between Wilmington, the largest city in our State and Dover, the State capital.

The bridge is under the control of the Army Corps of Engineers as a result of the purchase of the canal by the Federal Government in 1919. By this purchase, the United States also agreed "to keep good and sufficient bridges across the said canal, so as to prevent any inconvenience." The original bridge built was replaced on January 1, 1942, by the present structure. Obviously, Mr. Speaker, a bridge built on Delaware's most vital artery in 1942 is simply not sufficient to meet the traffic demands of today and of the future. The Delaware resort areas such as Rehoboth Beach and Lewes have boomed in the 1960's. Access roads both north and south of the bridge have been improved and the residents of many States are traveling via the bridge to the Delaware shore.

This bill has been precipitated by the announcement of the Army Corps of Engineers that it plans to close the bridge for a period of 9 months for repairs. Mr. Speaker, this is more than a major crisis for the people of the State of Delaware; It is a disaster. I have met with the Governor of the State of Delaware, the secretary of the department of highways and transportation, and the Army Corps of Engineers in order to see if the present repairs cannot be done so as to keep the traffic moving across the bridge. At this state, the Army Corps of Engineers says it has no alternative, but to close the bridge for the entire 9 months. This will result in hardships for the State of Delaware totally beyond comprehension. Up to 30,000 cars a day will have to be rerouted on two-lane, back roads not designed to carry interstate traffic in such volume. Any detour will be a substantial safety hazard for those who use it, as well as for the residents who live along the intended detour roads. I reminded the Army Corps of Engineers, Mr. Speaker, that they closed the bridge in 1964 to make repairs which would last "at least 12 years." Now, 7 years later, the Army Corps of Engineers tells us that the resurfacing done in 1964 was a failure and we need an entirely new roadbed. The Corps of Engineers tells us that the bridge cannot be partially closed, but rather must be fully closed for the entire 9 months. I certainly am not qualified to judge whether or not it is possible to resurface the bridge without closing it entirely. I have, therefore, asked the Governor of the State of Delaware and specifically his secretary of highways and transportation to provide for me their best information as to possible alternatives to a complete closing. A closing, Mr. Speaker, is a special hardship for the many persons who live in the area and use it daily to get to their jobs, their schools, or their post office. And even after the bridge is resurfaced, the citizens of Delaware as well as the interstate users of the bridge will, at best have an inadequate, unsafe, outdated, structure.

The Delaware Department of Highways and Transportation is presently doing a complete analysis of traffic patterns and flows north and south throughout Delaware, and especially along U.S. Route 113. There appears to be little or no doubt that these traffic projections will show the need for a new six-lane bridge in the very near future. Delaware is already planning so it can provide

access roads to the bridge. This bill, Mr. Speaker, is designed to start the Army Corps of Engineers planning so it can work with the State of Delaware in fulfilling its responsibility to the citizens of Delaware and surrounding States, who have come to realize that this crossing is truly a vital link through our State.

By introducing this bill today, Mr. Speaker, I certainly hope that we can pave the way for cooperation in the future so that both the State and the Federal Government work together on this project. It has been suggested that if we could get a new bridge across the canal at St. Georges in the next few years, maybe the present bridge could be patched temporarily until a new one could be built, and only then close the present structure for resurfacing. All of the experts to whom I have spoken have suggested this is not feasible since a new bridge is at least 10 years away even if Congress acted today. I would certainly hope this is not the case. But Congress, by authorizing the construction of this bridge during this session, can set the ball rolling and take a much needed first step in living up to its responsibility to the people of Delaware. Mr. Speaker, we may not win the fight to keep the bridge from closing for 9 months, but I firmly believe that by sound, farsighted planning, we can help to avoid a recurrence of this situation in the future.

MARYLAND HOUSE OF DELEGATES REJECTS ABORTION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 5 minutes.

Mr. HOGAN. Mr. Speaker, I have just received elating news regarding a legislative matter which has been of vital concern to me and to many other Marylanders. Although this involved legislation pending before the Maryland House of Delegates rather than this body, it concerned a matter which has nationwide implications and should be of concern to all Members.

The Maryland House of Delegates has today voted 77 to 59 to defeat the liberalized Maryland abortion bill, H.B. 100, which would have authorized abortion on demand. This rejection follows the Maryland Legislature's vote of last year to approve an abortion measure which was the most liberal in the Nation. You will recall that Gov. Marvin Mandel vetoed this measure last year.

Because of the seemingly great support for liberalizing the Maryland abortion law, I did not have great hope that this effort could be defeated. Nevertheless, because of my strong conviction that abortion is akin to murder, I testified before the committee holding hearings on this matter and further informed all Maryland legislators of my deep concern and opposition to abortion.

It is a source of deep personal pride and satisfaction to me that my own brother, Dr. William Hogan, an obstetrician-gynecologist of Montgomery County, Md., is entitled to a great deal of the credit for the defeat of this bill. He testified before the committee hearings on this legislation and showed color slides of the fetus at various stages of development which graphically illustrated that the developing infant was a human being whose life should not be snuffed out capriciously for the convenience of the mother. My brother worked very hard in convincing members of the house of delegates that this bill should be defeated. He also spoke before numerous organizations educating the public about the plainly evident humanity of the unborn child. I hope my colleagues will forgive my personal allusions to my brother, but I am bursting with pride over the magnificent victory which he and his allies have won. I am grateful that there are compassionate human beings such as my brother who will make such great personal sacrifices as he has done, to fight an issue such as this. I am grateful that he is my brother.

He believes strongly, as I do, that it cannot be right, nor should it be legal, to end one human life for the personal convenience of another human being. And we are talking about a human life, inasmuch as an unborn infant feels, turns, kicks, somersaults, swallows, swims, makes a fist and may even suck his thumb long before the mother is aware of life within her.

I could reiterate all the arguments against this legislation, however, I will just recommend instead that you review my testimony which appeared on page E293 of the CONGRESSIONAL RECORD of January 29 and Dr. Hogan's testimony which appeared on page 2647 of the CONGRESSIONAL RECORD of February 11, 1971, if you desire additional information.

It is my intention to now redirect my concerns in this matter to the actions of the Department of Defense which allows abortions for members and dependents of members of the military service. I urge all Members to examine the Department's endeavors in this direction closely, as well as the authority under which they are performing abortions.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. Because of our advances in medical technology, the United States has one of the lowest infant mortality rates in the world. In 1969, the United States recorded 20.8 deaths of infants under 1 year of age per 1,000 live births. This compares to a rate of 65.7 for Mexico, 61.9 for Peru, and 26.4 for the Soviet Union.

ANOTHER TEXTILE FIRM CLOSES DUE TO FOREIGN IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MIZELL) is recognized for 5 minutes.

Mr. MIZELL. Mr. Speaker, I rise at this time to call my distinguished colleagues' attention to yet another example of the tragedy that has befallen the American textile industry as a result of the uncontrolled influx of foreign textile imports to this country.

In the February 22, 1971, edition of the Southern Textile News, there appears a story telling of further evidence that foreign imports are forcing domestic textile mills to shut down completely in many instances such as this one.

The case in point here is the Maxon Shirt Co. in Greenville, S.C., where 500 workers will be turned out in the streets before the first of June, with the closing of the business.

The article is self-explanatory. I urge my colleagues, while reading this article carefully, to consider their positions on the textile import issue. I believe they will find that, in light of events in recent days, the only recourse left open to us if we are to save our domestic textile industry is to support my legislation calling for a system of quotas on textile imports in this country.

I ask permission at this time to have the article reprinted in the RECORD of today.

MAXON-SHIRT TO BE CLOSED

GREENVILLE, S.C.—Maxon-Shirt Co. will cease operations here by the end of May, it was announced by Oxford Industries, Inc., which has owned the Greenville firm since 1962. About 500 employees will be affected.

John Owens, executive vice president of Atlanta based Oxford, blamed mounting losses in recent years due to foreign import competition as the reason for the shutdown.

He said relief hoped for from Congress to stem the tide of imports through legislative quotas which failed to materialize forced Maxon to "abandon" its business.

Max M. Miller of Greenville, who founded the company in 1948, said the closing "should point out to Washington that they are going to have to do something about the textile situation."

He said that when he left Maxon three years ago he "didn't foresee this would happen."

Owens said that production operations of the plant on North Pleasantburg Drive, which manufactures children's wear, will cease by the end of April. The warehouse and merchandising offices will remain open through May to provide customer services, he said. The company has a distribution center on Woodruff Road.

An employment service center will be established to assist the employees in obtaining jobs with other companies in the area.

Charles A. Gibson, president of the Greater Greenville Chamber of Commerce, said, "I don't think they (employes) will have a world of trouble" finding other similar work.

"I imagine they will be placed all right although they cannot be absorbed overnight. The chamber will work with the owners to get employes properly placed."

Commenting on the closing, Owens said, "The massive influx of foreign made boys' wear manufactured in countries with wages far below those of the United States has generated price pressures that we cannot meet.

"In spite of mounting losses during the past few years, we held the line, hoping that Congress would enact import quota legislation allowing an orderly sharing of our market with our foreign competition.

"As you know, we did not get this legislation. Our inescapable conclusion is that we must abandon our Maxon Shirt Co.—Carnegie Boys' Wear business."

DISORDERED ECONOMIC POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. BOGGS), is recognized for 10 minutes.

Mr. BOGGS. Mr. Speaker, in recent weeks the administration has given regular, rosy forecasts about the condition of the economy for the next 18 months.

The administration's Budget and Economic reports predict a gross national product of $1,065 billion for 1971, a rise of 9 percent in a single year. Democrats have consistently maintained that this is an unrealistic projection, especially in the absence of any affirmative steps to stimulate the economy.

If the economy falls short of these estimates, the fiscal deficit in 1972 will rise by $6 billion to about $19 billion.

Even worse, the administration's goal still falls short of the legislated aims of the Employment Act of 1946. For the administration's projection is premised on a rate of inflation of at least 4½ percent and a level of unemployment of 5 percent. In other words, even if we reach the goal of a GNP of $1,065—which many consider improbable—we will be further from our aims of full employment and price stability than we were 2 years ago when this administration took office.

This was the topic of an editorial in this morning's New York Times. I am inserting it in the RECORD and calling it to the attention of my colleagues:

DISORDERED ECONOMIC POLICY

The decline in industrial production last month and the slowdown of gains in income and construction make it increasingly improbable that the Nixon Administration will see its forecast of a $1,065-billion Gross National Product realized this year.

It is still unclear what the Administration was up to in producing a forecast regarded as so badly out of line by virtually the entire economics fraternity. Was it anticipating a magic resurgence of consumer and business spending? Or was it handing an assignment to the Federal Reserve to reduce unemployment more quickly through monetary devices?

All the evidence points to the latter explanation. Yet there is no reason to believe that the Fed is going to feed money to the system significantly faster than the 5 to 6 per cent rate of the past twelve months. The Council of Economic Advisers strongly suggests that this is not stimulative enough, although the Office of Management and Budget seems to think that a 6 per cent rate of growth in the money supply is just about right.

Meanwhile, Federal Reserve Chairman Burns continues to lecture the Administration about the need for a stronger incomes policy. The C.E.A., in the person of Herbert Stein, says, "Without any grand announcement, we have now taken on a large number of the ingredients of what is loosely called incomes policy." But many states defy or ignore the President's call for suspension of their support of construction industry wages.

Evidently, the picture of economic policy-making within the Administration is one of disarray. The Administration uses the Federal Reserve as a whipping boy, while doing little itself to realize the $1,065-billion target cum-forecast that it insists is essential to a reasonably prompt return to full employment. Although the unemployment rate has come down a bit in the past two months, a decline in the labor force is the main reason. Long-term joblessness has continued to rise.

With more stimulus clearly needed, Congress has done the Administration—and the economy—a good turn by raising Social Security benefits 10 per cent, retroactive to the start of this year, while postponing until next year the increase in the amount of income subject to payroll tax. But additional fiscal stimulus is still required if the Administration is to come closer to its goals. Expenditures should be increased for social programs, especially those that would help create jobs for the unemployed.

While moving to a more stimulative fiscal policy, the Administration also needs an incomes policy to tamp down inflation. A wage-price board administering an over-all advisory program designed to gain widespread business, labor and public acceptance of non-inflationary behavior would help repair a critical lack in policy.

A firmer incomes approach, coupled with flexible fiscal and monetary policies, will be essential to deal with what the Administration earlier called "the re-entry problem"—the problem that the economy will meet when it moves closer to full employment with increased danger of a heating up of inflation. The difficult maneuvers necessary to get the economy back to price stability and full employment can scarcely be carried out without stronger Presidential leadership and better integrated policy.

A GUARANTEED ADEQUATE INCOME FOR EVERY AMERICAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 15 minutes.

Mr. RANGEL. Mr. Speaker, today I am introducing legislation to assure a guaranteed adequate income for every American.

I am recommending that the present welfare system be replaced by a guaranteed adequate income system and that any welfare reform which fails to establish a time table for reaching income adequacy be opposed. A guaranteed adequate income system must assure a minimum of $6,500 a year for a family of four from this new plan, wages or both.

I am proposing a $6,500 minimum for the following reasons:

A. The minimum a family of four needs is $6,500 to live at a minimum standard of health and decency. This figure is based on studies conducted by the Bureau of Labor Statistics that show what a family of four actually spends to get by at a low standard of living.

B. Studies conducted by the Department of Agriculture show that lesser amounts including the so-called poverty level are totally adequate as a measure of what people need to live.

C. Jobs available to people without high school and extensive technical education do not provide an income sufficient to meet people's needs, and this income must be supplemented.

D. This country has the resources available to provide this minimum level of health and decency to all Americans. A guaranteed adequate income would initially cost only five percent of the gross national product. By putting substantial amounts in the hands of poor people the country would assure itself of considerable economic growth because poor people will pour their income right back into the economy.

A recent Gallup poll reports that the American public believes the smallest amount a family of four needs to make ends meet is $126 a week. Earnings of $126 a week is $6,5524 a year.

The bill represents the structure and procedures recommended by the National Welfare Rights Organization. This group, with 800 affiliates in 50 States, is an organization of welfare receipients and other poor people. The group speaks for those who know first hand the deficiencies and frustrations of the present systems. The time has come for America to solve the welfare crisis and that time is now.

FEDERAL SUPPORT FOR THE FEDERAL PRIVACY ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the list of sponsors of H.R. 854, a bill which would protect the right of privacy for our citizens, has now reached 74. Editorials are appearing across the country in support of my bill pointing out the need for it.

H.R. 854 would act as a check, to a large degree self-executing, on Government recordkeeping. Under this bill, each agency maintaining records concerning any individual would have to, first, notify the individual that such a record exists; second, notify the individual of all transfers of such information; third, disclose information from such records only with the consent of the individual or when legally required; fourth, maintain a record of all persons inspecting such records; fifth, permit the individual to inspect his records, make copies of them, and supplement them.

The bill provides exceptions in cases of national security and investigation for purposes of criminal prosecutions, as well as safeguards for informants. Initially it would cause some inconvenience to Government officials, but the benefits of creating a system of protection are eminently worth this cost.

I am appending two editorials for the consideration of our colleagues:

WCBS-TV EDITORIAL

Subject: THESE ARE YOUR LIVES.
Spokesman: Sherrye Henry.
Broadcast: March 10, 1971, 6:55 P.M.

Do you remember the good old days when "This is Your Life" referred only to a television show—and when cool secret agents spied only on the enemy?

Well, that's all changing now. The man behind the dark glasses, pretending to read his newspaper, perhaps is watching you. And "This is Your Life" can now refer to files in the Defense Department on some 25 million people in the country. 25 million people! Our total population is about 200 million. About 60 million are under 14—and hopefully the Army is not yet after the children. That means that one out of every six adults has been checked on and computerized.

And those are just the files in the Defense Department. If you are not recorded there, don't feel left out. You may appear in the files of the FBI, the CIA, the Passport Office, the Justice Department, the State Department, the Treasury, the Department of HEW, or, perhaps, all of the above.

And if you don't make it on a national level, there is always the chance that you are important enough at home to be included in the files of New York City's Bureau of Special Services, a division of the Police

Department, which has carded about a million local residents and organizations.

With so many citizens at home to check on, when do we get around to spying on our enemies? Well, though the situation is outrageous, it is really is no laughing matter. This country was founded on constitutional guarantees of free speech and privacy, without fear of government retaliation, and those guarantees are now in serious danger if present surveillance practices are not controlled.

Congressman Edward Koch, Democrat of Manhattan, has introduced legislation to act as a check on government record keeping and to protect an individual's right to privacy. His bill will require any government agency keeping records to notify individuals when such a record exists—and permit the individual to inspect his own records if he chooses. The Koch bill makes exceptions for cases involving national security and investigations for prosecution.

Since the Defense Department is currently adding some two and a half million people a years to its files, Congress needs to pass the legislation quickly. Otherwise everyone in the country will show up in one government file or another. If that happens our secret agents may have to go back to spying on our enemies.

[From the St. Louis (Mo.) Post-Dispatch, Mar. 17, 1971]

OPENING THE DOSSIERS

A Senate subcommittee's investigation of governmental spying on citizens raises the question of how to discourage such activity. Certainly the Executive branch shows little disposition to stop it, or even discuss it frankly.

Secretary Richardson warned the committee that agencies outside government are more and more using Social Security numbers to identify persons, but as for government itself, the Health, Education and Welfare Secretary said it needed more and not less information. The Pentagon used the flimsy excuse that it was investigating Army spying and hence could not let three intelligence generals testify.

One partial answer to federal espionage at home is a bill proposed to the House and the Senate committee by Representative Koch of New York. Under this bill, any federal agency keeping records on individuals would have to tell the individual there was such a record, and let him inspect the record. Mr. Koch thinks some intelligence activity, such as Army surveillance of civilian political activity, ought to be prohibited outright. We agree. But if government is going to keep records on its people, the people have a right to know about them.

That alone should have a cautionary effect on the way federal agencies perform. Such secrecy as exists now is an invitation to roughshod invasion of individual rights.

PARACHUTE DROP ON POLAR ICE CAP

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Speaker, on March 4, 1971, the officers and men of Company O, 75th Infantry Airborne Arctic Rangers, led by Gen. "Jim" Hollingsworth, parachuted from C–130 aircraft, in temperatures reading minus 37° F., to the polar ice cap.

These men were participating in a 5-day exercise named "Ace Band Polar Cap," the object of which was to simulate a rescue mission for a downed commercial jetliner over the pole.

This extraordinary exercise, perfectly planned and executed jointly by the U.S. Army, Alaska, Alaska Air Command, the fleet weather facility, Kodiak, and the 11th Weather Squadron, Elmendorf AFB, Alaska, deserves the highest commendation.

I offer a résumé of the exercise for the enlightenment of all.

PARACHUTE DROP ON POLAR ICE CAP

MARCH 1–5, 1971.

1. Purpose: The purpose of this fact sheet is to provide an immediate resume on the background, planning and execution of the Joint Exercise ACE BAND POLAR CAP which was a parachute drop on the Polar Ice Cap by the Arctic Ranger Company (Co O, 75th Infantry), simulating a rescue mission for a downed commercial jetliner.

2. Participating Forces: Participating forces consisted of US Army, Alaska (USARAL), Alaska Air Command, (AAC), the Fleet Weather Facility, Kodiak, and the 11th Weather Squadron, Elmendorf AFB, Alaska.

3. Discussion: United States Army, Alaska achieved a significant first for the command and for the United States Army through the completion of a highly successful training exercise conducted on the northern Polar Ice Cap. The innovative joint exercise, nicknamed ACE BAND POLAR CAP, had as a primary objective—the perfection of procedures and techniques that would be required in a rescue/recovery effort in the event of an emergency occurring along the transpolar airline routes used daily by flights between Alaska and Europe. The primary participants were the 123 officers and men of the Airborne Arctic Rangers (Co O, 75th Infantry) who were paradropped on the Polar Ice Cap 100 miles north of Point Barrow, Alaska, from three United States Air Force Alaska Air Command C–130 aircraft. Additional C–130's made drops of supplies and equipment necessary to sustain the unit overnight, plus a three day emergency supply in case of severe weather which might preclude extraction. The mass paradrop was conducted on 4 March 1971 without injury or incident and all training objectives, to include simulated search, recovery, first aid, and casualty evacuation procedures were attained. The USARAL coordinated exercise was conducted in subzero temperatures that reached a low of minus 62 degrees Fahrenheit with an equivalent wind chill factor of minus 92 degrees.

On 4 March 1971, the day of the jump, the temperature was a minus 36 degrees with a wind chill factor of minus 65 degrees.

The exercise was conducted in four phases. Initially, prepositioning of fuel and movement of an advance party by C–130 aircraft to Point Barrow was accomplished. On the afternoon of 1 March, one HH–3 with a C–130 providing navigational assistance flew to the intended area of operations and selected a drop zone on the Polar Ice Cap, 100 miles north of Point Barrow. On 2 March 1971 the exercise was delayed 24 hours, due to the extreme low temperatures which caused maintenance problems with the four Air Force HH–3 primary support helicopters rendering them unflyable for the remainder of the exercise. Additional Army CH–47 helicopters, initially planned as a back-up for the HH–3's, were immediately dispatched to Point Barrow to become the primary rotary wing support.

Phase Two commenced on 3 March 1971 when sufficient Army CH–47's were available at Point Barrow to insert a Drop Zone preparation team and mobile navigational aids. Three CH–47's made the 200 mile round trip without maintenance problems or incidents. The Drop Zone party spent the night on the ice providing continuous weather observations and communication checks with Point Barrow, Fort Richardson, and Fort Wainwright.

Phase Three, jump day, began on 4 March 1971 with the members of the press and observers being briefed on the exercise and then being transported to the vicinity of the drop zone to watch the mass paradrop. The Commanding General, United States Army, Alaska and his party were transported by two UH–1D (HUEY) helicopters to the drop zone. The Ranger Company loaded on C–130 aircraft at Elmendorf Air Force Base and departed at 0830 local time for movement to the drop zone. The paradrop commenced at 1225 and was completed by 1300. Following the jump, as the Arctic Rangers busied themselves securing parachute equipment, establishing base camp, and simulating rescue and recovery, the Army aircraft transported the observers, press and rigging equipment and parachutes back to Point Barrow in the remaining daylight. Temperatures during the evening reached a low of a minus 37 degrees with winds of 12 knots gusting to 18 knots resulting in an equivalent wind chill factor of a minus 80 degrees.

Phase Four commenced on 5 March 1971 with the extraction of the first units at 0845. A total of ten missions were flown without problems or incidents. One Air Force HH–3 aircraft attempted to assist in the extraction effort; however, after picking up a small load, a maintenance problem developed and the aircraft returned to Point Barrow on one engine.

4. Results: The exercise was a complete success and all objectives were attained. No injuries or malfunctions as a result of the parachute drop occurred. All participating forces were able to assess procedures and equipment under real operational conditions in extreme Arctic weather conditions. US Army, Alaska is confident that, if a requirement is presented in the future, the US Army Arctic Ranger Company is fully prepared to move to the location of a jetliner crash and provide rescue and first aid until recovery can be made. Army aircraft have proven that they can withstand the extremes of temperature and could assist in operations on the Polar Ice Cap as they were 100% operational during the entire exercise.

THE VULNERABLE RUSSIANS

(Mr. DERWINSKI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DERWINSKI. Mr. Speaker, for the past 2 years there have been dozens of reviews given to the book "The Vulnerable Russians," authored by Dr. Lev E. Dobriansky of Georgetown University. It was my pleasure to provide the introduction to this work, which most reviewers feel has lasting worth for our understanding of the Soviet Union and its imperialistic Russian base.

Recently, another review of the book has appeared in excerpted form in several publications. Written by Vera A. Dowban, executive secretary of the National Captive Nations Committee, the review in its complete text makes for timely reading. As the reviewer begins, "Know Your Enemy could well be the subtitle of this timely work." Because of the essentially sensitive and realistic points brought out in this review, I submit it for publication in the RECORD in full:

THE VULNERABLE RUSSIANS

(By Lev E. Dobriansky)

Know Your Enemy could well be the subtitle of this timely work. For throughout, whether dealing on the national or international sphere, *The Vulnerable Russians* is a

constant and sober reflection on Soviet Russian imperio-colonialism.

The author loses no time in taking grips with reality. He cogently links the present with the past and his impervious confidence and authority unmasks Russia, the last colonial empire in a modern world, with alarming frankness, revealing not only her strength, weaknesses and vulnerabilities, but also her course of action.

For those with stunted viewpoints that foolishly insist that Russia and the Soviet Union are a single and like entity, Dr. Dobriansky introduces many, for the first time perhaps, to the captive non-Russian nations in the USSR. With expertise, he defeats completely the erroneous concepts of the Soviet Union as a "nation-state," a "monolith," a "polyglot society," the captive nations as "minority groups" in the USSR, "the Soviets," "Russian USSR," etc. He exposes Russia as the real threat to the United States and this country's national security. With marked precision, Dr. Dobriansky discloses Russia's stronghold on the USSR, her "theoretic humanism" toward the 123 million captive non-Russian peoples in the USSR, militarily conquered and forcibly incorporated into the empire. He discloses why our fear should not be the Red satellite states, with their cacophony of leaders, but rather Moscow, for should Moscow collapse her satrapies could not survive for long.

Much of *The Vulnerable Russians* is appropriately devoted to the captive nations, and their cultural, social, linguistic and religious differences are given broad exposure. It was Dr. Dobriansky who authored the Captive Nations Week Resolution passed by Congress in 1959. The resolution, now Public Law 86-90, calls upon the President to issue a proclamation each year during the third week in July and invites the people of the United States to observe the Week with suitable ceremonies and activities until such time as all nations once again enjoy freedom and independence. It is significant that these proclamations are issued so close to the date on which we celebrate our own Declaration of Independence, for each succeeding proclamation affords Americans an opportunity to rededicate themselves to the principles of this great declaration of humanism.

The resolution rocked Moscow, and the ramifications of it and the Captive Nations Week movement have been especially hostile on the part of the Kremlin rulers. When it was passed in 1959, with his typical rhetorical finesse, Khrushchev said, "This resolution stinks." Mikhail Suslov, chief Russian ideologist and Secretary of the Central Committee of the Soviet Communist Party, declaimed, "Especially disgusting is the villainous demagogy of the imperialist chieftains of the United States. Each year they organize the so-called captive nations week, hypocritically pretending to be defenders of nations that have escaped from their yoke." And, it is also interesting to note that Richard Nixon admitted that the Captive Nations Week Resolution was the major irritant throughout his 1959 tour of the Soviet Union. This particular resolution continues to remain a thorn in Moscow's side.

The concept of the captive nations of Eurasia is well established by the author. Proof not only of their captivity but also of Cuba, in our own Western Hemisphere, is documented in the annals of American history by annual proclamations by Governors of almost every state and mayors of major cities during Captive Nations Week. The movement has even expanded into many countries of Europe and Asia. The Republic of China, for example, yearly has one of the largest and most successful observances. It is little wonder, then, that the resolution has made such an impact on the Russians and yearly bores into their so-called domestic tranquility. It is further proof that for Moscow words such as "mir i druzba" (peace [or piece] and friendship), "peaceful coexistence," "bridges of understanding," "lessening of international tension," etc. are nothing more than Russian argot with which to expediently parade their political rectitude, and which serve only their advantage.

The entire book is one of historical contrast—a link between the present and the past—an allegorical characterization of the Russians' good faith. As Dr. Dobriansky rightfully points out, 'the whys' of history are as important as 'the whats' of man's experiences." In reviewing Russian history and expansionism from Tsar Ivan III down to the present, we could ask why? for what purpose? At the conclusion of the chapters on the erection of the Taras Shevchenko statue in Washington, D.C. the reader cannot but see why the statue of Ukraine's poet laureate and Europe's freedom fighter had the effect it did on Moscow. He could likewise conclude for himself why the *Washington Post* and other detrimental forces here tried to stymie the statue's very being in the capital of the United States. He could not but question the ineffectiveness of the Voice of America, our national and supposedly propaganda artery.

We have entered a new decade and with it, we have gone from an era of confrontation to an era of negotiation. How different it will be, only time will tell. Surely we cannot afford to be out of step with the times. But if history repeats itself and must be lived to be understood, you have to know what happened in the years gone by. And the history of Russian expansionism has, indeed, repeated itself.

What does Dr. Dobriansky think would help the mitigating problem? He feels that for the immediate future, at least, an outstanding service could be rendered our Nation and the Free World by the creation of a Freedom Commission for concentrated cold war education for which, he says, political and psychological import cannot be exaggerated. Another, a Special House Committee on the Captive Nations in the House of Representatives. H. Res. 211 was submitted in 1961 for the formation of such a committee, and although several hearings have been conducted in the House Rules Committee with solid arguments in favor of it and no opposition to it, nevertheless behind the scenes forces have been hard at work to defeat and stall the proposal. And, a first in this or any decade since U.S. recognition of the Soviet Union, he says, would be a full-scale review of U.S. policy toward the USSR. The consequences of this last point would have a twofold result. On the one hand, it would show whether the Russians really are sincere in their peace efforts and willing to relinquish their colonies, or whether they are the imperialists history has heretofore proven them to be. And, secondly, whether our policy-makers are truly interested in the cause of freedom and independence for nations now under the yoke of Russian communism, or just not willing or are afraid to dismember the last existing imperio-colonialist empire in a modern world.

Dr. Dobriansky enjoys the well deserved reputation of being one of our foremost experts on Russia and the Soviet Union, and his many publications in these areas read like a Russian anthology. *The Vulnerable Russians* is in itself a document which affords its readers the luxury to judge our present world situation honestly. The thick walls of suspicion and distrust stand in our midst, whether in our involvements in Europe, Asia, the Middle East, or on our own homefront with student demonstrations, strikes, race riots, etc. The United States is very much involved in the Cold War. But is it a fight of ideology, a fight for power, or a fight for long overdue justice for peoples and nations?

We, Americans, pride ourselves in being a thinking people. If we would only take the time to review Russian history, review the whims and prejudices which have determined the course of that history, we could not but see that its panoply of deceit has been very prosperous over the years. *The Vulnerable Russians* is very much the old story of cause and effect; it is an exposé of whom relates to what.

I HAVE NOTHING TO DO WITH JUSTICE

(Mrs. GREEN of Oregon asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. GREEN of Oregon. Mr. Speaker, the following article from the March 12, 1971, issue of Life magazine is by all odds one of the most frightening looks at the contemporary situation in the American judicial system I have come across. It seems to me sinister in its implications of the direction we are taking in criminal court proceedings, especially in the big cities.

While I do not think New York is necessarily representative of the actual state of things elsewhere—it is perhaps something of a microcosm of the worst ills of our society at large, and thus ripe for the type of hard-bitten, cynical reporting of the author, James Mills.

As repelled as I am by what Mr. Mills is telling us, I am nevertheless obliged to admit that it sometimes has the "ring of truth" which so often accompanies brilliant if unpleasant reporting.

The article follows:

BRILLIANT AND CYNICAL, A LEGAL AID LAWYER WINS FREEDOM FOR THOUSANDS OF MUGGERS, RAPISTS AND THIEVES

(By James Mills)

Martin Erdmann thinks he might be antisocial. When he was six he liked to sneak across his family's red-carpeted, spiral-staircased entrance hall to the potted palm, and spit in it. At Yankee Stadium, he rooted for the Red Sox. When he went to Dartmouth, he cheered for Yale. He didn't make a lot of friends. He says he doesn't need them. Today he's 57 years old, an unmarried millionaire lawyer, and he has defended more criminals than anyone else in the world. Because he is one of the five or 10 best defense lawyers in New York, he gets those criminals turned back into the streets months or years earlier than they had any right to hope for. His clients are not Mafia bosses or bank embezzlers or suburban executives who've shot their wives. He defends killers, burglars, rapists, robbers—the men people mean when they talk about crime in the streets. Martin Erdmann's clients *are* crime in the streets.

In 25 years, Martin Erdmann has defended more than 100,000 criminals. He has saved them tens of thousands of years in prison and in those years they have robbed, raped, burglarized and murdered tens upon tens of thousands of people. The idea of having had a very personal and direct hand in all that mayhem strikes him as boring and irrelevant. "I have nothing to do with justice," he says. "Justice is not even part of the equation. If you say I have no moral reaction to what I do, you are right."

And *he* is right. As right as our adversary judicial system, as right as jury trials, as right as the presumption of innocence and the Fifth Amendment. If there is a fault in Erdmann's eagerness to free defendants, it is not with Erdmann himself, but with the system. Criminal law to the defense lawyer does not mean equity or fairness or proper punishment or vengeance. It means getting

everything he can for his client. And in perhaps 98% of his cases, the clients *are* guilty. Justice is a luxury enjoyed by the district attorney. He alone is sworn "to see that justice is done." The defense lawyer does not bask in the grandeur of any such noble oath. He finds himself most often working for the guilty and for a judicial system based upon the sound but paradoxical principle that the guilty must be freed to protect the innocent.

And Erdmann does free them, as many as he possibly can. He works for the Legal Aid Society, a private organization with a city contract to represent the 179,000 indigent defendants who flood each year into New York City courtrooms. He heads the society's supreme court branch, has 55 lawyers working under him, makes $23,500 a year. Next to the millions left him by his father, a Wall Street bond broker, the money means nothing. Twenty-five years ago, until the accounting office told him he was messing up their books, he kept his paychecks stuffed in a desk drawer. In private practice he could have a six-figure income and, probably, the fame of Edward Bennett Williams, or F. Lee Bailey, or Percy Foreman. He is disgusted when people accuse him of dedication. "That's just plain nonsense. The one word that does *not* describe me is dedicated. I reserve that word for people who do something that requires sacrifice. I don't sacrifice anything. The only reason I'm any good is because I have an ego, I like to win."

Martin Erdmann does not look like a winner. He is slight, unimposing, with balding hair cut short every Monday on his way to work, custom-made suits that come out baggy anyway and a slightly stooped, forward-leaning walk that makes him look in motion like Groucho Marx. His face is lean, bony, taut-skinned, with thin lips and bulging eyes. He lives in a one-bedroom co-op on Manhattan's East Side, has no television and rarely answers his phone ("I learned that from my father—he could sit in a room for hours with a ringing phone"). He plays chess by postcard, buys Christmas presents from catalogues and seldom goes out except to work and eat. Defendants who ask him for loans, get them. He finances black student scholarships and is listed as a patron of New York City Center. His only self-indulgences are a 75-acre weekend Connecticut retreat and a one-month-a-year fishing trip, alone, to the Adirondacks. "I discovered a long time ago," he says, "that I am a very self-contained person."

Like most men who are alone without loneliness, Martin Erdmann is emotionally compact: self-centered, stubborn, at times perverse. He is also a failed idealist. "I had an English professor in college," he says, "who read an essay I wrote and told me, 'Martin, you are looking for better bread than is made of wheat.' I've never forgotten that."

Martin Erdmann gets up at 4:45, reads till 6:30, then subways three miles downtown to the Criminal Court Building. He moves through the dark, empty hallway to his office and unlocks the door. He is there at 7:30, two and a half hours before the courts open, and he is alone. In another 10 or 15 minutes Milton Adler will arrive, his boss, chief attorney in the criminal branch. Then, one or two at a time, come the phone operator and clerks, the other lawyers, the defendants on bail, mothers of men in jail, sick-looking junkies with vomit-stained shirts, frightened people who sit quietly on the seven wooden chairs along the wall, angry people mumbling viciously, insane people dressed in costumes with feathers in their hair.

Before the rush begins, Martin Erdmann sits at his desk in a side office and goes over the folders of the day's cases. Anthony Howard, a 21-year-old Negro, is accused of using a stick and knife to rob a man of his wallet. Howard's mother visits him in jail, brings clean clothes and takes out his laundry. She doesn't know that the greatest danger to her son is not the robbery charge but the man who sleeps above him in the eight-by-six-foot cell. Robert Phillips Howard's cellmate, escaped from a state mental hospital seven years ago, was recaptured, released, then arrested for the murder of a 22-year-old girl and an infant boy. After three more years in a mental hospital, he has been declared legally sane and is now awaiting trial for the murders. Erdmann looks over the file. "Prisoners who've been in mental hospitals," he says, "tell me they keep them there until they admit the charges against them. Then they mark them sane and send them down for pleading." He decides to give the Anthony Howard case to Alice Schlesinger, a young lawyer who can still believe her clients are innocent. She's good at what Erdmann calls "hand-holding," giving a defendant and his family more time than the case might need.

Milton Adler walks in and says something about a meeting he went to yesterday with DAs and judges to discuss ways of getting more prisoners out on bail. Erdmann listens and says nothing. What's left of his idealism, the wreckage, he defends against the day's events by affecting an air of playful cynicism. He smiles and laughs and pricks the pretty little bubbles of naiveté that rise around him from other lawyers. Listening to Adler, his face flashes now with the playful-cynic smile. "If they do reduce bail," he says, "it'll be the last they see of the defendants."

Alice Schlesinger appears in the doorway, a small young woman, about 30, with long black hair. She wants to know what she can do to pressure the DA to start the trial of a bailed defendant charged with robbery. "Can't we put the screws to them a little? My client is very nervous and upset. He wants to get the trial over with."

"Well," says Erdmann, "of course you can always make a motion to dismiss for lack of prosecution. Say your client is suffering great emotional stress at having this dreadfully unjust accusation hanging over his head."

"Don't *smile* like that," she says. "He *is* innocent, this time."

Erdmann gets rid of the smile. "Well, you know," he says, "maybe the DA is having a little trouble locating the complainant, and your defendant's on bail anyway, so why urge them to go right out and track him down? Because if they find the complainant and go to trial and if from some extremely unfortunate occurrence your client should be convicted, then he's going to jail and he'll be a lot worse off than just nervous."

She agrees reluctantly and leaves. Erdmann sits silently at his desk, staring into the piles of papers. Then he says, "She has a lot to learn. She'll learn. With some tears, but she'll learn."

Erdmann gathers up the folders and takes the elevator to a courtroom on the 13th floor. He sits in one of the soft upholstered chairs in the jury box and takes another look at the 30 folders of the day's cases: a forgery, robberies (mostly muggings), burglaries, drug sales, assault with a gun, arson, sodomy, an attempted murder. He arranges them on the shelf in front of the jury box and then sits back to await the DAs and the judge. He is alone in the courtroom, a dimly lighted, solemn place—meant to be imposing, it is only oppressive. Brown walls, brown tables, brown church-pew seats soak up what little light the low-watt overhead bulbs surrender.

A DA comes in and Erdmann asks him about a kidnapping case that's approaching trial. "The DA on that one's on trial on another case, Marty. He won't be finished for a month at least."

"Wonderful," Erdmann laughs, "I hope he stays on trial until the complainant's 30. Then it won't look so bad. She was 8 when it happened and she's already 11." The DA shakes his head and walks away. Two more DA's arrive and Erdmann talks to them, joking with them, making gentle fun of them, establishing his presence: twice their age, more experienced, more knowledgeable, more cunning. "There's no question that my reputation is much too high," he says. "It's been carefully cultivated. Myths are very important in this business."

The Judge enters: Mitchell Schweitzer, tall, thin, gray-haired, on the bench 26 years, 16 of them working closely with Erdmann. He flashes a look around the room, greeting private lawyers, Erdmann and the two assistant DAs.

The clerk calls a name: "Jose Santiago!"

Erdmann fumbles through his folders and pulls one out. "He's mine," he says. An assistant DA looks at the rows of folders on his table and picks one up. Erdmann and the DA walk slowly toward the judge's bench, pulling out papers as they go. Erdmann has, among other things, a copy of the complaint and a hand-written interview that another Legal Aid lawyer had earlier with the defendant. The DA has a synopsis of the grand jury testimony and a copy of the defendant's record. With these documents, in the next three or four minutes, while the defendant himself sits unaware in a detention pen beneath the courtroom, the judge, DA and Erdmann will determine the likelihood of guilt and the amount of time the man will serve.

Trials are obsolete. In New York City only one arrest in thousands ends in trial. The government no longer has time and money to afford the luxury of presuming innocence, nor the belief that the truest way of determining guilt is by jury trial. Today, in effect, the government says to each defendant, "If you will abandon your unsupportable claim of innocence, we will compensate you with a light sentence." The defendant says, "How light?"—and the DA, defense lawyer and judge are drawn together at the bench. The conference there is called "plea bargaining," and it proceeds as the playing of a game, with moves and countermoves, protocol, rules and ritual. Power is in the hands of the prisoners. For as increasing crime has pushed our judicial system to the crumbling edge of chaos and collapse, the defendant himself has emerged as the only man with a helping hand. The government needs guilty pleas to move the cases out of court, and the defendants are selling their guilty pleas for the only currency the government can offer—time. But no matter what sentence is finally agreed upon, the real outcome of this bargaining contest is never truly in doubt. The guilty always win. The innocent always lose.

To play the game well, a lawyer must be ruthless. He is working within, but *against* a system that has been battered to its knees. He must not hesitate to kick it when it's down, and to take every advantage of its weakness. No one is better at the game than Martin Erdmann.

Judge Schweitzer glances through the grand jury extract handed him by the DA, a young bespectacled man named Jack Litman. Then the judge looks up over his glasses. "What are you looking for, Marty?"

Erdmann isn't sure yet. His client is accused of robbing a man on the street after stabbing him in the face, neck, chest, stomach and back. The victim was held from behind by an accomplice. "They have a big identification problem," Erdmann says. He is looking at a copy of a police report. "The DD-5 says the complaining witness refused to look at pictures in the hospital the next day because he said he wouldn't be able to identify the assailants from photographs."

"Your honor," Litman says, "they put 65 stitches in him."

"Just a minute," says the judge, and proceeds to read quickly to Erdmann from the grand jury extract: "They fled into an apartment house, the cop asked the super if he'd

seen them, the super said they went into apartment 3–A, the cop went in, placed them under arrest and took them to the hospital where they were identified by the victim." He looks up. Erdmann has never heard the grand jury testimony before, and it hasn't exactly made his day. "So, you see, Marty, it's not such a bad case." He leans back. "I'll tell you what. A year with credit for time served." Santiago already has been in jail for 10 months. With time off for good behavior, that sentence will let him out today. Erdmann agrees. The DA nods and starts stuffing papers back into the folder. "Bring him up," he says.

Santiago's accomplice is brought in with him. Both men are 21, short and defiant-looking. The accomplice, Jesus Rodriguez, has his own lawyer, who now joins Erdmann in agreeing to the sentence. The lawyers explain the offer to the defendants. They tell them that the offer can be made only if they are in fact guilty. Neither the judge nor the DA nor the lawyers themselves would permit an innocent man to plead guilty. Santiago and Rodriguez look bewildered. They say they are innocent, they did nothing. Much mumbling and consternation at the counsel table. Then Schweitzer says, "Would you like a second call?"

"Yes, your honor," says Erdmann. "A second call." The defendants are lead out and downstairs to a detention pen. Erdmann looks at Santiago's interview sheet, a mimeographed form with blanks for name, age, address, education, employer and then at the bottom, space for his version of what happened. Santiego's statement begins, "I am not guilty, I did nothing wrong." He has never been arrested before. He says he and Rodriguez were asleep in their apartment when the police charged in and grabbed them. At his arraignment some weeks ago, he pleaded not guilty.

"Talk to them," Judge Schweitzer suggests. Erdmann and his co-counsel walk over to the door of the pen. A court officer opens it and they step from the court's dark, quiet brownness into a bright, noisy, butt-littered hallway. The door slams shut behind them. From somewhere below comes voices shouting, and the clang of cell doors closing. A guard yells, "On the gate!" and precedes them down a dark stairway to a barred steel door. An inside guard unlocks the door and they walk into a yellow, men's-room-tiled corridor with windows on the left and a large bench-lined cell on the right. Twenty men are in the cell, almost all of them dirty and bearded, some young and frightened sitting alone on the benches, others older, talking, standing, as at home here as on a Harlem street corner. Suddenly the voices stop and the prisoners, like animals expecting to be fed, turn their heads toward Erdmann and his co-counsel. Three other lawyers walk in, too, and in a moment the voices begin again—prisoners and lawyers arguing with each other, explaining, pleading, conning in the jailhouse jargon of pleas and sentences: "I can get you one and one running wild [two years consecutive]. . . . I know a guy got an E and a flat [a class E felony with a year]. . . . So you want a bullet [a year]? You'll take a bullet? . . ."

Erdmann walks to the far end of the cell and Santiago meets him at the bars. Erdmann puts his toe on a cross strip between the bars and balances Santiago's folder and papers on his knee. He takes out a Lucky Strike, lights it and inhales. Santiago watches, and then a sudden rush of words starts violently from his mouth. Erdmann silences him. "First let me find out what I have to know," he says calmly, "and then you can talk as much as you want." Santiago is standing next to a chest-high, steel-plate partition. On the other side of it: a toilet flushes. A few steps away, Rodriguez is talking through the bars to his lawyer.

"If you didn't do anything wrong," Erdmann says to Santiago, "then there's no point even discussing this. You'll go to trial."

Santiago nods desperately. "I ain't done nothing! I was asleep! I *never* been in trouble before." This is the first time since his initial interview seven months ago that he has had a chance to tell his story to a lawyer, and he is frantic to get it all out. Erdmann cannot stop the torrent, and now he does not try. "I never been arrested," Santiago shouts, "never been to jail, never been in *no* trouble, no trouble, *nothing*. We just asleep in the apartment and the police break in and grab us out of bed and take us, we ain't done nothing, I *never* been in trouble, I never saw this man before, and he says we did it. I don't even know what we did, and I been here 10 months, I don't see no lawyer or nothing, I ain't had a shower in two months, we locked up 24 hours a day, I got no shave, no hot food, I ain't *never* been like this before, I can't stand it, I'm going to kill myself, I got to get out. I ain't——

Now Erdmann interrupts, icily calm, speaking very slowly, foot on the cross strip, drawing on his cigarette. "Well, it's very simple. Either you're guilty or you're not. If you're guilty of anything you can take the plea and they'll give you a year, and under the circumstances that's a very good plea and you ought to take it. If you're *not* guilty, you have to go to trial."

"I'm not guilty." He says it fast, nodding, sure of that.

"Then you should go to trial. But the jury is going to hear that the cop followed you into the building, the super sent him to apartment 3–A, he arrested you there, and the man identified you in the hospital. If they find you guilty, you might get 15 years."

Santiago is unimpressed with all of that. "I'm innocent. I didn't do nothing. But I got to get out of here. I got to—"

"Well, if you did do anything and you are a little guilty, they'll give you time served and you'll walk."

That's more like it. "Today? I walk today?"

"If you are guilty of something and you take the plea."

"I'll take the plea. But I didn't do nothing."

"You can't take the plea unless you're guilty of something."

"I want the year. I'm innocent, but I'll take the year. I walk today if I take the year?"

The papers start to fall from Erdmann's knee and he grabs them and settles them back. "You walk if you take the plea, but no one's going to let you take the plea if you aren't guilty."

"But I didn't do nothing."

"Then you'll have to stay in and go to trial."

"When will that be?"

"In a couple of months. Maybe longer."

Santiago has a grip on the bars. "You mean if I'm guilty I get out today?"

"Yes." Someone is urinating on the other side of the partition.

"But if I'm innocent, I got to stay in?"

"That's right." The toilet flushes.

It's too much for Santiago. He lets go of the bars, takes a step back, shakes his head, turns around and comes quickly back to the bars. "But, man—"

Back upstairs at the bench, Erdmann says to Schweitzer, "He's got no record, your honor, and I've had no admission of guilt. You know I'm very careful with people who have no records—"

"And I am, too, Marty, you know that."

"He says he hasn't had a shower in two months, he's in a 24-hour-a-day lockup, and he wants to get out, and I don't blame him."

"Marty, I'm not taking a guilty plea just because he wants a shower."

"Of course not."

"Do you want me to talk to them?"

"I think it might be a good idea, your honor."

Santiago and Rodriguez are brought up again and led into a small jury room adjoining the courtroom. Schweitzer reads the grand jury extract to the defendants, making sure they know the case against them.

Now Rodriguez says he'll take the plea. Schweitzer asks him to tell what happened the night of the robbery. Rodriguez says he and Santiago were on the street and they ran into the complainant and spoke with him and the complainant had a knife in his pocket and ended up getting cut, "but I didn't do nothing."

This departure from the original story, the admission that they had been with the victim and that there was indeed a knife, is enough for Erdmann. He looks at Schweitzer. "Now I'm convinced he's guilty." Schweitzer and Litman go back to court. Erdmann says to Santiago, "Do you want the plea?"

'Yes, man, I *told* you that, I got to get out—"

"Then the judge will ask you certain questions and you have to give the appropriate answers." He nods toward Rodriguez. "He held him and you stabbed him. Let's go."

They return to the courtroom and stand before the bench. Three times Schweitzer asks Santiago if he wants to change his plea, and three times Santiago refuses to answer. What if this is just a ruse to trick him into confessing? In exasperation Schweitzer gives up and moves on to Rodriguez. Rodriguez pleads guilty and is sentenced. Erdmann leans against the clerk's desk, his arms crossed over his chest, his eye burning into Santiago. This ignorant, stupid, vicious kid has been offered a huge, heaping helping of the Erdmann talent, the experience, the knowledge, the *myth*—and has shoved it away. Erdmann's face is covered with disgust. Through his eyes, way beyond them, is fury—and unclouded, clear contempt.

The defendants are led from the courtroom. The clerk calls a case for a private lawyer, and Erdmann takes advantage of the break to get a cigarette. He goes into a small side room the court officers use for a lounge. The room has lockers, a desk, a refrigerator, toaster and hotplate—all of them old and beaten and scarred. Cops' jackets hang from the chair backs. Erdmann has forgotten Santiago. He stands by the window with his foot up on a radiator and looks across at the Tombs, home of many of his clients, a desperate place of rats and rapes, beatings, murders and, so far this year, six suicides. Eighty percent of the 1,800 men in the Tombs are clients of the Legal Aid Society. A few weeks ago some of the prisoners, angry at the overcrowding, vermin and lack of official attention, decided to find out what could be accomplished by rioting. The riots were followed by avalanches of studies, committees, investigations and reports—some helpful, some hysterical.

Erdmann is looking at workmen on a Tombs setback clearing away shattered glass and broken furniture from beneath burned-out windows. "It will never be the same," he says. "Once they've found out they can riot and take hostages, it will never be the same. Today defendants are telling the judges what sentences they'll take. I had a guy the other day who told me he knew the system was congested and that they needed guilty pleas, and he was willing to help by pleading guilty for eight months. The guilty are getting great breaks, but the innocent are put under tremendous pressure to take a plea and get out. The innocent suffer and the community suffers.

"If the defendants *really* get together, they've got the system by the balls. If they all decide to plead not guilty, and keep on pleading not guilty, then what will happen? The offered pleas will get lower and lower—six months, three months. If that doesn't work, and they still plead not guilty, maybe the court will take 15 or 20 and try them and give them the maximum sentences. And if *that* doesn't work—I don't know. I don't

know. They have the power, and when they find out, you're in trouble."

Two workmen standing on a plank are lowering themselves on ropes down the side of the Tombs. "Fixing the windows," Erdmann says. "Or escaping."

Forty minutes have been wasted with the stubborn Santiago, and now comes another problem. An Erdmann client named Richard Henderson says he was asleep in a Welfare Department flophouse when another man "pounced" on him with a stick. The other man says he was trying to wake Henderson when Henderson "jumped up like a jack rabbit" and stabbed him in the chest. Henderson is charged with attempted murder.

Erdmann talks to him in the pen hallway just outside the courtroom door. It has started to rain. A casement window, opaque, with chicken wire between the plates, has been cranked open and cold air and rain are blowing in and making things miserable for Henderson. He's a 21-year-old junkie—wire-thin, with deep, lost, wandering eyes and a face sad and dead, as if all the muscles that could make it laugh or frown or show fear or anger had been cut. He stands there shivering in a dirty white shirt, no socks, no shoelaces, the backs of his shoes pushed in like slippers, hands stiff-armed down into the pockets of beltless khaki pants. Quickly, he tells Erdmann he wants to go to trial.

"Well you certainly have that right. But if you're guilty, I've spoken to the judge, and he'll give you a year with credit for time served. How long have you been in?" Erdmann turns the folder and looks at a date. "Six months. So with good behavior you'll have four left. It simply depends on whether you're guilty of anything or not."

Henderson nods. "Yes, that's why I want a jury trial."

"Why?"

"To find out if I'm innocent or not."

"Don't you know?" Erdmann takes another look in the folder. Henderson was psychiatrically examined at Bellevue Hospital and returned as legally sane.

"No. I don't know. But I have an opinion." His eyes leave Erdmann and begin to examine the hallway. He has withdrawn from the conversation. Erdmann watches him a moment, then brings him back.

"What is your opinion?"

"That I am."

"Well, if you go to trial, it may be four months anyway before you get a trial, and then you'll be gambling zero against five or 10 years. And even if you're acquitted, you'll still have done the four months."

Henderson moves his feet and shivers. "I understand," he says meekly. "So I think I'd better do that."

"What?"

"Go to trial."

Erdmann just looks at him, not angry as he was with Santiago, but questioningly, trying to figure him out.

"I think I'd better have a trial," Henderson says.

Erdmann leaves him and walks back into court. "Ready for trial," he announces. "Don't even bother bringing him out." Litman makes a note on his file and they move on to another case.

Erdmann sits down in the jury box. The next few defendants have private lawyers, so he just waits there: watching, smiling, his bulging eyes gently ridiculing those around him who have failed to see as clearly as he into the depths of this charade, and to have found the joke there.

The judge is asking a defendant where he got the loaded gun. "He found it," Erdmann whispers before the man answers.

"I found it," the man says.

"Where?" asks the judge.

"Someone just gave it to him," Erdmann says.

"Someone walked by and handed it to me," says the defendant.

Erdmann smiles. "It's amazing," he says, "how often people rush by defendants and thrust things into their hands—guns, watches, wallets, things like that."

One of the two DAs is Richie Lowe, a black man—young, tall, slender, double-breasted, mod, Afro-haircut, Black defendants coming into court glance quickly around, and they see a white judge, white defense lawyers, white clerk, white stenographer, white guards, and then, over there, at that table over there, a *black*, the *only* black in the room, and here—the enemy. Lowe, the black kid with a law degree from St. John's sits next to millionaire Erdmann with the Wall Street father and Dartmouth and Yale Law.

But the irony is superficial—inside, Erdmann's character belies his background. He says he was "far to the left" of his parents, and he spent much of his youth trying to radicalize them. After law school he went to work in "a stuffy Wall Street law firm" where his first assignment was discovering whether or not a Florida gambling casino had acted legally in denying admittance to a female client's poodle. He quit, spent World War II in the Army and then joined the Legal Aid Society. "When I run into someone I can't place, I just say, 'Good to see you again, when did you get out?' That covers college, the Army and prison."

Guards bring in an old, toothless black man with wild white hair and an endless record of rapes, assaults, sodomy and armed robbery. He's accused of trying to rape a 4-year-old Puerto Rican girl. Some people driving in a car saw the man sitting on a wall with the girl struggling in his lap, and rescued her. Erdmann, Lowe and Judge Schweitzer talk it over. Schweitzer suggests a year. Lowe runs his eyes again over the grand jury extract. He usually goes along with Schweitzer, but this time he balks. "I can't see it, your honor. I just can't see it."

Erdmann speaks a few urging words, but Lowe won't budge. "No," he says, "I just can't see it, your honor. If these people hadn't come by in the car and seen the girl, this could have been—it could have been anything."

Schweitzer, himself under great Appellate Division pressure to dispose of cases, now pressures Lowe, politely, gently. He points out that the girl was not injured.

"I just can't, your honor," Lowe says. "I just can't. This is abhorrent, this—"

Schweitzer breaks in. "It's abhorrent to *me*, too, and it's being discussed only in the light of the calendar."

"Your honor, we've been giving away the courthouse for the sake of the calendar. I can't do it. I won't do it." He stuffs his papers back in the folder. "Ready for trial, your honor."

He moves back to the prosecution table and announces for the record, "The people are ready for trial."

Erdmann has been saying nothing. As he passes Lowe's table on his way to the jury box, Lowe says, "Am I being unreasonable, Marty?"

Erdmann stops for a moment, very serious, and then shakes his head. "No, I don't think you are."

Lowe is upset. The next case has not yet been called. He moves around the table, fumbling folders. Then loudly he says, "Your honor, if he takes it *right now* I'll give him a year."

The judge fires Lowe a look. "You'll *recommend* a year. *I'll* give him a year."

Erdmann talks to the defendant at the counsel table. Lowe keeps shaking his head. He is suffering. He takes a step toward the bench. "Your honor," he says desperately, "he should get zip to three, at *least*."

"I *know* he should," Schweitzer says.

Erdmann now stands and for the record makes the customary speech. "Your honor, the defendant at this time wishes to withdraw his plea of not guilty, previously entered, and plead guilty to the second count of the indictment, attempted assault in the second degree, a Class E felony, that plea to cover the entire indictment."

Now it's Lowe's turn to make the speech of acceptance for the people, to accept the Class E felony, the least serious type of felony in the penal code. He stands. "Your honor, the people respectfully recommend acceptance of this plea feeling that it will provide the court with adequate scope for punishment—" He stops. The next words should be, "in the interest of justice." He sits down and pretends to write something on a folder. Then softly, as if hoping he might not be heard, he speaks down into the table: ". . . in the interest of justice."

He walks over to a visitor. "What do you think about *that*?" he demands. "That took a little *piece* out of me. He got a *year* for trying to *rape* a *4-year-old* girl."

Schweitzer recesses for lunch, and Lowe and Erdmann ride down in the elevator. Lowe is still upset. "What do I tell that girl's mother when she calls me and wants to know what happened to the man who tried to rape her daughter?"

Erdmann smiles, the playful cynic. *Better bread than is made of wheat.* "Tell her, 'No speeka English, no speeka English, no speeka English.' "

Because Manhattan's Criminal Court Building is on the lower East Side, in the midst of the ethnic no-man's-land where Little Italy collides with Chinatown, it is surrounded by some of the city's best Italian and Chinese restaurants. But every lunchtime Erdmann ignores these and walks two blocks north to Canal Street, a truck-choked crosstown conduit littered with derelicts overflowing from the Bowery, and eats in the sprawling, Formica-filled, tray-crashing chaos of the foulest cafeteria east of Newark. No number of threats, insults or arguments can persuade him into any other eating place. He has, every day, one scoop of cottage cheese, a slice of melon, and one slice of rye bread, buttered. (They give you two slices, want them or not, but he never succumbs.) Today he is at a table with a friend, not a lawyer, who asks how he feels when he goes to trial with a man he knows is guilty, and gets the man freed.

"Lovely! Perfectly beautiful! You're dancing on air and you say to yourself, 'How could that have happened? I must have done a wonderful job!' It's a euphoric feeling. Just to see the look of shock on the judge's face when the jury foreman says 'Not guilty' is worth something. It's the same sense of greed you get if a horse you bet on comes in at 15 to 1. You've beaten the odds, the knowledgeable opinion, the wise people." He laughs. "The exultation of winning dampens any moral feelings you have."

"But what," he is asked, "if you defended a man who had raped and murdered a 5-year-old girl, and he was acquitted and went free, and a year later was arrested for raping and murdering another 5-year-old girl. Would you defend him again with the same vigor?"

"I'm afraid so."

"Why afraid?"

"Because I think most people would disapprove of that."

"Do you care?"

"No."

"It doesn't concern you?"

"I'm not concerned with the crime committed or the consequences of his going free. If I were, I couldn't practice. I'm concerned with seeing that every client gets as good representation as he could if he had $200,000. I don't want him to get screwed just because there wasn't anyone around to see that he not get screwed. If you're a doctor and Hitler comes to you and says you're the one man in the world who can cure him, you do it."

"How much of that is ego?"

"Ninety-nine percent."

Erdmann eats his cottage cheese. An old derelict—bearded, toothless, with swollen lips—puts his tray down next to Erdmann and sits slurping soup and eyeing the untouched slice of rye.

In the courthouse lobby after lunch, Erdmann stops to buy a candy bar. Someone says he saw a story in the *Times* that 5,000 of that brand had been recalled after rodent hair was found in some of them. Erdmann smiles and buys two more.

A court officer sees Erdmann coming down the hall. "Hey, Marty," he yells, "he's on the bench, he's starting to call your cases."

"So what do you want me to do," Erdmann says, "break into a run?"

Guards bring in a 20-year-old girl charged with robbery with a knife. Erdmann is talking to her at the counsel table when Lowe strolls over and says, "Marty, an E and a flat?"

The girls looks at Lowe. "What's he saying, who's he?"

Lowe starts away. "Don't listen to me, I'm the enemy."

She wants to know why she has to go to jail. "Well, rightly or wrongly," Erdmann tells her, "people think they shouldn't be robbed. So when they get robbed, they give a little time." She asks if the year can run concurrent with another sentence pending against her. Erdmann asks Lowe and he agrees. She still hesitates, and finally refuses the offer.

"What's wrong?" Lowe says. "She wanted a year, I gave her a year. She wanted it concurrent, I made it concurrent. It's unreal. They tell us what they want and we're supposed to genuflect."

"José Sanchez!" the clerk calls. A drug-sale case.

"Your honor, he hasn't been seen yet," Erdmann says.

"Let me see the file," Schweitzer says to Lowe.

"Your honor," Erdmann says, "he hasn't even been interviewed. I haven't seen him."

"Well, just let's look at it, Marty," the judge says. He goes over Lowe's file. "It's one sale, Marty. He doesn't have any robberies. Burglaries, petty larceny. Mostly drugs. I'll tell you what, Marty, I'll give him an E and a flat" Lowe agrees.

Erdmann walks into the pen hallway, and they bring up a defendant. "They're offering and E and a flat," Erdmann says to him. "For a single sale, that's about the—"

The defendant looks mystified. He says nothing. The guard interrupts. "This isn't Sanchez, Marty. It's Fernandez."

Erdmann drops his arms in disgust, and without a word he turns and goes back into court and sits down in the jury box. A defendant has in effect been tried, convicted and sentenced before his lawyer even knew what he looked like.

After court, Alice Schlesinger comes into Erdmann's office to brief him on a client of hers, a woman, who will be in Schweitzer's court tomorrow. "She's absolutely not guilty," Alice says. When she leaves, Erdmann's smile turns wistful and nostalgic. "It must be wonderful," he says, "to have an *absolute* sense of who's guilty and who isn't. I wish I had it."

Adler walks into the office. "What can I tell them?" he asks Erdmann. "Jack says he's leaving because the job's making a cynic of him. He says he thought he was going to defend the downtrodden and he finds out they're hostile and they lie to him. So he's leaving. Alice comes to me and says, 'The system's wonderful for the guilty, but for the innocent it's awful. Some of them *must* be innocent.' What do you *say* to that?"

"You say nothing," Erdmann answers, "because it's true."

"No. You say that in a good system of government the vast majority get fair treatment, but there are bound to be a few who don't." He looks at Erdmann. "You think that's sentimental."

"I think you're a Pollyanna."

Adler turns to another man in the office. "He's called me sentimental, and he's called me a Pollyanna. And you know what? It's *true*."

Erdmann laughs. "What difference does *that* make?"

That night Erdmann goes home, has three Scotches on the rocks, meets a former judge for dinner, has a double Scotch, and thus fortified appears before the judge's evening seminar at the New York University Law School. Ten students are sitting in upholstered, stainless-steel swivel chairs in a red-carpeted conference room—all very new and rich and modern. Erdmann is supposed to tell them about jury selection and trial tactics, subjects on which he is a recognized master.

He upwraps a pack of cigarettes, lights up, and leans close over the table. Two of the students are girls. Most of the men are in jeans and long hair. Erdmann knows the look in their eyes. They think they will have innocent clients, they think they'll be serving their fellow man, the community, justice. They don't know that what they'll be serving is the system. He wants to give them some of the facts of life. "You are salesmen," he begins, "and you are selling a product that no one particularly wants to buy. You are selling a defendant who in all likelihood is guilty." They give him looks. "So you're going to disguise the product, wrap it in the folds of justice, and make it a symbol of justice. You have to convince the jurors that you're sincere, and that the product you are selling is not really this defendant, but justice. You must convince them that your defendant is not on trial. Justice is on trial."

The students are cautious. No one has taken any notes. "Your job is at the beginning and the end of the trial—the jury-picking and the summation. In between comes that ugly mess of evidence. In examining prospective jurors you have to sell your product before they get a look at him, before they hear the evidence. You want also to plant the seeds of your defense, and soften the blow of the prosecution's case. If you know that a cop is going to testify that the defendant stabbed the old lady 89 times, you can't hide from it. You might just as well bring it out yourself, tell them that they're going to hear a police officer testify that the defendant stabbed the old lady 89 times, and then when the testimony comes you will be spared the sudden indrawing of breath. And maybe you can even leave the impression that the cop is lying."

A girl mentions the Tombs riots and asks Erdmann what could be done to give the prisoners speedy trials. During the riots, inmates' demands for less crowding, better food, extermination of rats and vermin were supported even by the hostage guards. But their demands for speedy trials, though they found strong support in the press, were less sincere. Virtually every prisoner in the Tombs is guilty, either of the crime charged or of some lesser but connected crime. He knows that he will either plead guilty or be convicted in a trial, and that he will serve time. He knows, too, that delays will help his case. Witnesses disappear, cops' memories fade, complainants lose their desire for vengeance. As prosecutors see their cases decaying, they lower and lower the pleas. Meanwhile, time served in the Tombs before sentencing counts as part of the sentence. Erdmann wants to explain that to the students, but he knows he will not find many believers.

"Let me disabuse you," he says, "of the idea that the prisoners in the Tombs want speedy trials. Most of them are guilty of something, and the last thing they want is a trial. They know that if every case could be tried within 60 days, the pleas of one-to-three for armed robbery would be back up to 15-to-25."

"What about the defendants out on bail?" a student asks.

"People out on bail almost never have to go to trial. If you can get your client out on bail, he won't be tried for at least three years, if at all. The case will go from one DA's back drawer to another's until it either dissolves into dust or the DA agrees to a plea of time served."

A student asks about the defense lawyer's responsibility to be honest. That triggers Erdmann's smile. "My only responsibility," he says, "is to my client. And not to suborn perjury, and not to lie personally. My client may lie as much as he wants."

So mired have the courts become that there now arises the nightmare possibility of a prisoner sinking forever out of sight in the quicksand of judicial chaos. In the post-riot panic to relieve overcrowding in the Tombs, a special court was set up to facilitate the return to state prisons of inmates who had been brought to the Tombs to await hearings on various motions of appeal. One defendant entered the court in a rage. He was doing 20-to-life at Sing Sing for stabbing someone to death with an umbrella. A year ago he was brought to New York for an appeal hearing. He never got the hearing, and went 11 months without seeing a lawyer. Finally in court—unsure as to when, if ever, he would reappear—he shouted furiously at the judge. Guards moved in around him.

The judge got things sorted out, scheduled the hearing for the following week, and the prisoner was removed. After a year in limbo in the Tombs, he had finally been found. The judge waited until the door closed behind the prisoner, then looked at Erdmann, at the DA and back at Erdmann. He said, "Now there's a man who's got a beef."

Since the case of Richard Henderson, the junkie who didn't know if he was guilty, was marked ready for trial, he has been returned each day to the detention pen beneath Schweitzer's courtroom—on the almost nonexistent chance that his lawyer, and the DA assigned to the case, and a judge and courtroom might all become simultaneously available for trial. Each day he sits there in the pen while upstairs in court his case is called and passed, with no more certain consequence than that he will be back again the next day, so that it can be called and passed once more. After several days of this, Erdmann speaks to him again to see if he has changed his mind. He is the same—same clothes, same dead expression, same mad insistence on trial. Erdmann tries to encourage him to take the plea, "if you are guilty of anything."

Henderson still wants a trial.

"What will happen today?" he asks.

"Nothing. They'll set another date for trial, and that date will mean about as much as any date they set, which is nothing. You'll just have to wait in line."

Henderson picks at some mosquito-bite-size scars on his arm. "The other prisoners intimidate me," he says. "They keep asking me about my case, what I did, what I'm in for."

"What do you say?"

"I don't answer them. I don't want to talk about it."

Henderson is adamant. Erdmann leaves him and goes back to court.

Erdmann's disrespect for judges (Schweitzer is a rare exception) is so strong and all-inclusive that it amounts at times to class hatred. When one of his young lawyers was held in contempt and fined $200, Erdmann left Schweitzer's court and rushed to the rescue. He argued with the judge and conned him into withdrawing the penalty. Then, outside the courtroom in the corridor, Erdmann's composure cracked. "He's a bully," he said angrily. "I'll put Tucker [one of his senior lawyers] in there a couple of days and tell

him, 'No pleas.' That'll fix *that* wagon." He makes a note, then crumbles it up. "No. I'll take it myself—and it'll be one for the record this time." Erdmann remembers that two days earlier the judge's car was stolen in front of the courthouse. "I should have told him not to let the theft of his Cadillac upset him so much."

"There are so few trial judges who just judge," Erdmann says, "who rule on questions of law, and leave guilt or innocence to the jury. And Appellate Division judges aren't any better. They're the whores who became madams."

Would he like to be a judge?

"I would like to—just to see if I could be the kind of judge I think a judge should be. But the only way you can get it is to be in politics or buy it—and I don't even know the going price."

Erdmann is still in the hallway fuming over the contempt citation when a lawyer rushes up and says a defendant who has been in the Tombs five months for homicide has been offered time served and probation—and won't take it. Erdmann hurries to the courtroom. The defendant and his girl friend had been playing "hit and run," a ghetto game in which contestants take turns hitting each other with lead pipes. He said he was drunk when he played it and didn't know how hard he was hitting the girl. They both passed out and when he awoke the next morning she was dead. He had no previous record, and the judge is considering the extraordinarily light sentence agreed upon by the lawyer and DA. Neither the judge nor the DA is in a mood for any further haggling from the defendant. Erdmann talks with the defendant and gets the plea quickly accepted. Five months for homicide. As he leaves the courtroom, a DA says, "Marty, you got away with murder."

Erdmann is gleeful. "I always get away with murder."

He goes down to his office. Alice Schlesinger walks by his desk and Erdmann remembers something he saw in the *Times* that morning about Anthony Howard, the man with an insane cellmate whose case he assigned to her three weeks ago.

"Hey, Alice," he calls to her, "congratulations on winning your first case."

She shrugs. A lawyer named James Vinci walks in and Erdmann says to him, "Don't forget to congratulate Alice. She just won her first case."

"Really?" says Vinci. "That's great."

"Yeah," Erdmann laughs. "Anthony Howard. His cellmate strangled him to death last night."

Every evening Martin Erdmann walks crosstown to a small French restaurant in the theater district. He sits always at the same table in a rear corner, with his back to whatever other customers there are, and he is happiest when there are none. The owner and his wife are always pleased to see him, and when he does not come they call his apartment to see if everything is all right.

Not long ago he reluctantly agreed to allow a reporter to join him for dinner. The reporter asked him if he could be positive after 25 years if he had ever defended an innocent man.

"No. That you never know. It is much easier to know guilt than innocence. And anyway, it's much easier to defend a man if you know he's guilty. You don't have the responsibility of saving him from unjust punishment."

"What do you think about the courts today, the judicial system?"

"I think it's time people were told what's really going on. Everyone's so cowardly. Nobody wants to tell the public that the mini-measures proposed to clear up the mess *won't* do it. If you only had two roads going in and out of New York and someone said, 'What can we do about the traffic problem?' the answer would be, 'Nothing—until we get more roads.' You couldn't help it by tinkering around with the lights. Well, tinkering with the courts isn't going to help. We need more courts, more DAs, more Legal Aids, more judges—and it's going to cost a massive amount of money. I wonder how much money you could raise if you could guarantee safety from mugging and burglary and rape for $50 per person. Eight million people in New York? Can you get $20 million? And if you asked for $20 million to provide a workable system of criminal justice, how much would you get? People are more interested in their safety than in justice. They can pay for law and order, or they can be mugged."

"So what's the solution?"

"I've never really felt it was my problem. Everything up to now has benefited the defendant, and he's a member of the community, too. When you say, 'The people versus John Smith'—well, John Smith is part of the people, too. As a Legal Aid lawyer, I don't think it's my problem to make things run smoothly so my clients will get longer sentences. That's the court's problem."

He stops talking and thinks for a minute. Something is burning inside. "That's the wrong attitude, I suppose, but then the Appellate Division has never approached me and asked me what can be done to improve justice for the *accused*. They *never* ask *that* question. It's just how can we clear the calendars. It's how can we get these bastards in jail faster for longer. Not in those words—*certainly* not. They *never* in all these years asked, how can we have more justice for the defendants. That's why I'm not too concerned about the system." He has become angry and impassioned and now draws back. He concentrates on a lamb chop.

"I'm loquacious when I'm tired," he says.

After several minutes, he begins again. "You know, I really don't think there *is* any solution to the problem, any more than there is to the traffic problem. You do what you can within the problem."

"Is the day coming when the traffic won't move at all?"

"Yes. If every defendant refused to plead and demanded a trial, within a year the system would collapse. There would be three-year delays in reaching trial, prison riots, defendants would be paroled into the streets."

"What's Martin Erdmann going to do when that happens?"

"That's an interesting question. It would be too late by then to do anything. It's going to be too late very soon."

Every Friday, Erdmann assigns himself to a courtroom with a half-day calendar and catches the 1:35 bus for Danbury, Conn. From there he drives to his estate in Roxbury and spends the weekend walking, gardening "and talking to myself." He has a three-story house with a junk-jammed attic, a cellar filled with jarred fruit he preserved years ago and never ate, and a library cluttered with unread books and magazines. A brook runs down from the acres of Scotch pine, past his garden and under a small bridge to the country below. He walks along the brook, and stops on the bridge to stare down at the trout. He never fishes here. "These are my friends," he says, "and you don't catch your friends."

Most of the weekend he spends trying to coax cooperation from the flowers and vegetables. "I worry most about the tomatoes because I like to eat them. The most difficult is what I don't grow anymore, roses. They demand constant care and that's why I don't have them." Tulips he likes. He spent a recent four-day weekend putting in 400 bulbs sent by a friend from Holland. "They're not difficult. You just dig 400 holes and put them in and they come up in the spring. The only problem is moles. The moles make runs to eat insects and then the mice use the mole runs to eat the tulip bulbs. Years ago I used to be out with spray guns. And then I figured, what the hell, this is nature, the mice don't know they're not supposed to eat tulip bulbs. So I gave up the spraying. I can't be hostile to something that's just doing what comes naturally."

The tulips are all in, it's 9 a.m., and Erdmann is back in his office going through the *Times*. He is stopped by an item about a former Legal Aid client, a 25-year-old homosexual named Raymond Lavon Moore. Charged with shooting a policeman in a bar, Moore had been in the Tombs 10 months, made 24 appearances in court, and steadfastly refused to plead guilty to anything more serious than a misdemeanor. He went into the Tombs weighing 205 pounds, and wasted slowly down to 155. He had never been in jail before. Five times Moore was removed to hospitals for mental observation, and each time he was returned to the Tombs. He twice tried unsuccessfully to kill himself. For fighting with a guard, Moore was sentenced to 20 days' solitary confinement in a small iron box whose only openings were a barred window and a four-inch-wide glass slit in the door. Last weekend, while Erdmann was on his hands and knees in T-shirt and dungarees digging the 400 tulip holes, Moore stripped the white ticking from his mattress, knotted it into a noose and hanged himself from the barred window.

Erdmann slowly folds the paper around the clipping and without expression hands it across his desk to another lawyer. He says nothing.

That noon, Erdmann is back talking through the bars of the detention pen beneath Schweitzer's courtroom. He's asking a drug pusher if there's someone who will make bail for him.

"I can't get in touch with no one from in here, man."

"Can I?"

"Yeah. My mama in Cincinnati." He is about to give Erdmann the phone number when Erdmann moves aside to allow a guard to open the door and insert more prisoners. One of the prisoners is Richard Henderson, the junkie who wants to go to trial. He walks in, foggy and listless, and his momentum carries him to the center of the cell. He stops there, staring straight ahead. He does not move or look around for three minutes. Then he takes two steps to the bench, sit down and puts his hands between his knees. He sits there, rubbing his palms together.

Five hours later, Judge Schweitzer is almost at the end of the day's calendar. The spectators have all left, and no one remains but court personnel. Everyone is tired. To speed things up, Schweitzer has told the guards to bring up everyone left in the pen and keep them in the hall by the door till their names are called. Five come up. Their cases already have been adjourned and what's happening now is more or less a body count to make sure no one is missed.

The last is Henderson. A guard walks him in, holding his arm, and someone says, "That's Henderson. He's been adjourned."

The guard, just four steps into the courtroom when he hears this news, quickly wheels Henderson around and heads him back out the door. Something in the wide, passage through the court, something in his dead, unware, zombie-eyed stare as he banks around the pivoting guard, strikes everyone who sees it as enormously funny. It's strange and it's pathetic, and no one can keep from laughing.

AN MIA WIFE CRITICALLY EXAMINES THE POW ISSUE

(Mr. LEGGETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEGGETT. Mr. Speaker, in the

course of this week we have heard the POW issue discussed at considerable length. We have heard the North Vietnamese treatment of POW's condemned repeatedly. We have heard the courage of the POW families praised repeatedly.

All of this is valid, and I am sure it is well meant. But none of it is of any help to the POW's. And, except in the most superficial sense, none of it is of any help to their families.

As Mrs. Barbara Mullen, whose husband has been missing in Laos for nearly 5 years, recently wrote me—

I've had enough sympathy to drown in self-pity and enough praise to burst an ego—no more please.

Condemning the other side for its treatment of POW's is, I suppose, a good emotional outlet, and God knows it is the politically popular thing. But it does not move the North Vietnamese, the NLF, or the Pathet Lao 1 inch. Appealing to their humanitarianism is not much better.

Mr. Speaker, if we seriously intend to help the POW's, we must be willing to bargain seriously. And if we are going to bargain seriously, we must offer the other side something it values. The North Vietnamese, the NLF, and the Pathet Lao do not want our money, they do not want our thanks, and they do not want their prisoners back. They want only one thing from us: our absence.

If we are willing to trade total withdrawal for total POW repatriation, we can get our men back. If we are not, forget it. If we are not willing to trade withdrawal for POW's, all the speeches made this week are so much wasted breath.

Mrs. Mullen discusses these points and others in her very perceptive and insightful letter, which I insert in the RECORD at this point under unanimous consent:

OAKLAND, CALIF.,
March 12, 1971.

DEAR REPRESENTATIVE LEGGETT: This week marks concern for our POW's—again. Congressmen will make speeches honoring, praising and expressing sympathy for these men. Some will infer that support of current U.S. action in the war is necessary in order to support these men. Others will use it as an opportunity to condemn this war. I wonder if any will really try to help us. I've had enough sympathy to drown in self-pity and enough praise to burst an ego—no more please.

If I could crawl into the conscience of each congressman I would ask him to destroy his pat speech and instead spend a solemn hour probing for a real solution to the problem.

It would be naive to expect congressmen to consider the prisoner of war issue completely separate from their own views about the war. Realizing this, I nevertheless ask them to review some elements of the problem objectively.

1. U.S. and world pressure aimed at Hanoi has not been overwhelming, but it has achieved an increase in letters from POW's in North Vietnam. It has not produced information about any of the missing men in South Vietnam or Laos (nearly 800). No POW's have been released in the past year and a half and the North Vietnamese, Viet Cong and Pathet Lao have not lived up to the provisions for POW's in the Geneva Convention. This world pressure strategy has run its course.

2. Negotiations in Paris on POW's have been fruitless. We have offered large numbers of North Vietnamese prisoners in return for ours. We have also offered a cease-fire. Both have been refused. The Communists—NLF and North Vietnamese have stated many times that they will release our POW's in return for a stated U.S. withdrawal date. The Administration has refused to do this. General Hughes, White House Military Advisor, has told me the reason for this is that the POW question must remain humanitarian, separate from political or military considerations. Senator Dole, Chairman of the Republican National Committee, told me (letter dated March 10) that on the question of negotiating for the release of POW's, ". . . the word of the Communists is difficult to trust." ". . . that since World War II there have been an endless number of agreements reached with the Soviet Union but invariably they have been broken." These and other Administration statements indicate that the intention is not to bargain for the release of these men.

3. If then the Administration is to insist this is a separate humanitarian issue, we are again left with the same strategy of pressuring the Communists to live up to the Geneva Convention—a strategy that has thus far failed. The Geneva Convention has been ignored by the North Vietnamese though they did sign it (1957). Our only shakey means of holding the Viet Cong and Pathet Lao to the Convention is by virtue of the fact the official governments of Laos and South Vietnam (1965) signed it. The document has been totally ignored by both of these groups, a fact which affects half of the Americans missing in Indo-China.

Repatriation in the Convention is covered in Article 118. It states that "prisoners of war shall be released and repatriated without delay after the cessation of active hostilities." The important point to remember about the present "Vietnamization" plan is that there will be no clear cut "cessation of active hostilities." Even if we could convince the Pathet Lao and the Viet Cong to consider the Geneva Convention a valid document, when can we tell them that hostilities have ceased if American air power continues in support of ARVN and against supply routes and if U.S. equipment is still being used in combat?

I ask much more of the members of Congress this week than another "Memorial Service." I ask them to seriously consider the difficulties I have outlined and suggest a way out of the deadlock. I am not satisfied with President Nixon's "no bargaining for these men" position. I think for some heroic reason he respects their sacrifice, but has built his approach to their repatriation on wishful thinking. On the other hand Congressmen who oppose this war have allowed deep resentment toward the war to negate human feelings toward fellow Americans held captive in the conflict. Not as hawks or doves, but as Representatives in the U.S. Congress, Congressmen owe a responsibility to these men.

In all of Congress only one specific plan for return of these men has emerged. The proportional repatriation-withdrawal plan proposed by you, Congresman Leggett, and twenty-two other representatives takes cognizance of the only offer the communists have thus far made for the release of our prisoners. It seems realistic and has given many families a first sense of hope in years. I ask all Congressmen to consider this plan. If it is acceptable, support it, if not, please offer another concrete plan in its place. Please find a way to convince our President to bargain realistically for these men. The longer we wait, the fewer of them there will be to bring home.

I close on a personal note. If my husband ever lives through these years of internment in the jungles of Laos, he may ask why he was left there so long. What can I answer him? During his first 2½ years of captivity government officials and Congress were silent and his sons grew from babies to little boys. During the following year the war continued the same, his oldest son started school, the President announced publicly that there were American prisoners of war and Congress passed a resolution saying they supported them. The war went on another year and Congress designated a day of prayer for my husband and other missing Americans. The following year members of Congress called a joint session and said they still supported him. In March of 1971 his sons were half grown and Congress took note of a week of concern . . .

Very sincerely,

BARBARA R. MULLEN.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ASPINALL, for Thursday, March 25, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SISK (at the request of Mr. BOLLING) for 5 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members at the request of Mr. HILLIS) and to revise and extend their remarks and include therein extraneous matter:)

Mr. CRANE, for 1 hour, on Tuesday, March 30.

Mr. DUPONT, for 15 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. HOGAN, for 5 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. MIZELL, for 5 minutes, today.

(The following Members (at the request of Mr. BRINKLEY) to revise and extend their remarks and include extraneous material:)

Mr. BOGGS, for 10 minutes, today.

Mr. RANGEL, for 15 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. RYAN, for 30 minutes, March 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. TEAGUE of California to include extraneous matter with his remarks made today in the Committee of the Whole on H.R. 7.

Mrs. GREEN of Oregon in four instances.

Mr. GERALD R. FORD immediately following the message of the President.

Mr. BAKER immediately following Mr. GERALD R. FORD on the message of the President.

Mr. HORTON to revise and extend his remarks during debate on H.R. 7.

(The following Members (at the request of Mr. HOLLIS) and to include extraneous material:)

Mr. BROOMFIELD.

Mr. HORTON.

Mr. STEELE in 10 instances.

Mr. KEATING.

Mr PETTIS in two instances.

Mr. MCCLORY.

Mr. FULTON of Pennsylvania in five instances.

Mr. RAILSBACK.
Mr. BAKER.
Mr. SCHMITZ in four instances.
Mr. LANDGREBE.
Mr. ARENDS.
Mr. DEL CLAWSON in two instances.
Mr. ARCHER.
Mr. ERLENBORN.
Mr. BOB WILSON.
Mr. SHOUP.
Mr. GROVER.
Mr. SCHWENGEL.
Mr. RHODES.
Mr. SCHERLE.
Mr. BRAY in two instances.
Mr. MARTIN.
Mr. FISH.
Mr. DERWINSKI.
Mr. FRENZEL.
Mr. DUNCAN in three instances.
Mr. BYRNES of Wisconsin.
Mr. FINDLEY.
Mr. MIZELL.
Mr. KEMP.
Mr. WYMAN in two instances.
Mr. GOLDWATER.

(The following Members at the request of Mr. BRINKLEY) and to include extraneous material:)

Mr. SCHEUER.
Mr. WOLFF in four instances.
Mr. BEGICH.
Mrs. CHISHOLM in two instances.
Mr. FOLEY.
Mrs. MINK.
Mr. REUSS in six instances.
Mr. BOGGS.
Mr. KASTENMEIER.
Mr. ANDERSON of California in three instances.
Mr. WALDIE.
Mr. SYMINGTON in five instances.
Mr. O'NEILL in two instances.
Mr. DINGELL in three instances.
Mr. RODINO in two instances.
Mr. PEPPER.
Mr. THOMPSON of New Jersey in two instances.
Mr. EVINS of Tennessee in three instances.
Mr. PATTEN in two instances.
Mr. KLUCZYNSKI in two instances.
Mr. FOUNTAIN.
Mr. GREEN of Pennsylvania in four instances.
Mr. DOWNING.
Mr. FULTON of Tennessee.
Mr. HICKS of Washington in five instances.
Mr. POAGE.
Mr. GONZALEZ in two instances.
Mrs. HANSEN of Washington.
Mr. FRASER.
Mr. TIERNAN.

ADJOURNMENT

Mr. BADILLO. Mr. Speaker I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 51 minutes p.m.) the House adjourned until tomorrow, Thursday, March 25, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

462. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that several appropriations have been apportioned on a basis which indicates the necessity for supplemental estimates of appropriations, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

463. A letter from the Chairman, Commission on the Organization of the Government of the District of Columbia transmitting a report on the activities of the Commission to date, pursuant to Public Law 91–405; to the Committee on the District of Columbia.

464. A letter from the secretary, the Foundation of the Federal Bar Association, transmitting the audit report of the foundation for the fiscal year ended September 31, 1970, pursuant to 68 Stat. 800; to the Committee on the District of Columbia.

465. A letter from the Assistant Secretary of State for Congressional Relations, transmitting copies of the determination of the President No. 71–9, for the furnishing to various governments of sophisticated weapons systems, pursuant to section 504(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

466. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations to carry out the Standard Reference Data Act; to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 4724. A bill to authorize appropriations for certain maritime programs of the Department of Commerce (Rept. No. 92–62). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 5352. A bill to amend the act to authorize appropriations for the fiscal year 1971 for certain maritime programs of the Department of Commerce (Rept. No. 92–63). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 28. Resolution providing funds for the Committee on the District of Columbia; with amendments (Rept. No. 92–64). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 282. Resolution providing pay comparability adjustments for certain House employees whose pay rates are specifically fixed by House resolutions (Rept. No. 92–65). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 288. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 109, 92d Congress; with an amendment (Rept. No. 92–66). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Tennessee:

H.R. 6676. A bill to amend the Clayton Act to preserve competition among corporations engaged in the production of oil, coal, and uranium; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H.R. 6677. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. DAVIS of Georgia (for himself, Mr. GIAIMO, Mr. ALEXANDER, Mr. ANDERSON of Tennessee, Mr. VEYSEY, Mr. ST GERMAIN, Mr. DIGGS, Mr. YATRON, Mr. CHAPPELL, Mr. MELCHER, Mr. TEAGUE of California, Mr. KUYKENDALL, Mr. WINN, Mr. WILLIAMS, Mr. CARNEY, Mr. CLARK, Mr. FULTON of Pennsylvania, and Mr. HORTON):

H.R. 6678. A bill to authorize the National Science Foundation to conduct research, educational, and assistance programs to prepare the country for conversion from defense to civilian, socially oriented research and development activities, and for other purposes; to the Committee on Science and Astronautics.

By Mr. DENT:

H.R. 6679. A bill to amend title 37, United States Code, to authorize travel, transportation, and education allowances to certain members of the uniformed services for dependents' schooling, and for other purposes; to the Committee on Armed Services.

H.R. 6680. A bill to amend the loan program in the National Defense Education Act of 1958 to extend the forgiveness for teaching benefit to teachers in American schools abroad supported by the United States; to the Committee on Education and Labor.

By Mr. DUNCAN:

H.R. 6681. A bill to provide for the publication of the "United States Multilateral Treaties in Force Annotated"; to the Committee on House Administration.

By Mr. DU PONT:

H.R. 6682. A bill to improve the crossing at St. Georges, Del.; to the Committee on Public Works.

By Mr. EVANS of Colorado (for himself and Mr. ASPINALL):

H.R. 6683. A bill to support the price of manufacturing milk at not less than 85 percent of parity for the marketing year 1971–72; to the Committee on Agriculture.

By Mr. FINDLEY:

H.R. 6684. A bill to provide an additional period of time for review of the basic national rail passenger system; to postpone for 6 months the date on which the National Railroad Passenger Corporation is authorized to contract for provision of intercity rail passenger service; to postpone for 6 months the date on which the Corporation is required to begin providing intercity rail passenger service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON of Pennsylvania:

H.R. 6685. A bill to establish an executive department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

By Mr. FULTON of Tennessee:

H.R. 6686. A bill to amend title II of the Social Security Act and chapters 2 and 21 of the Internal Revenue Code of 1954 to exclude from earnings for social security benefit and tax purposes certain royalties and renewal commissions paid to an individual after the year in which he attained age 65, and certain payments made to an individual's survivors or estate after the year of his death; to the Commission on Ways and Means.

By Mr. GIAIMO:

H.R. 6687. A bill to amend title 5, United States Code, to provide that individuals be apprised of records concerning them which are maintained by Government agencies; to the Committee on Government Operations.

By Mr. GIAIMO (for himself, Mr. DAVIS of Georgia, Mr. JOHNSON of

California, Mr. FRENZEL, Mr. PODELL, Mr. WRIGHT, Mrs. DWYER, Mr. COUGHLIN, Mr. COLLINS of Illinois, Mr. SEIBERLING, Mr. SARBANES, Mr. GROVER, Mrs. HICKS of Massachusetts, Mr. MORSE, Mr. ASPIN, Mr. ROE, Mr. MCKINNEY, Mr. YATES, and Mr. PEPPER):

H.R. 6688. A bill to authorize the National Science Foundation to conduct research, educational, and assistance programs to prepare the country for conversion from defense to civilian, socially oriented research and development activities, and for other purposes; to the Committee on Science and Astronautics.

By Mr. GIAIMO (for himself and Mrs. ABZUG):

H.R. 6689. A bill to authorize the National Science Foundation to conduct research, educational, and assistance programs to prepare the country for conversion from defense to civilian, socially oriented research and development activities, and for other purposes; to the Committee on Science and Astronautics.

By Mrs. GRIFFITHS:

H.R. 6690. A bill to provide for a national cemetery at Fort Custer, Mich.; to the Committee on Veterans' Affairs.

By Mr. HASTINGS:

H.R. 6691. A bill to support the price of manufacturing milk at not less than 85 percent of parity for the marketing year 1971–72; to the Committee on Agriculture.

By Mr. HAYS:

H.R. 6692. A bill to authorize the appropriation of additional funds for cooperative forest management; to the Committee on Agriculture.

H.R. 6693. A bill to authorize the appropriation of additional funds for cooperative forest fire protection; to the Committee on Agriculture.

H.R. 6694. A bill to authorize the Secretary of Agriculture to cooperate with and furnish financial and other assistance to States and other public bodies and organizations in providing an urban environmental forestry program, and for other purposes; to the Committee on Agriculture.

By Mrs. HICKS of Massachussetts:

H.R. 6695. A bill to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal programs, nutrition training and education programs, opportunity for social contacts, and the "meals on wheels" program, and for other purposes; to the Committee on Education and Labor.

By Mr. KEMP:

H.R. 6696. A bill to amend title II of the Social Security Act to provide for automatic annual cost-of-living increases in the benefits payable thereunder; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 6697. A bill to provide minimum standards in connection with certain Federal financial assistance with respect to correctional institutions and facilities; to the Committee on the Judiciary.

By Mr. KOCH (for himself, Mrs. ABZUG, Mr. ADDABBO, Mr. BADILLO, Mr. BELL, Mr. BINGHAM, Mr. BUCHANAN, Mr. BURTON, Mr. BYRON, Mr. COLLINS of Illinois, Mr. DRINAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FRASER, Mr. FRENZEL, Mrs. GRASSO, Mr. GUDE, Mr. HARRINGTON, Mr. HALPERN, Mr. MCCOLLISTER, Mr. MCKINNEY, Mr. METCALFE, Mr. MIKVA, and Mr. MITCHELL):

H.R. 6698. A bill for the relief of Soviet Jews; to the Committee on the Judiciary.

By Mr. KOCH (for himself, Mr. PEPPER, Mr. PODELL, Mr. REES, Mr. RIEGLE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. RYAN, Mr. SARBANES, Mr. SCHEUER, Mr. STEELE, Mr. STOKES, Mr. WHITEHURST, Mr. WILLIAMS, and Mr. YATES):

H.R. 6699. A bill for the relief of Soviet Jews; to the Committee on the Judiciary.

By Mr. LANDGREBE:

H.R. 6700. A bill to amend title 10 of the United States Code to provide that an abortion in facilities of the uniformed services may be performed only in accordance with the requirements of the law of the State in which the abortion is performed; to the Committee on Armed Services.

By Mr. LANDRUM (for himself, Mr. STEPHENS, Mr. BRINKLEY, Mr. STUCKEY, Mr. THOMPSON of Georgia, and Mr. MATHIS of Georgia):

H.R. 6701. A bill to support the price of manufacturing milk at not less than 85 percent of parity for the marketing year 1971–72; to the Committee on Agriculture.

By Mr. LUJAN:

H.R. 6702. A bill to authorize the construction, operation, and maintenance of the closed basin division, San Luis Valley project, Colorado, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS of California:

H.R. 6703. A bill to establish an Environmental Financing Authority to assist in the financing of waste treatment facilities, and for other purposes; to the Committee on Public Works.

H.R. 6704. A bill to amend section 8 of the Federal Water Pollution Control Act, as amended, and for other purposes; to the Committee on Public Works.

H.R. 6705. A bill to amend the Federal Water Pollution Control Act, as amended; to the Committee on Public Works.

H.R. 6706. A bill to amend the Federal Water Pollution Control Act, as amended; to the Committee on Public Works.

By Mr. PICKLE (for himself and Mr. MURPHY of New York):

H.R. 6707. A bill to amend the Rail Passenger Service Act of 1970 to reduce the amount a State, regional, or local agency may be required to reimburse the National Railroad Passenger Corporation for certain rail passenger service provided by the Corporation; to the Committee on Interstate and Foreign Commerce.

By Mr. RAILSBACK:

H.R. 6708. A bill to amend the Truth in Lending Act to eliminate the inclusion of agricultural credit; to the Committee on Banking and Currency.

By Mr. RANGEL:

H.R. 6709. A bill to amend section 620 of the Foreign Assistance Act of 1961 to prohibit foreign assistance from being provided to foreign countries which do not act to prevent narcotic drugs from unlawfully entering the United States; to the Committee on Foreign Affairs.

By Mr. SISK:

H.R. 6710. A bill to clarify the status of certain U.S. citizens performing services for the Trust Territory of the Pacific Islands; to the Committee on Post Office and Civil Service.

By Mr. STAGGERS (for himself and Mr. SPRINGER):

H.R. 6711. A bill to assist in meeting national housing goals by authorizing the Securities and Exchange Commission to permit companies subject ot the Public Utility Holding Company Act of 1935 to provide housing for persons of low and moderate income; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H.R. 6712. A bill to support the price of manufacturing milk at not less than 85 percent of parity for the marketing year 1971–72; to the Committee on Agriculture.

By Mr. VANDER JAGT (for himself, Mr. ASPIN, Mr. BRADEMAS, Mr. BROOMFIELD, Mr. BROWN of Michigan, Mr. CEDERBERG, Mr. DINGELL, Mr. ESCH, Mr. WILLIAM D. FORD, Mr. HORTON, Mr. KEMP, Mr. MIKVA, Mr. MINSHALL, Mr. RIEGLE, and Mr. STEIGER of Wisconsin):

H.R. 6713. A bill to amend the Soil Conservation and Domestic Allotment Act, as amended, to provide for a Great Lakes Basin conservation program; to the Committee on Agriculture.

By Mr. VIGORITO:

H.R. 6714. A bill to amend the Public Health Service Act so as to add to such act a new title dealing especially with kidney disease and kidney-related diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. WYDLER:

H.R. 6715. A bill to provide for the establishment of a national cemetery in or near Yaphank, N.Y.; to the Committee on Veterans' Affairs.

By Mr. ZWACH:

H.R. 6716. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness; to the Committee on Agriculture.

H.R. 6717. A bill relating to the construction of an oil pipeline system in the State of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. ASPIN:

H.R. 6718. A bill to amend the Communications Act of 1934 to ban sports from closed-circuit television; to the Committee on Interstate and Foreign Commerce.

By Mr. BRADEMAS (for himself, Mr. REID of New York, Mrs. MINK, Mr. QUIE, Mr. MEEDS, Mr. DELLENBACK, Mr. SCHEUER, Mr. HANSEN of Idaho, Mr. BELL, and Mr. CLAY):

H.R. 6719. A bill to provide a comprehensive child development program in the Department of Health, Education, and Welfare to the Committee on Education and Labor.

By Mr. BYRNE of Pennsylvania:

H.R. 6720. A bill to amend the Public Health Service Act to continue and broaden eligibility of schools of nursing for financial assistance, to improve the quality of such schools, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H.R. 6721. A bill to transfer to the Secretary of the Interior certain insecticide, herbicide, fungicide, and pesticide research functions transferred to the Administrator of the Environmental Protection Agency by Reorganization Plan No. 3 of 1970; to the Committee on Agriculture.

By Mr. DINGELL (for himself, Mr. SAYLOR, Mr. MOSS, Mr. NEDZI, Mr. WILLIAM D. FORD, Mr. HECHLER of West Virginia, Mr. MCCLOSKEY, Mr. CONTE, and Mr. VANIK):

H.R. 6722. A bill to amend the Federal Water Pollution Control Act to provide for its uniform application to all of the navigable waters of the United States and to provide financial assistance to States and municipalities for water quality enhancement and pollution control, and for other purposes; to the Committee on Public Works.

By Mr. HÉBERT (for himself and Mr. ARENDS) (by request):

H.R. 6723. A bill to provide subsistence allowances for members of the Marine Corps officer candidate programs; to the Committee on Armed Services.

H.R. 6724. A bill to amend section 209 (a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members; to the Committee on Armed Services.

By Mr. KOCH (for himself, Mr. CLAY, Mr. COLLINS of Illinois, Mr. DAVIS of Georgia, and Mr. DELLUMS):

H.R. 6725. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married in-

dividuals filing joint returns; to the Committee on Ways and Means.

By Mr. METCALFE:

H.R. 6726. A bill to amend the Railroad Retirement Act of 1937 to provide a 10-percent increase in annuities; to the Committee on Interstate and Foreign Commerce.

By Mr. NICHOLS:

H.R. 6727. A bill to support the price of manufacturing milk at not less than 85 percent of parity for the marketing year 1971–72; to the Committee on Agriculture.

By Mr. PEYSER:

H.R. 6728. A bill to amend the Federal Corrupt Practices Act, 1925, and for other purposes; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mrs. CHISHOLM, Mr. COLLINS of Illinois, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. HAWKINS, Mr. METCALFE, Mr. MITCHELL, and Mr. STOKES):

H.R. 6729. A bill; the Adequate Income Act of 1971; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. HOSMER, Mr. SKUBITZ, Mr. KYL, Mr. STEIGER of Arizona, Mr. DON H. CLAUSEN, Mr. LUJAN, Mr. SEBELIUS, Mr. MCKEVITT, Mr. TERRY, and Mr. CÓRDOVA):

H.R. 6730. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCHEUER (for himself, Mrs. ABZUG, Mr. ADDABBO, Mr. BADILLO, Mr. BINGHAM, Mr. BOLAND, Mr. BRASCO, Mr. CARNEY, Mrs. CHISHOLM, Mr. DERWINSKI, Mr. DONOHUE, Mr. DOW, Mr. EDWARDS of California, Mr. EILBERG, Mr. FLOWERS, Mr. FOLEY, Mr. FRASER, Mr. GARMATZ, Mr. GONZALEZ, Mrs. GRASSO, Mr. GREEN of Pennsylvania, and Mr. HALPERN):

H.R. 6731. A bill to establish the Office of Drug Abuse Control within the Executive Office of the President; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHEUER (for himself, Mr. HATHAWAY, Mr. HECHLER of West Virginia, Mrs. HECKLER of Massachusetts, Mrs. HICKS of Massachusetts, Mr. KOCH, Mr. LEGGETT, Mr. MCCOLLISTER, Mr. MANN, Mr. MELCHER, Mr. METCALFE, Mr. MIKVA, Mrs. MINK, Mr. MITCHELL, Mr. MORSE, Mr. PRICE of Illinois, Mr. PODELL, Mr. RANGEL, Mr. REES, Mr. RIEGLE, Mr. ROSENTHAL, Mr. RUNNELS, Mr. RYAN):

H.R. 6732. A bill to establish the Office of Drug Abuse Control within the Executive Office of the President; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHEUER (fo himself, Mr. SMITH of New York, Mr. STOKES, Mr. THOMPSON of New Jersey, Mr. THONE, Mr. VANIK, Mr. WALDIE and Mr. WOLFF):

H.R. 6733. A bill to establish the Office of Drug Abuse Control within the Executive Office of the President; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK:

H.R. 6734. A bill to amend the Rail Passenger Service Act of 1970 to require the Secretary of Transportation to include a route from New York City to Chicago, Ill., via Cleveland, Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. WYATT:

H.R. 6735. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Monmouth-Dallas division, Willamette River project, Ore., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6736. A bill to amend title 18, United States Code, to prohibit the mailing of obscene matter to minors, and for other purposes; to the Committee on the Judiciary.

By Mr. WYATT (for himself and Mr. ULLMAN):

H.R. 6737. A bill to amend the Internal Revenue Code of 1954 to make it clear that independent truck dealers and distributors who install equipment or make minor alterations on taxpaid truck bodies and chassis are not to be subject to excise tax as manufacturers on account thereof; to the Committee on Ways and Means.

By Mr. ADAMS:

H.J. Res. 504. Joint resolution to provide for the designation of the calendar week beginning on May 30, 1971, and ending on June 5, 1971, as "National Peace Corps Week"; to the Committee on the Judiciary.

By Mr. CONABLE:

H.J. Res. 505. Joint resolution to provide for the designation of the calendar week beginning on May 30, 1971, and ending on June 5, 1971, as "National Peace Corps Week"; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself, Mrs. ABZUG, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. COLLINS of Illinois, Mr. DELLUMS, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. KOCH, Mr. MATSUNAGA, and Mr. ROSENTHAL):

H.J. Res. 506. Joint resolution repealing the Military Selective Service Act of 1967; to the Committee on Armed Services.

By Mr. BYRNE of Pennsylvania:

H. Con. Res. 233. Concurrent resolution expressing the sense of Congress with respect to reducing the balance-of-payments deficit by encouraging American industry and the American public to ship and travel on American ships; to the Committee on Merchant Marine and Fisheries.

By Mr. LUJAN:

H. Con. Res. 234. Concurrent resolution expressing the sense of Congress with respect to alternative efforts to secure the release of U.S. prisoners of war from North Vietnam; to the Committee on Foreign Affairs.

By Mr. TERRY:

H. Con. Res. 235. Concurrent resolution to recognize the 30th anniversary of the United Service Organizations, Inc. (USO); to the Committee on the Judiciary.

By Mr. YATRON (for himself, Mr. BADILLO, Mr. ADDABBO, Mr. EILBERG, Mr. NIX, Mr. GAYDOS, Mrs. GRASSO, Mr. HORTON, Mr. ST GERMAIN, Mr. CHARLES H. WILSON, Mr. DRINAN, Mr. SCHEUER, Mr. EDWARDS of California, Mr. ASPIN, and Mr. WOLFF):

H. Con. Res. 236. Concurrent resolution expressing the sense of Congress that our NATO Allies should contribute more to the cost of their own defense; to the Committee on Foreign Affairs.

By Mr. YATRON (for himself, Mr. NICHOLS, Mr. BURKE of Massachusetts, Mr. SHOUP, Mr. COLLINS of Illinois, Mr. BUCHANAN, Mr. RARICK, Mr. STEELE, Mr. CÓRDOVA, Mr. BLACKBURN, Mr. FORSYTHE, Mr. DUNCAN, Mr. JOHNSON of Pennsylvania, and Mr. ESHLEMAN):

H. Con. Res. 237. Concurrent resolution expressing the sense of Congress that our NATO Allies should contribute more to the cost of their own defense; to the Committee on Foreign Affairs.

By Mrs. ABZUG (for herself, Mr. ABOUREZK, Mr. ASPIN, Mr. BADILLO, Mr. BINGHAM, Mr. BURTON, Mrs. CHISHOLM, Mr. CONYERS, Mr. DELLUMS, Mr. DOW, Mr. EDWARDS of California, Mr. WILLIAM D. FORD, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. KOCH, Mr. MATSUNAGA, Mr. MIKVA, Mr. MITCHELL, Mr. PODELL, Mr. REES, Mr. ROSENTHAL, Mr. RYAN, and Mr. SEIBERLING):

H. Res. 342. Resolution calling for an investigation of Government agency involvement in U.S. oil company investment in oil deposits offshore Vietnam; to the Committee on Rules.

By Mr. BRINKLEY:

H. Res. 343. Resolution creating a special committee to conduct an investigation of certain activities of William Orville Douglas, Associate Justice of the U.S. Supreme Court, to determine whether impeachment proceedings are warranted; to the Committee on Rules.

By Mrs. GRIFFITHS:

H. Res. 344. Resolution providing for investigations and studies by standing committees of the House of Representatives to ascertain and identify those areas in which differences in treatment or application, on the basis of sex, exist in connection with the administration and operation of those provisions of law under their respective jurisdictions, and for other purposes; to the Committee on Rules.

By Mr. HALEY:

H. Res. 345. Resolution to express the sense of the House of Representatives that the United States maintain its sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

MEMORIALS

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

85. By the SPEAKER: A memorial of the Legislature of the territory of Guam, relative to constituting the University of Guam as a land-grant institution; to the Committee on Agriculture.

86. Also, a memorial of the Legislature of the territory of the Virgin Islands of the United States, relative to holding sessions of the Legislature of the Virgin Islands on St. Croix and St. John, as well as at Charlotte Amalie; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ADDABBO:

H.R. 6738. A bill for the relief of Alberto Tortoroli; to the Committee on the Judiciary.

By Mr. BLACKBURN:

H.R. 6739. A bill for the relief of Cpl. Michael T. Kent, U.S. Marine Corps Reserve; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 6740. A bill for the relief of Aniello Peluso; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 6741. A bill for the relief of Antonio Giovanna Livoti; to the Committee on the Judiciary.

By Mr. DRINAN:

H.R. 6742. A bill for the relief of Pasquale Antonio Frisoli; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 6743. A bill for the relief of Carlos Alberto Arenas; to the Committee on the Judiciary.

By Mr. WYATT:

H.R. 6744. A bill for the relief of Fred Devine, doing business as Fred Devine Diving Co.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

50. The SPEAKER presented a petition of Barry Dale Holland, Portsmouth, Va., relative to referendums on public questions, which was referred to the Committee on the Judiciary.