fessions require more than just the undergraduate degree, and many veterans are not able to maximize their talents because of financial handicaps. In the areas of earning potential and initial job procurement, it is also apparent that a bachelor's degree earned in 1950 is roughly equivalent to a master's degree today.

Finally, a good number of veterans desperately need sufficient time to readjust to civilian society and to the academic environment. College campuses have undergone drastic changes since the unrest which plagued the country in the late 1960's and early 1970's. Familiar modes of study and curriculums are all but vanished from the academic institutions. These problems are multiplied when coupled with grade performance pressures and the necessity of employment which face almost all of our veterans. An increase in the length of entitlement for those who have earned it based on their time in the service can help eliminate a substantial number of these pressures. Congress, and the taxpayer in turn, will only benefit from a better educated and more financially stable veteran. Congress realized this when it passed the original GI bill of rights, which provided that all veterans were able to draw these benefits for 48 months. There are Members of this body who have earned their degrees as a result of this law. It seems only fair to equalize the available opportunities accorded to the two generations.

Present law also provides that the veteran has a period of 8 years from the date of discharge in which to complete his education. Any allowance not used in this 8-year period is forfeited. The bill I am sponsoring today further provides that this period of eligibility for complete use of the 48 months of educational assistance be extended to 15 years.

When Congress initially imposed this 8-year limitation for utilizing GI education benefits, the intent was to encourage the recently discharged veteran to enroll in school promptly and to complete his education as rapidly as possible. The economic problems which face most of today's veterans weakens any modern application of this rationale. Many are financially unable to enroll in schools directly after discharge. Others have experienced academic difficulties in the past; thus college and universities are reluctant to accept them until they have contributed in some manner to the civilian community. Others who do enroll soon after discharge are forced to drop out of school in order to support their families or to earn the money necessary to supplement the GI bill. Others simply do not realize the value of an education until it is too late to take advantage of the benefits.

My bill affords all of these groups the opportunity to take advantage of the benefits Congress has encouraged veterans to use. No greater assistance can be given to the veteran than to enable him to earn a good living. This can best be accomplished by having a good education, whether it be completed at age 25 or age 40.

The increase from 36 to 48 months for those who have earned it and the extension for eligibility from 8 to 15 years will not serve as a catalyst to induce veterans to continue or delay their education simply to consume additional benefits. It is only an equalization of opportunities enjoyed by their predecessors returning to a grateful nation that is proud of the men and women who served it.

I will, of course, reintroduce this bill in the 93d Congress. I submit it now for studying by my colleagues and would welcome cosponsorship.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business this morning it reconvene at 12 o'clock noon today.

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

AUTHORIZATION FOR COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS TO INSERT ACHIEVEMENTS OF THE COMMITTEE IN THE RECORD

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be authorized to insert the achievements of the committee for the second session of the 92d Congress in the RECORD following the adjournment of Congress.

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

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until 12 o'clock noon today.

The motion was agreed to; and at 1:22 a.m. on Wednesday, October 18, 1972, the Senate adjourned until 12 o'clock noon.

HOUSE OF REPRESENTATIVES—*Tuesday, October 17, 1972*

The House met at 12 o'clock noon.

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

The Lord watch between me and thee, when we are absent one from another.—Genesis 31: 49.

Eternal God and Father of us all, in the closing days of the 92d Congress we pause again in Thy presence to acknowledge our dependence upon Thee and to offer Thee the devotion of our hearts. Through the year Thou hast been our refuge and strength, our present help in time of trouble.

We thank Thee for the opportunities which have been ours working together under the dome of this Capitol of our national life. Here we have endeavored to serve Thee, our Nation and our world. For our labors may we hear the words "Well done, good and faithful servants."

Bless the Members of this body, some of whom will return and some of whom will not return. May the benediction of Thy spirit rest upon them that coming or going Thy peace may abide in all their hearts. And grant safe return of our majority leader and our colleague. May the Lord bless us and keep us always and in all ways. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 3786. An act to provide for the free entry of a four octave carillon for the use of Marquette University, Milwaukee, Wis.;

H.R. 10638. An act for the relief John P. Woodson, his heirs, successors in interest or assigns;

H.R. 11091. An act to provide additional funds for certain wildlife restoration projects, and for other purposes;

H.R. 13895. An act to amend title 5, United States Code, to revise the pay structure for nonsupervisory positions of deputy U.S. marshal, and for other purposes;

H.R. 15597. An act to authorize additional funds for acquisition of interests in land within the area known as Piscataway Park in the State of Maryland;

H.R. 16074. An act to authorize appropriations to carry out jellyfish control programs until the close of fiscal year 1977; and

H.J. Res. 733. Joint resolution granting the consent of Congress to certain boundary agreements between the States of Maryland and Virginia.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2318. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, and for other purposes;

S. 3240. An act to amend the Transportation Act of 1940, as amended, to facilitate the payment of transportation charges;

S. 3483. An act for the relief of Cass County, N. Dak.; and

S. 3671. An act to amend the Administrative Conference Act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1467) entitled "An act to amend the Internal Revenue Code of 1954 with respect to personal exemptions in the case of American Samoans."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7577) entitled "An act to amend section 3306 of the Internal Revenue Code of 1954," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. ANDERSON, Mr. TALMADGE, Mr. BENNETT, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 1331) entitled "Joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. INOUYE, Mr. PROXMIRE, Mr. MAGNUSON, Mr. ROBERT C. BYRD, Mr. YOUNG, Mrs. SMITH, and Mr. HRUSKA to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H.R. 7577. An act to amend section 3306 of the Internal Revenue Code of 1954;

H.R. 10751. An act to establish the Pennsylvania Avenue Development Corporation, to provide for the preparation and carrying out of a development plan for certain areas between the White House and the Capitol, to further the purposes for which the Pennsylvania Avenue National Historic Site was designated, and for other purposes; and

H.J. Res. 1331. Joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes.

The message also announced that the Senate recedes from its amendment to a bill of the House of the following title:

H.R. 11773. An act to amend section 389 of the Revised Statutes of the United States relating to the District of Columbia to exclude the personnel records, home addresses, and telephone numbers of the officers and members of the Metropolitan Police Department of the District of Columbia from the records open to public inspection.

The message also announced that the Senate agrees to the House amendment to the Senate amendment to a bill of the House of the following title:

H.R. 16071. An act to amend the Public Works and Economic Development Act of 1965.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1971. An act to declare a portion of the Delaware River in Philadelphia County, Pa., nonnavigable.

ALASKAN SEARCH FOR MISSING MEMBERS, MAJORITY LEADER HALE S. BOGGS AND MEMBER NICK BEGICH

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

Mr. O'NEILL. Mr. Speaker, we are all aware of the circumstances in which our majority leader, Mr. BOGGS, and Congressman BEGICH, are missing in a plane.

The White House has been constantly in touch with the Speaker since yesterday when they first learned that Mr. BOGGS and Mr. BEGICH were missing. Also, the congressional offices are getting a report of any developments every 30 minutes.

Mr. Speaker, apparently the weather is quite bad up there. The search pattern is from Anchorage to Juneau, down the normal air route, and 50 to 75 miles on each side of the air route. Thirty-five aircraft will be lifting off at 0700, local Alaska time, which is 12 o'clock noon our time. The aircraft were unable to take off prior to 7 a.m. Alaska time because of a tremendous fog, I understand. These search planes should be taking off just about this time, now.

Mr. Speaker, these search teams will cover the area from Anchorage to Prince William Sound. As far as the location is concerned, they will have good ceiling at 4,000 feet. Along the coast to Juneau, they expect fog which hopefully will lift about noon, Alaskan time.

Mr. Speaker, the search will be first over water, and when the fog lifts, it will then continue over land.

Of the 35 aircraft in use, four are Army, 11 are Air Force, four are Coast Guard, 15 are Civil Air Patrol, and one FAA.

We have been informed that the pilot who was commanding the two-motor Cessna is one of the great bush pilots of the area. And so, while we pray at this time, we do have hope and we do have confidence that this pilot has been able to find one of the areas where he has landed probably many times through the years. It is our hope and prayer, or course, that the men will be found safe.

Mr. Speaker, I have known Mr. BOGGS since I came to Congress 20 years ago. These past 2 years, I have had the distinct pleasure and honor to work closely with him as his assistant, the majority whip. HALE and I have become good personal friends, as well as close professional colleagues. I know no man who has fulfilled his responsibilities as majority leader with more competence, diligence, and resourcefulness.

Throughout this year he has campaigned all over the country almost weekly for Democratic Members or candidates whenever he was asked. His trip to Alaska on behalf of a Democratic Member and close personal friend, after an exhausting postmidnight session, exemplifies the kind of dedication and responsibility that HALE BOGGS brought to his job as leader of his party.

I have known and worked with NICK BEGICH for 2 years since he became a Member of the 92d Congress. He is a very affable and likable Member, and we are all aware of his tireless efforts on behalf of his constituents in Alaska.

Now is the time for us to say a silent prayer that Mr. BOGGS and Mr. BEGICH will be found unharmed and returned safely to their homes and families.

Mr. Speaker, we will continue with the normal process of business today until we have word from Alaska.

A PRAYER FOR OUR MAJORITY LEADER AND MR. BEGICH AND THE OTHER MEMBERS OF THEIR PARTY

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

Mr. GERALD R. FORD. Mr. Speaker, I am sure the heart of every Member of this body is heavy today as we ponder the possible fate of our well-liked and beloved colleague, the majority leader, HALE BOGGS, as well as the fate of our friend and colleague, the gentleman from Alaska, NICK BEGICH.

When I heard the news of their disappearance last night I was immediately filled with great apprehension and deep foreboding.

Although we often fought verbally on the floor of the House, HALE and I are very, very close personal friends.

Mr. Speaker, our hearts go out to their wives and families during this period of uncertainty. We can only pray that no news is good news and that with the morning light which is returning to the vast area over which their flight was planned they will be found alive along with the pilot and NICK's district assistant, Russ Brown.

As many of you know, I came to know HALE extremely well during the trip we made together in late June and early July to the People's Republic of China. My wife, Betty, and I have had no more congenial and pleasant and constructive traveling companions than HALE and his lovely wife Lindy.

Let us say a prayer, Mr. Speaker; let us all pray that HALE BOGGS and NICK BEGICH and his assistant as well as the pilot will all be found safe and well. I humbly pray You, God, that this may be so.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. I would like to add, also, that both the Speaker and I have been in touch with Mrs. Boggs. Mrs. Boggs and Mrs. Begich have spoken on the phone to each other since this event occurred. Mrs. Begich made reference to the fact that once before her husband had been found safely after he had been lost in Alaska for 9 hours. All of our prayers go to Mrs. Boggs and Mrs. Begich, with the hope that our dear colleagues will be found alive and well.

APPOINTMENT AS MEMBERS OF TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 92–484, the Chair appoints as members of the Technology Assessment Board the following members on the part of the House: Mr. DAVIS, of Georgia; Mr. CABELL, of Texas; Mr. MCCORMACK, of Washington; Mr. MOSHER, of Ohio; Mr. GUBSER, of California; and Mr. HARVEY, of Michigan.

APPOINTMENT AS MEMBERS OF COMMISSION ON REVISION OF FEDERAL COURT APPELLATE SYSTEM

The SPEAKER. Pursuant to the provisions of section 2(a), Public Law 92–489, the Chair appoints as members of the Commission on Revision of the Federal Court Appellate System the following members on the part of the House: Mr. BROOKS, of Texas; Mr. MIKVA, of Illinois; Mr. HUTCHINSON, of Michigan; and Mr. WIGGINS, of California.

TRIBUTE TO HON. JACKSON E. BETTS

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

Mr. PRICE of Illinois. Mr. Speaker, those of us who look forward to returning to the 93d Congress next January will greatly miss the presence of the Honorable JACKSON E. BETTS of Ohio, who has made an enviable mark in 22 years of service in this body.

It has been my privilege to have known him well, and to have had his invaluable help as a member of the Committee on Standards of Official Conduct, which I have had the honor to chair since its establishment in 1967. For the last 4 years he has been the ranking Republican member of the committee, and it has been my great privilege to have had his wise counsel in the sensitive matters with which the committee has dealt.

JACK BETTS is a true gentleman and a warm and gracious human being. And he has been a dedicated member of our committee and the other committees on which he has served.

While we shall miss him, he will always have a warm place in our hearts and, I am sure, in those of his constituents. While he is retiring from this body, we know that he will continue active in service to his beloved Findlay, Ohio, where he plans to resume the practice of law.

Mrs. Price joins me in wishing JACK BETTS and his lovely wife Martha the best of everything as they resume life in Findlay.

THE HONORABLE ELIZABETH BULLOCK ANDREWS

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

Mr. EDWARDS of Alabama. Mr. Speaker, it is with a great deal of respect and admiration that I rise today to bid farewell from this House to my colleague, the Honorable ELIZABETH BULLOCK ANDREWS, who is retiring at the close of this Congress.

As you know, ELIZABETH, during the year, has so ably completed the term of her late and beloved husband, the Honorable George W. Andrews, serving Alabama's Third Congressional District.

Alabama has been blessed through the years by distinguished, effective, and dedicated public servants by its lovely ladies and ELIZABETH has certainly maintained and enhanced this tradition.

In serving her constituents this year she worked harder than most freshman Members running for reelection, up early in the morning and working late hours through the day.

Furthering the programs her husband worked so hard for, she pressed relentlessly for needed funds for river system studies and improvements in Alabama and to secure help for the cancer hospital in Birmingham.

I know her efforts and hard work would make George proud. We are all proud of her.

We wish for ELIZABETH ANDREWS many healthy, happy and meaningful years as she returns to her home in Union Springs, Ala.

CONFERENCE REPORT ON S. 3230, JUDGMENT FUNDS OF ASSINIBOINE INDIANS OF MONTANA

Mr. ASPINALL submitted the following conference report and statement on the Senate bill (S. 3230) to provide for the disposition of funds appropriated to pay a judgment in favor of the Assiniboine Tribes of Indians in Indian Claims Commission docket numbered 279–A, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92–1608)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the Bill (S. 3230) to provide for the disposition of funds appropriated to pay a judgment in favor of the Assiniboine Tribes of Indians in Indian Claims Commission docket numbered 279–A, and for other purposes, having met, after full and free conference, have been unable to agree.

WAYNE N. ASPINALL,
ED EDMONDSON,
JOHN P. SAYLOR,
JOHN N. HAPPY CAMP,
Managers on the Part of the House.

HENRY M. JACKSON,
LEE METCALF,
HENRY BELLMON,
Managers on the Part of the Senate.

JOINT STATEMENT OF THE COMMITTEE OF CONFERENCE

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3230) to provide for the disposition of funds appropriated to pay a judgment in favor of the Assiniboine Tribes of Indians in Indian Claims Commission docket numbered 279–A, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

WAYNE N. ASPINALL,
ED EDMONDSON,
JOHN P. SAYLOR,
JOHN N. HAPPY CAMP,
Managers on the Part of the House.

HENRY M. JACKSON,
LEE METCALF,
HENRY BELLMON,
Managers on the Part of the Senate.

FEASIBILITY INVESTIGATIONS OF POTENTIAL WATER RESOURCE DEVELOPMENTS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 3959) to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment, as follows:

At the end of the House engrossed amendment insert: "9. Three Forks Division, Pick-Sloan Missouri Basin program, in Gallatin and Madison Counties, northwest Montana."

The Senate amendment to the House amendment was concurred in.

A motion to reconsider was laid on the table.

DISPENSING WITH CALL OF PRIVATE CALENDAR

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be dispensed with.

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

There was no objection.

APPOINTMENT AS DELEGATES TO 17TH SESSION OF UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION IN PARIS

The SPEAKER. Pursuant to the provisions of House Resolution 1162, 92d Congress, the chair appoints as delegates to attend the 17th session of the United Nations Educational, Scientific, and Cultural Organization in Paris, France, from October 17 to November 18, 1972, the following members of the Committee on Education and Labor: Mr. THOMPSON of New Jersey; and Mr. CARLSON, of Illinois.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 454]

Abbitt	Bolling	Cotter
Abernethy	Bow	Crane
Abourezk	Brademas	Curlin
Anderson, Calif.	Brooks	Danielson
	Broomfield	Davis, S.C.
Anderson, Tenn.	Brown, Mich.	Davis, Wis.
	Broyhill, N.C.	Delaney
Andrews, N. Dak.	Burke, Fla.	Denholm
	Burleson, Tex.	Derwinski
Archer	Burlison, Mo.	Dickinson
Arends	Byrne, Pa.	Diggs
Aspin	Byron	Dow
Badillo	Cabell	Dowdy
Baker	Caffery	Dwyer
Baring	Carey, N.Y.	Eckhardt
Begich	Celler	Edmondson
Bell	Chappell	Erlenborn
Bevill	Clewson, Del	Evans, Colo.
Blackburn	Clay	Fisher
Blanton	Collins, Ill.	Flowers
Blatnik	Collins, Tex.	Ford,
Boggs	Conable	William D.

Frelinghuysen	McKay	Scheuer
Galifianakis	McKevitt	Schmitz
Gallagher	McKinney	Shipley
Gettys	McMillan	Shoup
Giaimo	Macdonald, Mass.	Sisk
Goldwater	Mailliard	Skubitz
Grasso	Martin	Smith, N.Y.
Gray	Matsunaga	Snyder
Green, Oreg.	Mayne	Springer
Griffiths	Meeds	Steele
Gross	Mikva	Steiger, Ariz.
Gubser	Mills, Md.	Steiger, Wis.
Haley	Mollohan	Stephens
Halpern	Monagan	Stuckey
Hanna	Moss	Symington
Hansen, Wash.	Nichols	Talcott
Harvey	Patman	Teague, Tex.
Hébert	Peyser	Thompson, Ga.
Heinz	Podell	Thompson, N.J.
Howard	Pryor, Ark.	Thomson, Wis.
Ichord	Pucinski	Udall
Jarman	Purcell	Van Deerlin
Jones, Tenn.	Railsback	Waggonner
Kuykendall	Reid	Waldie
Link	Roncalio	Widnall
Lloyd	Runnels	Wilson, Bob
Long, La.	Rooney, N.Y.	Winn
McClure	Ruppe	Wolff
McCormack	Sandman	Young, Fla.
McCulloch		

The SPEAKER. On this rollcall 281 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 1331, FURTHER CONTINUING APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year ending June 30, 1973, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, 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. MAHON, WHITTEN, SIKES, PASSMAN, EVINS of Tennessee, BOLAND, JONAS, CEDERBERG, RHODES, and SHRIVER.

TABLE RELATING TO LABOR-HEW APPROPRIATION BILL

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a table relating to H.R. 16654, the Labor-Hew appropriation bill for the fiscal year 1973.

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

There was no objection.

The material referred to is as follows:

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1973 (H.R. 16654) NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY

Agency and item	1972 comparable appropriation	Budget estimates of new (obligational) authority, fiscal year 1973 [1]	New budget (obligational) authority recommended in the House bill (H.R. 15417)	New budget (obligational) authority recommended in the Senate bill (H.R. 15417)	New budget (obligational) authority recommended in the vetoed bill (H.R. 15417)	New budget (obligational) authority recommended in the House bill (H.R. 16654)	New budget (obligational) authority recommended in the Senate bill (H.R. 16654) [3]	New budget (obligational) authority recommended in the conference agreement (H.R. 16654) [4]
TITLE I—DEPARTMENT OF LABOR								
MANPOWER ADMINISTRATION								
Salaries and expenses	$36,852,000	$37,904,000	$37,704,000	$37,704,000	$37,704,000	$37,704,000	$37,704,000	$37,704,000
	(25,660,000)	(26,602,000)	[2]	[2]	[2]	[2]	[2]	[2]
Trust fund transfer	(25,847,000)	(26,989,000)	(26,989,000)	(26,989,000)	(26,989,000)	(26,989,000)	(26,989,000)	(26,989,000)
Manpower training services	905,349,000	719,554,000	758,554,000	719,554,000	719,554,000	719,554,000	719,554,000	719,554,000
	(776,717,000)	(829,862,000)	[2]	[2]	[2]	[2]	[2]	[2]
Emergency employment assistance	1,000,000,000	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000
Federal unemployment benefits and allowances	856,600,000	475,000,000	475,000,000	475,000,000	475,000,000	475,000,000	475,000,000	475,000,000
Advances to the extended unemployment compensation account	600,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Federal grants to States for employment services		66,700,000	66,700,000	66,700,000	66,700,000	66,700,000	66,700,000	66,700,000
Limitation on grants to States for unemployment insurance and employment services	(832,000,000)	(800,300,000)	(820,300,000)	(800,300,000)	(800,300,000)	(800,300,000)	(800,300,000)	(800,300,000)
Total, Manpower Administration	3,398,801,000	2,669,158,000	2,707,958,000	2,668,958,000	2,668,958,000	2,668,958,000	2,668,958,000	2,668,958,000
LABOR MANAGEMENT SERVICES ADMINISTRATION								
Salaries and expenses	22,568,000	25,624,000	25,202,000	25,202,000	25,202,000	25,202,000	25,202,000	25,202,000
EMPLOYMENT STANDARDS ADMINISTRATION								
Salaries and expenses	48,935,000	49,721,000	48,889,000	49,889,000	49,139,000	48,889,000	49,139,000	49,139,000
Federal workmen's compensation benefits	112,000,000	81,992,000	81,992,000	81,992,000	81,992,000	81,992,000	81,992,000	81,992,000
Total, Employment Standards Administration	160,935,000	131,713,000	130,881,000	131,881,000	131,131,000	130,881,000	131,131,000	131,131,000
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION								
Salaries and expenses	35,884,000	69,207,000	69,207,000	80,000,000	72,207,000	69,207,000	72,207,000	72,207,000
BUREAU OF LABOR STATISTICS								
Salaries and expenses	37,300,000	45,984,000	44,784,000	45,240,000	45,240,000	44,784,000	45,240,000	45,240,000
DEPARTMENTAL MANAGEMENT								
Salaries and expenses	20,619,000	25,406,000	24,156,000	24,196,000	24,196,000	24,156,000	24,196,000	24,196,000
Trust fund transfer	(772,000)	(797,000)	(797,000)	(797,000)	(797,000)	(797,000)	(797,000)	(797,000)
Special foreign currency program	100,000	309,000	100,000	309,000	100,000	100,000	100,000	100,000
Total, Departmental Management	20,719,000	25,715,000	24,256,000	24,505,000	24,296,000	24,256,000	24,296,000	24,296,000
Total, new budget (obligational) authority, Department of Labor	3,676,207,000	2,967,401,000	3,002,288,000	2,975,786,000	2,967,034,000	2,963,288,000	2,967,034,000	2,967,034,000
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE								
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION								
Mental health	611,294,000	613,823,000	743,823,000	851,525,000	783,323,000	727,573,000	783,323,000	783,323,000
Saint Elizabeths Hospital (indefinite)	27,806,000	30,664,000	30,664,000	30,664,000	30,664,000	30,664,000	30,664,000	30,664,000
Health services planning and development	467,856,000	330,187,000	462,073,000	510,573,000	489,573,000	445,587,000	489,573,000	489,573,000
Health services delivery	667,006,000	751,295,000	751,295,000	844,797,000	798,046,000	751,295,000	798,046,000	798,046,000
Trust fund transfer	(4,719,000)	(4,719,000)	(4,719,000)	(4,719,000)	(4,719,000)	(4,719,000)	(4,719,000)	(4,719,000)
Preventive health services	145,104,000	157,372,000	159,872,000	223,872,000	209,372,000	159,872,000	209,372,000	209,372,000
National health statistics	16,125,000	19,264,000	18,514,000	18,514,000	18,514,000	18,514,000	18,514,000	18,514,000

Footnotes at end of table.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1973 (H.R. 16654) NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY—Con.

Agency and item	1972 comparable appropriation	Budget estimates of new (obligational) authority, fiscal year 1973 [1]	New budget (obligational) authority recommended in the House bill (H.R. 15417)	New budget (obligational) authority recommended in the Senate bill (H.R. 15417)	New budget (obligational) authority recommended in the vetoed bill (H.R. 15417)	New budget (obligational) authority recommended in the House bill (H.R. 16654)	New budget (obligational) authority recommended in the Senate bill (H.R. 16654) [3]	New budget (obligational) authority recommended in the conference agreement (H.R. 16654) [4]
Retirement pay and medical benefits for commissioned officers (indefinite)	$24,660,000	$29,163,000	$29,163,000	$29,163,000	$29,163,000	$29,163,000	$29,163,000	$29,163,000
Buildings and facilities		19,457,000	19,457,000	19,457,000	19,457,000	19,457,000	19,457,000	19,457,000
Office of the Administrator	12,497,000	13,126,000	13,126,000	13,126,000	13,126,000	13,126,000	13,126,000	13,126,000
Medical facilities guarantee and loan fund	90,000,000							
Total, Health Services and Mental Health Administration	2,052,348,000	1,964,351,000	2,227,987,000	2,541,691,000	2,391,238,000	2,195,251,000	2,391,238,000	2,391,238,000
Consisting of—								
Definite appropriations	1,999,882,000	1,904,524,000	2,168,160,000	2,481,864,000	2,331,411,000	2,135,424,000	2,331,411,000	2,331,411,000
Indefinite appropriations	52,466,000	59,827,000	59,827,000	59,827,000	59,827,000	59,827,000	59,827,000	59,827,000
NATIONAL INSTITUTES OF HEALTH								
Biologics standards	9,294,000	9,528,000	9,528,000	9,528,000	9,528,000	9,528,000	9,528,000	9,528,000
National Cancer Institute	378,885,000	432,205,000	492,205,000	492,205,000	492,205,000	484,705,000	492,205,000	492,205,000
National Heart and Lung Institute	232,688,000	255,280,000	300,000,000	350,000,000	320,000,000	294,410,000	320,000,000	320,000,000
National Institute of Dental Research	43,404,000	44,415,000	46,991,000	54,000,000	49,795,000	46,669,000	49,795,000	49,795,000
National Institute of Arthritis, Metabolism, and Digestive Diseases	153,325,000	159,089,000	167,316,000	182,000,000	173,190,000	166,288,000	173,190,000	173,190,000
National Institute of Neurological Diseases and Stroke	116,722,000	117,877,000	130,672,000	145,000,000	136,403,000	129,073,000	136,403,000	136,403,000
National Institute of Allergy and Infectious Diseases	109,156,000	112,649,000	113,414,000	135,000,000	122,048,000	113,318,000	122,048,000	122,048,000
National Institute of General Medical Sciences	173,472,000	175,960,000	183,171,000	206,000,000	192,302,000	182,270,000	192,302,000	192,302,000
National Institute of Child Health and Human Development	116,510,000	127,244,000	130,429,000	160,000,000	142,257,000	130,031,000	142,257,000	142,257,000
National Eye Institute	37,132,000	37,384,000	38,562,000	45,000,000	41,137,000	38,415,000	41,137,000	41,137,000
National Institute of Environmental Health Sciences	26,408,000	29,013,000	30,956,000	32,000,000	31,374,000	30,713,000	31,374,000	31,374,000
Research resources	74,981,000	75,009,000	75,073,000	83,000,000	78,244,000	75,065,000	78,244,000	78,244,000
John E. Fogarty International Center for Advanced Study in the Health Sciences	4,357,000	4,545,000	4,666,000	6,000,000	5,200,000	4,651,000	5,200,000	5,200,000
Subtotal, NIH research institutes	1,476,334,000	1,580,198,000	1,722,983,000	1,899,733,000	1,793,683,000	1,705,136,000	1,793,683,000	1,793,683,000
Health manpower	673,562,000	533,628,000	738,628,000	927,178,000	846,428,000	713,003,000	846,428,000	846,428,000
National Library of Medicine	24,127,000	28,568,000	28,568,000	29,068,000	28,818,000	28,568,000	28,818,000	28,818,000
Buildings and facilities	3,565,000	8,500,000	8,500,000	33,480,000	12,580,000	8,500,000	12,580,000	12,580,000
Office of the Director	11,324,000	12,042,000	12,042,000	13,042,000	12,542,000	12,042,000	12,542,000	12,542,000
Scientific activities overseas (special foreign currency program)	25,545,000	25,619,000	25,619,000	25,619,000	25,619,000	25,619,000	25,619,000	25,619,000
Payment of sales insufficiencies and interest losses	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
General research support grants	(55,212,000)	(54,624,000)	(60,700,000)	(60,700,000)	(60,700,000)	(60,700,000)	(60,700,000)	(60,700,000)
Total, National Institutes of Health	2,218,457,000	2,192,555,000	2,540,340,000	2,932,120,000	2,723,670,000	2,496,868,000	2,723,670,000	2,723,670,000
OFFICE OF EDUCATION								
Elementary and secondary education	1,776,893,000	1,786,893,000	2,034,393,000	2,036,393,000	2,034,393,000	1,786,893,000	2,034,393,000	2,034,393,000
School assistance in federally affected areas	611,880,000	430,910,000	671,405,000	749,955,000	681,405,000	641,405,000	681,405,000	681,405,000
Education for the handicapped	110,090,000	131,109,000	143,609,000	181,859,000	162,359,000	143,609,000	162,359,000	162,359,000
Vocational and adult education	540,127,000	542,127,000	643,460,000	674,768,000	659,162,000	592,127,000	659,162,000	659,162,000
Library resources	211,209,000	122,730,000	184,500,000	274,500,000	247,000,000	149,500,000	247,000,000	247,000,000
	(13,000,000)	(14,000,000)	(2)	(2)	(2)	(2)	(2)	(2)
Educational renewal	168,390,000	215,500,000	219,190,000	259,240,000	238,315,000	219,190,000	238,315,000	238,315,000
	(155,165,000)	(147,500,000)	(2)	(2)	(2)	(2)	(2)	(2)
Educational activities overseas (special foreign currency program)	3,000,000	5,000,000	3,000,000	5,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Salaries and expenses	64,160,000	68,360,000	68,360,000	69,360,000	68,360,000	68,360,000	68,360,000	68,360,000
Student loan insurance fund	12,765,000	29,047,000	29,047,000	29,047,000	29,047,000	29,047,000	29,047,000	29,047,000
Payment of participation sales insufficiencies	2,961,000	2,921,000	2,921,000	2,921,000	2,921,000	2,921,000	2,921,000	2,921,000
Civil rights education	9,799,000							
Total, Office of Education	3,521,274,000	3,334,597,000	3,999,885,000	4,283,043,000	4,125,962,000	3,636,052,000	4,125,962,000	4,125,962,000
SOCIAL AND REHABILITATION SERVICE								
Grants to States for public assistance	12,215,134,000	13,344,704,000	13,369,704,000	13,344,704,000	13,344,704,000	13,344,704,000	13,344,704,000	13,344,704,000
Work incentives	259,198,000	455,133,000	(2)	455,133,000	455,133,000	455,133,000	455,133,000	455,133,000
Grants for construction and staffing of rehabilitation facilities	3,051,000			20,000,000				
Grants for the developmentally disabled	42,540,000	35,465,000	(2)	102,825,000	51,250,000	35,465,000	51,250,000	51,250,000
Nutrition programs for the elderly		100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Research and training activities overseas (special foreign currency program)	8,000,000	10,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Salaries and expenses	44,817,000	60,215,000	60,215,000	60,215,000	60,215,000	60,215,000	60,215,000	60,215,000
Trust fund transfer	(400,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
Total, Social and Rehabilitation Service	12,572,740,000	14,005,517,000	13,537,919,000	14,090,877,000	14,019,302,000	14,003,517,000	14,019,302,000	14,019,302,000
SOCIAL SECURITY ADMINISTRATION								
Payments to social security trust funds	2,465,297,000	2,475,485,000	2,475,485,000	2,475,485,000	2,475,485,000	2,475,485,000	2,475,485,000	2,475,485,000
Special benefits for disabled coal miners	591,839,000	1,526,500,000	557,788,000	1,526,500,000	1,526,500,000	1,526,500,000	1,526,500,000	1,526,500,000
Limitation on salaries and expenses	(1,167,394,000)	(1,256,498,000)	(1,256,498,000)	(1,256,498,000)	(1,256,498,000)	(1,256,498,000)	(1,256,498,000)	(1,256,498,000)
Limitation on construction	(18,194,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Total, Social Security Administration	3,057,136,000	4,001,985,000	3,033,273,000	4,001,985,000	4,001,985,000	4,001,985,000	4,001,985,000	4,001,985,000
SPECIAL INSTITUTIONS								
American Printing House for the Blind	1,580,000	1,696,500	1,696,500	1,696,500	1,696,500	1,696,500	1,696,500	1,696,500
National Technical Institute for the Deaf	7,619,000	4,694,000	4,694,000	4,694,000	4,694,000	4,694,000	4,694,000	4,694,000
Model Secondary School for the Deaf	17,491,000	4,625,000	4,625,000	4,625,000	4,625,000	4,625,000	4,625,000	4,625,000
Gallaudet College	13,371,000	9,486,000	14,446,000	15,082,000	15,082,000	14,446,000	15,082,000	15,082,000
Howard University	61,341,000	58,881,000	58,881,000	58,881,000	58,881,000	58,881,000	58,881,000	58,881,000
Total, Special Institutions	101,402,000	79,382,500	84,342,500	84,978,500	84,978,500	84,342,500	84,978,500	84,978,500

Footnotes at end of table.

Agency and item	1972 comparable appropriation	Budget estimates of new (obligational) authority, fiscal year 1973 [1]	New budget (obligational) authority recommended in the House bill (H.R. 15417)	New budget (obligational) authority recommended in the Senate bill (H.R. 15417)	New budget (obligational) authority recommended in the vetoed bill (H.R. 15417)	New budget (obligational) authority recommended in the House bill (H.R. 16654)	New budget (obligational) authority recommended in the Senate bill (H.R. 16654) [3]	New budget (obligational) authority recommended in the conference agreement (H.R. 16654) [4]
OFFICE OF THE SECRETARY								
Office for Civil Rights	$10,816,000	$13,587,000	$13,587,000	$13,587,000	$13,587,000	$13,587,000	$13,587,000	$13,587,000
Trust fund transfer	(1,049,000)	(1,180,000)	(1,180,000)	(1,180,000)	(1,180,000)	(1,180,000)	(1,180,000)	(1,180,000)
Departmental management	52,141,000	56,893,000	56,893,000	56,893,000	56,893,000	56,893,000	56,893,000	56,893,000
Trust fund transfer	(5,955,000)	(6,875,000)	(6,875,000	(6,875,000)	(6,875,000)	(6,875,000)	(6,875,000)	(6,875,000)
Total, Office of the Secretary	62,957,000	70,480,000	70,480,000	70,480,000	70,480,000	70,480,000	70,480,000	70,480,000
Total, new budget (obligational) authority, Department of Health, Education, and Welfare	23,586,314,000	25,648,867,500	25,494,226,500	28,005,174,500	27,417,615,500	26,488,495,500	27,417,615,500	27,417,615,500
Consisting of—								
Definite appropriations	23,533,848,000	25,589,040,500	25,434,399,500	27,945,347,500	27,357,788,500	26,428,668,500	27,357,788,500	27,357,788,500
Indefinite appropriations	52,466,000	59,827,000	59,827,000	59,827,000	59,827,000	59,827,000	59,827,000	59,827,000
TITLE III—RELATED AGENCIES								
Cabinet Committee on Opportunities for Spanish-Speaking People	890,000	1,260,000	1,260,000	1,000,000	1,000,000	1,260,000	1,000,000	1,000,000
Commission on Railroad Retirement	492,000	101,000	101,000	101,000	101,000	101,000	101,000	101,000
Federal Mediation and Conciliation Service	10,410,000	10,650,000	10,650,000	10,650,000	10,650,000	10,650,000	10,650,000	10,650,000
National Commission on Libraries and Information Science	200,000	406,000	406,000	406,000	406,000	406,000	406,000	406,000
National Commission on Marihuana and Drug Abuse	1,228,000	1,140,000	1,440,000	1,140,000	1,440,000	1,440,000	1,440,000	1,440,000
National Labor Relations Board	48,468,000	50,456,000	50,456,000	50,456,000	50,456,000	50,456,000	50,456,000	50,456,000
National Mediation Board	2,796,000	2,888,000	2,888,000	2,888,000	2,888,000	2,888,000	2,888,000	2,888,000
Occupational Safety and Health Review Commission	1,633,000	5,979,000	5,979,000	5,979,000	5,979,000	5,979,000	5,979,000	5,979,000
Railroad Retirement Board:								
Payments for military service credits	20,757,000	21,645,000	21,645,000	21,645,000	21,645,000	21,645,000	21,645,000	21,645,000
Limitation on salaries and expenses	(19,663,000)	(19,822,000)	(19,822,000)	(19,822,000)	(19,822,000)	(19,822,000)	(19,822,000)	(19,822,000)
U.S. Soldiers' Home (trust fund appropriation):								
Operation and maintenance	11,583,000	11,596,000	11,596,000	12,591,000	12,591,000	11,596,000	12,591,000	12,591,000
Capital outlay	80,000	244,000	244,000	2,114,000	2,114,000	244,000	2,114,000	2,114,000
Corporation for Public Broadcasting	35,000,000	45,000,000	[2]	65,000,000	45,000,000	45,000,000	45,000,000	45,000,000
Consisting of—								
Definite appropriations	(30,000,000)	(40,000,000)	[2]	(65,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)
Indefinite appropriations	(5,000,000)	(5,000,000)	[2]		(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Total, new budget (obligational) authority related agencies	133,537,000	151,365,000	106,665,000	173,970,000	154,270,000	151,665,000	154,270,000	154,270,000
Consisting of—								
Definite appropriations	128,537,000	146,365,000	106,665,000	173,970,000	149,270,000	146,665,000	149,270,000	149,270,000
Indefinite appropriations	5,000,000	5,000,000			5,000,000	5,000,000	5,000,000	5,000,000
Office of Emergency Preparedness				200,000,000				
Grand total, new budget (obligational) authority	27,396,058,000	28,767,633,500	28,603,179,500	31,354,930,500	30,538,919,500	29,603,448,500	[3] 30,538,919,500	[4] 30,538,919,500
Consisting of—								
Definite appropriations	27,338,592,000	28,702,806,500	28,543,352,500	31,295,103,500	30,474,092,500	29,538,621,500	30,474,092,500	30,474,092,500
Indefinite appropriations	57,466,000	64,827,000	59,827,000	59,827,000	64,827,000	64,827,000	64,827,000	64,827,000

[1] Includes budget amendments and other estimates which were not considered by the House in connection with H.R. 15417, but were considered by the Senate in connection with H.R. 15417, and by both the House and the Senate in connection with H.R. 16654, as follows:

Manpower training services	—$39,000,000
Limitation on grants to States for unemployment insurance and employment services	(—20,000,000)
Grants to States for public assistance	—25,000,000
Work incentives	455,133,000
Grants for the developmentally disabled	35,465,000
Special benefits for disabled coal miners	968,712,000
Corporation for Public Broadcasting	45,000,000
Total	1,440,310,000

[2] Not considered.

[3] Section 409 of the Senate bill authorizes the President to reduce the total amount of the bill to $29,603,448,500, provided that no single appropriation or activity is reduced by more than 10 percent.

[4] Section 409 of the bill will authorize the President to reduce the total amoun tof the bill to $29,300,000,000, provided that no single appropriation or activity is reduced by more than 13 percent.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORT

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until midnight to file a report.

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

There was no objection.

CONFERENCE REPORT ON H.R. 1467, PERSONAL EXEMPTIONS OF AMERICAN SAMOANS

Mr. MILLS of Arkansas submitted the following conference report and statement on the bill (H.R. 1467) to amend the Internal Revenue Code of 1954 with respect to personal exemptions in the case of American Samoans:

CONFERENCE REPORT (H. REPT. NO. 92-1607)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1467) to amend the Internal Revenue Code of 1954 with respect to personal exemptions in the case of American Samoans, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4 and 7.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

On page 3, line 22, of the Senate engrossed amendments, strike out "4" and insert: "3".

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

On page 4, line 2, of the Senate engrossed amendments, strike out "5" and insert: "4".

And the Senate agree to the same.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
JOHN W. BYRNES,
JACKSON E. BETTS,
Managers on the Part of the House.

RUSSELL B. LONG,
CLINTON ANDERSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1467) to amend the Internal Revenue Code

of 1954 with respect to personal exemptions in the case of American Samoans, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by managers and recommended in the accompanying conference report:

Amendments Numbered 1 and 2: The bill as passed by the House extends the present law definition of a "dependent" for purposes of claiming an income tax personal exemption to include nationals of the United States who otherwise would qualify as dependents but for the fact that they are not citizens of the United States. The bill as passed by the House also eliminates the provision of existing law which limits an individual who is a national but not a citizen of the United States to one personal exemption. In practice these changes will have application to American Samoans. Under the bill as passed by the House, these changes were to be effective for taxable years beginning after 1970.

Senate amendments numbered 1 and 2 makes these changes effective for taxable years beginning after 1971 rather than after 1970.

The House recedes.

Amendment numbered 3: Senate amendment numbered 3 removes a discrimination in existing law against the spouse of an employee in a community property State who dies before the employee. Generally, an estate tax exclusion is provided for the proportion of the value of a survivor annuity to the extent it is attributable to the contributions of the employer. In a common law State where the nonemployee (often the wife) dies first, no value representing the employer's contributions is included in her estate tax base. In a community property State, however, as a result of the operation of community property laws, half of the value of an annuity is included in the estate tax base of the nonemployee spouse even though attributable to employer contributions. The Senate amendment removes this discrimination against a nonemployee spouse in a community property State.

The House recedes.

Amendment numbered 4: Under existing law (sec. 809(d)(5) of the Internal Revenue Code of 1954), in computing the gain from operations of a life insurance company, a deduction is allowed in an amount equal to 3 percent of the premiums attributable to nonparticipating contracts of life, accident, and health insurance issued or renewed for periods of 5 years or more. Senate amendment numbered 4 provided that, for this purpose, the period for which any contract is issued or renewed was to include the period for which it is guaranteed renewable.

The Senate recedes.

Amendment numbered 5: Senate amendment numbered 5 extends for 2 years (until January 1, 1973) the provision of the Technical Amendments Act of 1958 which provides that a deduction for accrued vacation pay is not to be denied solely because the liability for it to a specific person has not been fixed or because the liability for it to each individual cannot be computed with reasonable accuracy. For a corporation to obtain this deduction the employee must have performed the qualifying service necessary under a plan or policy which provides for vacations with pay to qualified employees and the plan or policy must have been communicated to the employees involved before the beginning of the vacation year.

The House recedes with a clerical amendment.

Amendment numbered 6: Under existing law, an itemized deduction is allowable for State and local general sales taxes. Generally, a general sales tax must apply at a uniform rate, but existing law permits the rate of a sales tax on motor vehicles to be lower than the general sales tax rate. If the rate of a State or local sales tax on motor vehicles is higher than the general sales tax rate no part of the tax paid is deductible.

Senate amendment numbered 6 provides that, where the rate of a State or local sales tax on motor vehicles is higher than the general sales tax rate, that part of the tax paid which is equal to a tax imposed at the general sales tax rate will be deductible. This change is to apply to taxable years ending on or after January 1, 1971.

The House recedes with a clerical amendment.

Amendment numbered 7: Senate amendment numbered 7 amended the effective date of section 308 of the Revenue Act of 1971, which provided that capital gains and stock option income which is attributable to foreign sources is to be treated as receiving preferential treatment for purposes of the minimum tax if the foreign country imposes no significant amount of tax with respect to these items of income. This provision was made applicable by the 1971 Act to taxable years beginning after 1969 (the effective date of the minimum tax). Senate amendment numbered 7 made this provision inapplicable in certain cases to transfers in which delivery occurred before June 25, 1971.

The Senate recedes.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
JOHN W. BYRNES,
JACKSON E. BETTS,
Managers on the Part of the House.

RUSSELL B. LONG,
CLINTON ANDERSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 1, SOCIAL SECURITY ACT AMENDMENT

Mr. MILLS of Arkansas, Mr. Speaker, I call up the conference report on the bill (H.R. 1) to amend the Social Security Act to increase benefits and improve eligibility and computation methods under the OASDI program, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis on improvements in their operating effectiveness, to replace the existing Federal-State public assistance programs with a Federal program of adult assistance and a Federal program of benefits to low-income families with children, with incentives and requirements for employment and training to improve the capacity for employment of members of such families, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 14, 1972.)

Mr. MILLS of Arkansas. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, H.R. 1 as it passed the U.S. Senate would have cost more than $18 billion in its first full year. The House conferees met with representatives of the Senate over the course of 4 days, and we have managed to bring the cost of this bill down to less than one-third of that $18 billion—down to $5.3 billion, which is actually much less than H.R. 1 would have cost as it passed the House.

I insert at this point a table showing the overall cost effects of H.R.1:

Outgo over present law calendar 1974

	Billions
TRUST FUNDS	
Social security cash benefits	$2.3
Hospital insurance	1.6
Supplementary medical insurance	.1
Total	4.0
GENERAL REVENUES	
Supplementary security income	1.8
Food stamp cash-out	.3
Foster care	.2
Medicaid	.8
Supplementary medical insurance	.4
Total	1.3
Grand Total	5.3

The Senate had made 583 amendments to the House bill and the conferees went over every one of them. I admit that the House conferees were tough. We had to be tough. We insisted time after time that the Senate drop provisions which had substantial costs and we did this even when a Senate provision had considerable merit. And frankly, we were just as tough on ourselves. The Senate had dropped three important but costly provisions from the House version of H.R. 1, and the House receded on those three provisions even though they had much merit.

Despite all this, this bill still contains the most far-reaching provisions of a social security bill since we passed medicare in 1965.

The bill makes many important changes in the cash social security programs—for example, raising the earnings test amount, increasing payments to widows, and providing a special minimum benefit.

In the medicare and medicaid area, we have made almost 100 changes including medicare for the disabled and a special program for those suffering from killing kidney diseases.

The bill contains a brand new Federal program of assistance to the aged, blind, and disabled who do not have enough money to live on. This new program will assure that virtually no aged person will have to live below the poverty level.

As you can see, Mr. Speaker, the bill has three major areas of change, social security benefits, medicare and medicaid, and public assistance. I intend to go over each of these areas a little later.

But before I do so, let me refresh the Members of the House on the legislative history of this bill. In the last Congress, the House passed two separate bills, one on welfare reform and one on social security and medicaid and medicare and sent them to the other body. The Senate never did approve the welfare reform bill and did not send us the other bill until two days before the end of a Congress that quit on January 2. Clearly it was impossible at that time to complete a conference.

In order to make up for the Senate's lack of responsibility on this matter, the Committee on Ways and Means in the first days of this Congress in January 1971, reconsidered and improved the provisions in both the earlier bills and in-

cluded them in H.R. 1. The committee worked hard on this bill, reporting it to the House on May 28, 1971. The House passed the bill on June 22, 1971. The bill was in the Senate for almost 16 months; it was not sent over here until just before the Columbus Day weekend.

I can fully understand and appreciate the concern of Members about having to consider this important legislation in the last days of a Congress. They have no stronger objections to it than I did. But I and the rest of the House conferees were not willing to let the irresponsibility of the other body once again keep the American people from having the benefit of the many important provisions of this legislation. In order to facilitate Members' consideration of this bill, there is available not only the conference report on the bill but also a brief summary of all the provisions in the bill as it will look when enacted.

PROVISIONS RELATING TO THE OASDI PROGRAM

Mr. Speaker, the provisions in the conference report relating to the old-age survivors and disability insurance program were agreed to with the general purpose of including in the bill the provisions of the House and Senate which were in disagreement that could be financed without unduly increasing social security tax rates.

There were some provisions in the House-passed bill that would have required substantial tax increases which had to be omitted from the conference report for this reason. These included provisions to provide an additional drop-out year for each 15 years of covered service of a worker, which would have cost 0.25 percent of payroll, the provision for eliminating the actuarial reduction on a benefit subsequently applied for, which would have cost 0.13 percent of payroll, and the provision for combining the earnings of working couples which would have cost 0.20 percent of payroll. These were all meritorious amendments but their combined cost of 0.58 percent of payroll would have required substantial tax increases in future years.

A number of Senate amendments were also eliminated in order to hold down the cost of the bill. These included liberalizing the eligibility requirements of the blind for disability benefits, raising the earnings limitation far above the increase contained in the House bill, benefits for dependent brothers and sisters and providing actuarially reduced benefits at age 60 for workers and at age 55 for widows.

The conference report nevertheless contains many significant improvements in the social security cash benefits program. It increases benefits for widows and widowers which are applied for at or after 65 from 82½ percent to 100 percent of the benefit of a deceased spouse. It increases the earnings limitation from $1,680 to $2,100 a year and reduces the rate at which benefits are withheld to $1 in benefits to $2 of earnings for all earnings over that amount. It provides a special minimum benefit of $170 a month for workers with 30 years of covered employment. It provides higher benefits for persons who continue to work after age 65. It eliminates the discrimination in determining benefits and eligibility for men as compared to women workers. It reduces the waiting period for disability benefits from 6 months to 5 months.

In addition to these amendments, the conference report contains more than 20 additional improvements in the social security cash benefits program.

Benefit payments under the program will be increased by $2.3 billion in the first full year they are in effect.

PROVISIONS RELATING TO THE MEDICARE AND MEDICAID PROGRAMS

The provisions of H.R. 1 as adopted by the conference committee would make a great number of substantial improvements in the medicare and medicaid programs.

First, the bill would cover social security disabled beneficiaries under medicare effective next July. This provision will be of direct benefit to more than 1½ million severely disabled Americans.

Second, the conference committee report would provide protection against the costs of hemodialysis and kidney transplantation for almost all Americans afflicted with that disease beginning after the third month of treatment. This provision will help some of the most sorely afflicted people in the Nation. It has come to my attention on many occasions recently where an individual could benefit from hemodialysis treatment but his failure to be able to pay for it meant that he faced death instead. When H.R. 1 becomes law, this will no longer happen.

Third, the conference approved a provision that will cover chiropractors under medicare beginning next July. I know that many Members have introduced bills on this subject and I know that fact influenced the House conferees to a large degree.

I want to make one comment about the conference committee amendment to this provision. The conference committee amendment is designed to assure that chiropractors deal only with their customary major field. We do not expect or intend an over-technical interpretation of "subluxation;" what we do intend is that the generally accepted definition of this term be applied.

The bill as reported by the conference committee contained some 90 other provisions which will make many other adjustments and improvements in medicare and medicaid benefits and which will make many needed improvements in the operating effectiveness of these programs. These provisions are the result of many, many months of work in both the House and Senate beginning in early 1970. Many of these changes are long overdue and I am pleased that we can finally see them becoming part of the law.

I am not going to describe all 90 of them—they are described in detail in the summary of provisions which have been made available to the Members and which I will insert in the RECORD at this point in my statement. However, I would like to discuss a few of them which I regard as having considerable importance.

As many Members know, the aged pay one-half of the cost of part B in medicare through monthly premiums. The bill, as reported by the conference committee, provides that these premium amounts paid by the aged will be increased in the future at a rate no faster than social security cash benefits are increased.

The conference committee approved provisions which would authorize the establishment of professional standard review organizations. These organizations, which will be composed solely of physicians practicing in an area, will assume responsibility for the review of the utilization and quality of services provided under the medicare and medicaid programs. They would not be involved in determination of reasonable charges under medicare and medicaid, only whether the services provided are sound and proper. Safeguards are included which will protect the public's interest including appeal procedures and provisions to prevent pro forma performance. It may very well be that this will turn out to be one of the most important provisions of the bill. These organizations, which have already been set up in many States including California, Utah, New Mexico, Georgia, Pennsylvania, and Illinois, have already proven that they can do the job. I expect that as the physicians who are involved in these programs consult with and advise physicians in other areas, we will see a rapid expansion of the number of these organizations over the next few years.

The bill would permit the coverage of inpatient care in mental institutions for children covered under the medicaid program. Under present law, coverage is provided only for people 65 years of age and over. This provision will be of direct benefit to many young people who suffer from mental conditions, particularly because the House conferees insisted that any additional funds be spent only for active treatment which can reasonably be expected to lead to discharge of the young person from the mental hospital.

I will not take the time of the Members to describe any more of these provisions, but I hope that all of you will read the long list of them in the summary document and conclude as I have that these provisions represent the most important changes in the medicare and medicaid programs since their original enactment in 1965.

PROVISIONS RELATING TO SECIAL SECURITY TAXES

The cost of the additional benefits in the OASDI and medicare programs are fully financed by changes in the tax rates paid by employers and employees.

Under present law as amended by Public Law 92–336, the OASDI tax rate is scheduled to remain at 4.6 percent from now through calendar year 1977. Beginning in 1978, it is scheduled to decline to 4.5 percent and remain at that level through the year 2010 and increase to 5.35 percent beginning in the year 2011. Under the conference report, the OASDI tax rate would be increased to 4.85 percent in 1973 and remain at that rate through 1977. Beginning in 1978, the OASDI tax rate would, under the conference report, go down to 4.8 percent and remain at that rate until the year

2010. Beginning in the year 2011, it would increase to 5.85 percent.

I call to the attention of the Members of the House that these tax rates are lower for the next 38 years than the tax rates which would have been effective under the law prior to the time it was amended by Public Law 92-336. Under that prior law, the OASDI tax rate would have increased to 5 percent for calendar years 1973 through 1975 and increased again to 5.15 percent beginning in 1976 and would have remained at that level thereafter.

The hospital insurance tax rates would be increased under the conference report in order to finance the extension of the medicare program to social security disability beneficiaries. These tax rates were raised by Public Law 92-336 in order to make up the actuarial deficit that was building up in the hospital insurance trust fund. As amended by that legislation, the hospital insurance tax rate is scheduled to increase to 0.9 percent for the years 1973 through 1977; to 1 percent for 1978 through 1985; to 1.1 percent for 1986 through 1992; and finally to 1.2 percent beginning in 1993. Under the conference report, the new schedule of rates for the hospital insurance tax would be 1 percent for 1973 through 1977; 1.2 percent for 1978 through 1980; 1.3 percent for 1981 through 1985; and 1.4 percent beginning in 1986. I include at this point two tables on the tax rates:

COMPARISON OF CONTRIBUTION RATES (EMPLOYERS AND EMPLOYEES, EACH)

[In percent]

	Calendar years	OASDI	HI [1]	Total
Present law: $10,800 base in 1973; $12,000 base in 1974; automatic thereafter	1973-77	4.60	0.90	5.50
	1978-85	4.50	1.00	5.50
	1986-92	4.50	1.10	5.60
	1993-97	4.50	1.20	5.70
	1998-2010	4.50	(1.20)	(5.70)
	2011 +	5.35	(1.20)	(6.55)
Conference Committee bill: $10,800 base in 1973; $12,000 base in 1974; automatic thereafter	1973-77	4.85	1.00	5.85
	1978-80	4.80	1.25	6.05
	1981-85	4.80	1.35	6.15
	1986-97	4.80	1.45	6.25
	1998-2010	4.80	(1.45)	(6.25)
	2011 +	5.85	(1.45)	(7.30)

[1] Cost estimates for hospital insurance are made for a 25-year period only.

DOLLAR AMOUNT OF EMPLOYEE SOCIAL SECURITY CONTRIBUTIONS FOR CALENDAR YEARS 1973 AND 1974—FOR SELECTED LEVELS OF ANNUAL EARNINGS

	Contribution rate (percent)	Maximum covered earnings	Median earnings (male) ($7,433 for 1973; $7,804 for 1974)	Minimum wage earner $3,328 earnings
1973:				
Present law ($10,800)	5.5	$594.00	$408.82	$183.04
Conference bill ($10,800)	5.85	631.00	434.83	194.69
1974:				
Present law ($12,000)	5.5	660.00	429.22	183.04
Conference bill ($12,000)	5.85	702.00	456.53	194.69

I would like to reemphasize that while the combined tax rates including both the OASDI and hospital insurance tax rates would be higher in future years under H.R. 1 than they would have been before the Social Security Act was amended this year, that the tax rate schedule for the OASDI program alone has been reduced and that the increase in the taxes that workers and employers will be paying in the future are going primarily into the hospital insurance trust fund in order to provide hospital insurance benefits to disability beneficiaries and to make up the actuarial deficit that had existed in the hospital insurance trust fund.

The fiscal effects of the provisions in the bill on the medicaid program are quite substantial. The Department of Health, Education, and Welfare estimates that Federal expenditures under medicaid will be reduced by almost $500 million in this fiscal year and almost three-quarters of a billion dollars next fiscal year. I insert at this point a table on medicaid costs and savings in H.R. 1:

COST IMPACT ON MEDICAID OF H.R. 1 (CONFERENCE VERSION)

[Dollar amounts in millions]

	Effective date	Fiscal year— 1973	1974
Sec. 201. Disabled under medicare	July 1973		−$67
Sec. 204. Change in SMI deductible	January 1973	+$3	+8
Sec. 207. Incentives for utilization review	July 1973		−152
Sec. 208. Cost-sharing under medicaid	January 1973	−44	−89
Sec. 209. Determination of payments for families under medicaid.	January 1974		+15
Sec. 225. Limits on SNH/ICF payments	January 1973	−11	−22
Sec. 231. Maintenance of effort	Enacted	−540	−600
Sec. 235. Management information system	January 1972	+10	+10
Sec. 247. Level of care requirements	January 1973	−6	−14
Sec. 249B. 100 percent reimbursement SNH inspectors.	October 1972	+14	+20
Sec. 249E. Title XIX eligibility for recipients of social security benefit increase.	do	+$39	+$10
Sec. 271. Increased matching, Puerto Rico and the Virgin Islands.	July 1971	+10	+10
Sec. 299B. Coverage of mentally ill children	January 1973	+40	+110
Sec. 299E. 90 percent funding of family planning services.	October 1972	+15	+32
Sec. 299I. Coverage of renal disease	July 1973		−17
Total fiscal impact		−470	−746

PROVISIONS RELATING TO WELFARE PROGRAMS

Mr. Speaker, one of the very worthwhile and significant improvements which was made through this bill is the provision for supplemental income security for aged, blind, and disabled persons. At the present time these persons receive assistance through a great variety of State programs administered by the State welfare agencies under widely varying provisions as to eligibility and payment.

The conference committee report would create a single Federal program administered by the Social Security Administration with uniform Federal benefits and uniform eligibility requirements. The program entitled, "Supplemental Security Income for the Aged, Blind, and Disabled," would assure to otherwise eligible persons a monthly income of $130 if they have no other income. For a couple the amount would be $195; $20 of any type of income, social security benefits or otherwise, would be exempted so that persons with some other income would be assured $150 a month if single and $215 if married to an eligible spouse.

The special minimum which we established for social security beneficiaries, would assure to a person with 30 years of earnings under social security at least $170 a month. This would give some recognition of an individual's earnngs or savings during his working lifetime and an even larger income if he has worked for 30 years. In addition, the aged, blind and disabled would have exempted $65 a month of earnings and one-half of the remainder of earnings, thereby encouraging them to continue in such employment as they may be able to do.

The blind would have similar exemptions together with an assurance that they would have no less of their income from other sources disregarded than they do today.

Resources, which eligible individuals might have, include the home and surrounding land if the value does not exceed a reasonable amount, household goods, personal effects, an automobile. and up to $1,500 in other resources—savings, cash surrender value of life insurance, bonds, et cetera—if single, and up to $2,250 if married. In the unlikely event that this should result in anyone that is now eligible under a State program becoming ineligible the conference report provides that anyone eligible under a State program immediately prior to the new Federal program which goes into effect in January 1974, would be assured of continuing eligibility.

Definitions for blindness and disability similar to those being used for social security beneficiaries would be established but no one would lose eligibility because of these who has been eligible under a State program.

States which have maintained higher levels of payment than those provided would be encouraged to continue to make supplemental payments and for these to be administered by the Department of Health, Education, and Welfare. The Federal Government would pay any administrative costs and would guarantee the States that their 1972 level of need could be met together with the cash value of food stamps without the State having to expend more than they spent in 1972.

Special provisions are made for narcotic addicts and alcoholics to assure that rehabilitation services are provided wherever they are available and that payments are made through third parties rather than giving the addicts checks for cash.

Severely disabled children under age 18 would be eligible for help.

H.R. 1 TITLE III

[Dollars in millions]

	Fiscal year—			Calendar
	1973	1974	1975	1974
CURRENT LAW				
Payments	$2,100	$2,100	$2,200	$2,150
Administration	180	190	200	195
Subtotal	2,280	2,290	2,400	2,345
Food stamps	300	300	310	305
Total	2,580	2,590	2,710	2,645
H.R. 1				
Maintenance payments	2,100	2,800	3,500	3,500
Hold harmless		150	300	300
Administration	280	370	350	350
Subtotal	2,380	3,320	4,150	4,150
$4 pass through	.33	.25		
Subtotal	2,413	3,345	4,150	4,150
Food stamps	300	150		
Total	2,713	3,495	4,150	4,150
Net cost over current law	133	905	1,440	1,505

These are the broad outlines of the major provisions of this important bill. I now submit a summary of the bill, including further detail. I insert it in the RECORD immediately following these remarks, along with additional tables.

In the field of family welfare programs, the Committee on Ways and Means devoted a great deal of attention to the recommendations of the administration and to the views of other Members and sources during 1969, 1970, and early 1971. H.R. 1, as you will recall, was passed by the House in June, 1971. For over 15 months it was considered by the Senate Committee on Finance and a large number of complex public assistance amendments, completely divergent from those passed by the House were included in it as it finally passed the Senate. We frankly do not feel that in a week's time we could understand, much less arrive at a reasonable compromise between these new Senate provisions and the House bill. Accordingly, we reluctantly put aside both the House and Senate versions of welfare reform of the family programs.

Mr. Speaker, I feel that in the conference report on H.R. 1 we are bringing the House major and needed improvements in cash social security, medicare, medicaid and assistance for needy blind, disabled and aged people. I deeply regret that we do not bring to the House significant reform in the AFDC program. However, I believe that what we do have represents one of the most important bill in this Congress and that major gains have been made in a fiscally prudent manner.

I will include at this point a summary and certain tables:

SUMMARY OF H.R. 1, THE "SOCIAL SECURITY AMENDMENTS OF 1972" AS APPROVED BY THE CONFEREES

I. SOCIAL SECURITY CASH BENEFIT PROVISIONS

1. Special minimum cash benefits

The bill would provide a special minimum benefit of $8.50 multiplied by the number of years in covered employment up to 30 years, producing a benefit of at least $170 a month for a worker who has been employed for 30 years under social security coverage. This benefit would be paid as an alternative to the regular benefits in cases where a higher benefit would result.

Under this provision, the new higher minimum benefit would become payable to people with 20 or more years of employment; at that point, the special minimum benefit would be more than the regular minimum—$85 as compared to the regular minimum benefit of $84.50 payable under present law. A worker with 25 years of employment under social security would thus be guaranteed a benefit of at least $127.50; while one with 30 years would receive at least $170 a month. Minimum payments to a couple would be one and one-half times these amounts.

Years of covered employment:	*Special minimum*
19 or less	(1)
20	$85.00
21	93.50
22	102.00
23	110.50
24	119.00
25	127.50
26	136.00
27	144.50
28	153.00
29	161.50
30 or more	170.00

[1] Regular $84.50 minimum applies.

Effective date.—January 1973.

Number of people affected and dollar payments.—150,000 people would get increased benefits on the effective date and $20 million in additional benefits would be paid in 1974.

2. Increase in widow's and widower's insurance benefits

Under present law, when benefits begin at or after age 62 the benefit for a widow (or dependent widower) is equal to 82½ percent of the amount the deceased worker would have received if his benefit had started when he was age 65. A widow can get a benefit at age 60 reduced to take account of the additional 2 years in which she would be getting benefits.

The bill would provide benefits for a widow equal to the benefit her deceased husband would have received if he were still living. Under the bill, a widow whose benefits start at age 65 or after would receive either 100 percent of her deceased husband's primary insurance amount (the amount he would have been entitled to receive if he began his retirement at age 65) or, if his benefits began before age 65, an amount equal to the reduced benefit he would have been receiving if he were alive.

Under the bill, the benefit for a widow (or widower) who comes on the rolls between 60 and 65, would be reduced (in a way similar to the way in which widows' benefits are reduced under present law when they begin drawing benefits between ages 60 and 62) to take account of the longer period over which the benefit would be paid.

Effective date.—January 1973.

Number of people affected and dollar payments.—3.8 million people would get increased benefits on the effective date and $1.1 billion in additional benefits would be paid in 1974.

3. Increased benefits for those who delay retirement beyond age 65

The bill includes a provision which would provide for an increase in social security benefits of 1 percent for each year after age 65 that the individual delays his retirement.

Effective date.—For computation and recomputation after 1973 based on earnings after 1973.

4. Age 62 computation point for men

Under present law, the method of computing benefits for men and women differs in that years up to age 65 must be taken into account in determining average earnings for men, while for women only years up to age 62 must be taken into account. Also, benefit eligibility is figured up to age 65 for men, but only up to age 62 for women. Under the bill, these differences, which provide special advantages for women, would be eliminated by applying the same rules to men as now apply to women.

Effective date.—The new provision would become effective, starting January 1973 and become fully effective in January 1975.

Dollar payments.—About $14 million in additional benefits would be paid in 1974.

5. Liberalization of the retirement test

The amount that a beneficiary under age 72 may earn in a year and still be paid full social security benefits for the year would be increased from the present $1,600 to $2,100. Under present law, benefits are reduced by $1 for each $2 of earnings between $1,680 and $2,800 and for each $1 of earnings above $2,880. The committee bill would provide for a $1 reduction for each $2 of all earnings above $2,100, there would be no $1-for-$1 reduction as under present law. Also, in the year in which a person attains age 72 his earnings in and after the month in which he attains age 72 would not be included, as they are under present law, in determining his total earnings for the year.

Future increases in the amount of exempt earnings would be automatic as average earnings rise.

Effective date.—January 1973.

Number of people affected and dollar payments.—1.2 million beneficiaries would be-

come entitled to higher benefit payments on the effective date and 450,000 additional people would become entitled to benefits. About $856 million in additional benefits would be paid in 1974.

6. Dependent widower's benefits at age 60

Aged dependent widowers under age 62 could be paid reduced benefits (on the same basis as widows under present law) starting as early as age 60.

Effective date.—January 1973.

7. Childhood disability benefits

Childhood disability benefits would be paid to the disabled child of an insured retired, deceased, or disabled worker, if the disability began before age 22, rather than before 18 as under present law. In addition, a person who was entitled to childhood disability benefits could become re-entitled if he again becomes disabled within 7 years after his prior entitlement to such benefits was terminated.

Effective date.—January 1973.

Number of people affected and dollar payments.—13,000 additional people would become eligible for benefits on the effective date and $17 million in additional benefits would be paid in 1974.

8. Continuation of child's benefits through the end of a semester

Payment of benefits to a child attending school would continue through the end of the semester or quarter in which the student (including a student in a vocational school) attains age 22 (rather than the month before he attains age 22) if he has not received, or completed the requirements for, a bachelor's degree from a college or university.

Effective date.—January 1973.

Number of people affected and dollar payments.—55 thousand beneficiaries would become entitled to higher benefit payments on the effective date and 5 thousand additional people would become entitled to benefits. About $19 million in additional benefits would be paid in 1974.

9. Eligibility of a child adopted by an old-age or disability insurance beneficiary

The provisions of present law relating to eligibility requirements for child's benefits in the case of adoption by old-age and disability insurance beneficiaries would be modified to make the requirements uniform in both cases. A child adopted after a retired or disabled worker becomes entitled to benefits would be eligible for child's benefits based on the worker's earnings if the child is the natural child or stepchild of the worker or if (1) the adoption was decreed by a court of competent jurisdiction within the United States, (2) the child lived with the worker in the United States for the year before the worker became disabled or entitled to an old-age or disability insurance benefit, (3) the child received at least one-half of his support from the worker for that year, and (4) the child was under age 18 at the time he began living with the worker.

Effective date.—January 1973.

10. Benefits for a child entitled on the record of more than one worker

The bill would provide that a child who is entitled to benefits on the earnings record of more than one worker would get benefits based on the earnings record which results in paying him the highest amount, if the payment would not reduce the benefits of any other individual who is entitled to benefits based on that earnings record. (Entitlement of a child on the earnings record that will give the child the highest benefit could otherwise result in a reduction of the benefits for other people entitled on the same earnings record because of the family maximum limitation.)

Effective date.—January 1973.

11. Benefits for a child based on the earnings record of a grandparent

Under the bill, benefits would be extended to grandchildren not adopted by their grandparents if their parents have died or are disabled and if the grandchildren were living with a grandparent at the time the grandparent qualified for benefits.

Effective date.—January 1973.

12. Nontermination of child's benefits by reason of adoption

Under the present law, a child's entitlement to benefits ends if he is adopted unless he is adopted by (1) his natural parent, (2) his natural parent's spouse jointly with the natural parent, (3) the worker (e.g., a stepparent) on whose earnings the child is getting benefits, or (4) a stepparent, grandparent, aunt, uncle, brother, or sister after the death of the worker on whose earnings the child is getting benefits.

Under the bill, a child's benefits would no longer stop when the child is adopted, regardless of who adopts him.

13. Elimination of the support requirements for divorced women

Under present law, benefits are payable to a divorced wife age 62 or older and a divorced widow age 60 or older if her marriage lasted 20 years before the divorce, and to a surviving divorced mother. In order to qualify for any of these benefits a divorced woman is required to show that: (1) she was receiving at least one-half of her support from her former husband, (2) she was receiving substantial contributions from her former husband pursuant to a written agreement, or (3) there was a court order in effect providing for substantial contributions to her support by her former husband. The bill would eliminate these support requirements for divorced wives, divorced widows, and surviving divorced mothers.

Effective date.—January 1973.

Number of people affected and dollar payments.—10 thousand additional people would become eligible for benefits on the effective date and $23 million in additional benefits would be paid in 1974.

14. Waiver of duration-of-marriage requirement in case of remarriage

The duration-of-marriage requirement in present law for entitlement to benefits as a worker's widow, widower, or stepchild—that is, the period of not less than 9 months immediately prior to the day on which the worker died that is now required (except where death was accidental or in the line of duty in the uniformed service in which case the period is 3 months)—would be waived in cases where the worker and his spouse were previously married, divorced, and remarried, if they were married at the time of the worker's death and if the duration-of-marriage requirement would have been met at the time of the divorce had the worker died then.

Effective date.—January 1973.

15. Reduction in waiting period for disability benefits

Under the bill, the present 6-month period throughout which a person must be disabled before he can be paid disability benefits would be reduced by 1 month (to 5 months).

Effective date.—January 1973.

Number of people affected and dollar payments.—950 thousand beneficiaries would become entitled to additional benefit payments in 1974 and 4 thousand additional people would become entitled to benefits. About $128 million in additional benefits would be paid in 1974.

16. Disability insured status for individuals who are blind

Under present law, to be insured for disability insurance benefits a worker must be fully insured and meet a test of substantial recent covered work (generally 20 quarters of coverage in the period of 40 calendar quarters preceding disablement). The bill would eliminate the test of recent attachment to covered work for blind people; thus a blind person would be insured for disability benefits if he is fully insured—that is, he has as many quarters of coverage as the number of calendar years that elapsed after 1950 (or the year he reached age 21, if later) and up to the year in which he became disabled.

Effective date.—January 1973.

Number of people affected and dollar payments.—30,000 additional people would become immediately eligible for benefits on the effective date, and $38 million in additional benefits would be paid in 1974.

17. Disability insurance benefits applications filed after death

Disability insurance benefits (and dependents' benefits based on a worker's entitlement to disability benefits) would be paid to the disabled worker's survivors if an application for benefits is filed within 3 months after the worker's death, or within 3 months after enactment of the provision. It would be effective for deaths occurring after 1969.

18. Disability benefits affected by the receipt of workmen's compensation

Under present law, social security disability benefits must be reduced when workmen's compensation is also payable if the combined payments exceed 80 percent of the worker's average current earnings before disablement. Average current earnings for this purpose can be computed on two different bases and the larger amount will be used. The bill adds a third alternative base, under which a worker's average current earnings can be based on the 1 year of his highest earnings in a period consisting of the year of disablement and the 5 preceding years.

Effective date.—January 1973.

Number of people affected and dollar payments.—40 thousand people would get increased benefits on the effective date and $22 million in additional benefits would be paid in 1974.

19. Wage credits for members of the uniformed services

Present law provides for a social security noncontributory wage credit of up to $300, in addition to contributory credit for basic pay, for each calendar quarter of military service after 1967. Under the bill, the $300 noncontributory wage credits would also be provided for service during the period January 1957 (when military service came under contributory social security coverage) through December 1967.

Effective date.—January 1973.

Number of people affected and dollar payments.—130 thousand people would get increased benefits on the effective date and $46 million in additional benefits would be paid in 1974.

20. Optional determination of self-employment earnings

Self-employed persons could elect to report for social security purposes two-thirds of their gross income from nonfarm self-employment. Not more than $1,600 in income (farm and nonfarm) could be reported in this manner. (This optional method of reporting is similar to the option available under present law for farm self-employment.) A regularity of coverage requirement would have to be met and the option could be used only five times by any individual.

Effective date.—January 1973.

21. Coverage of members of religious orders who are under a vow of poverty

Social security coverage would be made available to members of religious orders who have taken a vow of poverty, if the order makes an irrevocable election to cover these members as employees of the order.

Effective date.—January 1973.

22. Self-employment income of certain individuals living temporarily outside the United States

Under present law, a U.S. citizen who retains his residence in the United States but who is present in a foreign country or countries for approximately 17 months out of 18 consecutive months, must exclude the first $20,000 of his earned income in computing

his taxable income for social security and income tax purposes. The bill would provide that U.S. citizens who are self-employed outside the United States and who retain their residence in the United States would not exclude the first $20,000 of earned income for social security purposes and would compute their earnings for self-employment for social security purposes in the same way as those who are self-employed in the United States.

Effective date.—January 1973.

23. Issuance of social security numbers and penalty for furnishing false information to obtain a number

The bill includes a number of provisions dealing with the method of issuing social security account numbers. Under present law, numbers are issued upon application, often by mail, upon the individual's motion.

Under the bill the Secretary would be required to issue numbers to non-citizens entering the country under conditions which would permit them to work. In the case of a person who may not legally work at the time he is admitted to the United States, the number would be issued at the time his status changes. In addition to these general rules, numbers would be issued to persons who do not have them at the time they apply for benefits under any federally financed program.

The Secretary would be authorized to issue numbers to individuals when they enter the school system.

As a corollary to this more orderly system of issuing social security account numbers, the bill would provide criminal penalties for (1) furnishing false information in applying for a social security number; (2) knowingly and willfully using a social security number that was obtained with false information or (3) using someone else's social security number. The penalty would involve a fine of up to $1,000 or imprisonment for up to 1 year or both.

Effective date.—January 1973.

24. Trust fund expenditures for rehabilitation services

The bill provides an increase in the amount of social security trust fund moneys that may be used to pay for the costs of rehabilitating social security disability beneficiaries. The amount would be increased from 1 percent of the previous year's disability benefits (as under present law) to 1¾ percent for fiscal year 1973 and to 1½ percent for fiscal year 1974 and subsequent years.

Dollar expenditures.—$28 million in additional expenditures for vocational rehabilitation would be made in 1974.

25. Recomputation of benefits based on combined railroad and social security earnings

The bill would provide that a deceased individual who during his lifetime was entitled to social security benefits and railroad compensation and whose railroad remuneration and earnings under social security are, upon his death, to be combined for social security purposes would have his primary insurance amount recomputed on the basis of his combined earnings, whether or not he had earnings after 1965.

26. Payments to disabled former employee

Provides that payments made by an employer to a former disabled employee will not be counted for social security benefit or tax purposes if the payment is made after the calendar year in which the former employee became entitled to social security disability insurance benefits.

27. Social security coverage for foreign missionaries

Eliminates for certain foreign ministers the $20,000 exclusion from earned income earned abroad in the case of a minister or a member of a religious order.

28. Coverage of students and certain part-time employees

Permits States to modify their social security coverage agreements for State and local employees so as to remove from coverage services of students employed by the public school or college they are attending, and the services of part-time employees.

29. Wage credits for World War II internees

Provides non-contributory social security credits for U.S. citizens of Japanese ancestry who were interned by the U.S. Government during World War II. In order to qualify for the wage credits an individual must have been 18 or older at the time he was interned and the credits will be determined on the basis of the then prevailing minimum wage or the individual's prior earnings, whichever is larger.

30. Duration-of-relationship requirements

Amends the provision of present law which reduces from 9 months to 3 months the duration-of-relationship requirement when death is accidental or in line of duty in the Armed Forces so that there would be no duration-of-relationship requirement in cases of an accidental death if it is reasonable to expect that the deceased would have lived for at least 9 months.

31. Other Cash Benefits Amendments

Other amendments included in the committee bill relate to the executive pay level of the Commissioner of Social Security; coverage of registrars of voters in Louisiana; coverage of certain policemen and firemen in West Virginia and Idaho and certain hospital employees in New Mexico; coverage of certain employees of the Government of Guam; coverage of Federal Home Loan Bank employees; and acceptance of money gifts made unconditionally to social security.

II. MEDICARE-MEDICAID AMENDMENTS

1. Medicare coverage for the disabled

Effective July 1, 1973, a social security disability beneficiary would be covered under medicare after he had been entitled to disability benefits for not less than 24 consecutive months. Those covered would include disabled workers at any age; disabled widows and disabled dependent widowers between the ages of 50 and 65; beneficiaries age 18 or older who receive benefits because of disability prior to reaching age 22; and disabled qualified railroad retirement annuitants. An estimated 1.7 million disabled beneficiaries would be eligible initially.

2. Hospital insurance for the uninsured

The bill will permit persons age 65 or over who are ineligible for part A of medicare to voluntarily enroll for hospital insurance coverage by paying the full cost of coverage (initially estimated at $33 monthly and to be recalculated annually). Where the Secretary of HEW finds it administratively feasible, those State and other public employee groups which have, in the past, voluntarily elected *not* to participate in the Social Security program could opt for and pay the part A premium costs for their retired or active employees age 65 or over. Enrollment in part B of medicare would be required as a condition of buying into the part A program.

Effective date: July 1, 1973.

3. Part B premium increases

The bill will limit part B premium increases for fiscal years 1974 and thereafter to not more than the percentage by which the Social Security cash benefits had been generally increased since the last part B premium adjustment. Costs above those met by such premium payments would be paid out of general revenues in addition to the regular general revenue matching.

Effective date: July 1, 1973.

4. Part B deductible

Beginning with calendar year 1973, the bill increases the annual part B deductible from $50 to $60.

5. Automatic enrollment in part B

Effective July 1, 1973, the bill provides (except for residents of Puerto Rico and foreign countries) for automatic enrollment under part B for the elderly and the disabled as they become eligible for part A hospital insurance coverage. Persons eligible for automatic enrollment must also be fully informed as to the procedure and given an opportunity to decline the coverage.

6. Effective utilization review programs in medicaid

Effective July 1, 1973, the bill authorizes a one-third reduction in Federal matching payments for long-term stays in hospitals, nursing homes, intermediate care facilities, and mental institutions, if States fail to have effective programs of control over the utilization of institutional services or where they fail to conduct the independent professional audits of patients as required by law. The bill also authorizes the Secretary, after June 30, 1973, to compute a reasonable differential between the cost of skilled nursing facility services and intermediate care facility services provided in a State to medicaid patients.

7. Cost sharing under medicaid

The bill made the following changes with respect to premiums, copayments, and deductibles under medicaid.

1. It requires States which cover the medically indigent to impose monthly premium charges. The premium would be graduated by income in accordance with standards prescribed by the Secretary.

2. States could, at their option, require payment by the medically indigent of nominal deductibles and nominal co-payment amounts which would not have to vary by level of income.

3. With respect to cash assistance recipients, nominal deductible and co-payment requirements, while prohibited for the six mandatory services required under Federal law (inpatient hospital services; outpatient hospital services; other X-ray and laboratory services; skilled nursing home services; physicians' services; and home health services), would be permitted with respect to optional medicaid services such as prescribed drugs, hearing aids, etc.

Effective date: January 1973.

8. Protection against loss of medicaid because of increased earnings

An individual or member of a family eligible for cash public assistance and medicaid who would otherwise lose eligibility for medicaid as a result of increased earnings from employment would be continued on medicaid for a period of 4 months from the date where medicaid eligibility would otherwise terminate.

9. Coordination between medicare and Federal employee plans

Effective January 1, 1975, medicare would not pay a beneficiary, who is also a Federal retiree or employee, for services covered under his Federal employee's health insurance policy which are also covered under medicare unless he has had an option of selecting a policy *supplementing* medicare benefits. If a supplemental policy is not made available the F.E.P. would then have to pay first on any items of care which were covered under both the Federal employee's program and medicare.

Effective date: January 1974.

10. Medicare services outside of the United States

Effective January 1, 1973, the bill authorizes use of a foreign hospital by a U.S. resident where such hospital was closer to his residence or more accessible than the nearest suitable United States hospital. Such hospi-

tals must be approved under an appropriate hospital approval program.

In addition, the bill authorizes part B payments for necessary physicians' services furnished in conjunction with such hospitalization.

The bill also authorizes medicare payments for emergency hospital and physician services needed by beneficiaries in transit between Alaska and the other continental States.

11. Optometrists under medicaid

The bill requires States, which had previously covered optometric services under medicaid and which, in their State plans, specifically provided for coverage for eye care under "physicians' services," which an optometrist is licensed to provide, to reimburse for such care whether provided by a physician or an optometrist.

Effective date: Enactment.

12. Beneficiary liability under medicare

The bill would, with respect to claims for services provided after the date of enactment, relieve beneficiaries from liability in certain situations where medicare claims are disallowed and the beneficiary is without fault.

13. Limitation on Federal payments for disapproved capital expenditures

The bill would preclude medicare and medicaid payments for certain disapproved capital expenditures (except for construction toward which preliminary expenditures of $100,000 or more had been made in the 3-year period ending December 17, 1970) which are specifically determined to be inconsistent with State or local health facility plans. The provision would become effective after December 31, 1972 or earlier, if requested by a State.

14. Demonstrations and reports

The bill authorizes the Secretary to undertake studies, experiments or demonstration projects with respect to: various forms of prospective reimbursement of facilities; ambulatory surgical centers; intermediate care and homemaker services (with respect to the extended care benefit under medicare); elimination or reduction of the three-day prior hospitalization requirement for admission to a skilled nursing facility; determination of the most appropriate methods of reimbursing for the services of physicians' assistants and nurse practitioners; provision of day care services to older persons eligible under medicare and medicaid; and, possible means of making the services of clinical psychologists more generally available under medicare.

Effective date: Enactment.

15. Limitation on coverage of costs under medicare

The bill authorizes the Secretary to establish limits on overall direct or indirect costs which will be recognized as reasonable for comparable services in comparable facilities in an area. He may also establish maximum acceptable costs in such facilities with respect to items or groups of services (for example, food costs, or standby costs). The beneficiary would be liable (except in the case of emergency care) for any amounts determined as excessive (except that he may not be charged for excessive amounts in a facility in which his admitting physician has a direct or indirect ownership in the facility.

Effective date: January 1973.

16. Limits on prevailing physician charge levels

The bill recognizes as reasonable, for medicare reimbursement purposes only, those charges which fall within the 75th percentile. Starting in 1973, increases in physicians' fees allowable for medicare purposes, would be limited by a factor which takes into account increased costs of practice and the increase in earnings levels in an area.

With respect to reasonable charges for medical supplies and equipment, the amendment would provide for recognizing only the lowest charges at which supplies of similar quality are widely and consistently available.

17. Limits on payments to skilled nursing facilities and intermediate care facilities under medicaid

Effective January 1, 1973, Federal financial participation in reimbursement for skilled nursing facility care and intermediate care per diem costs would not be available to the extent such costs exceed 105 percent of prior year levels of payment under the provision (except for those costs attributable to any additional required services). The provision would except increased payment resulting from increases in the Federal minimum wage or other new Federal laws.

18. Payments to health maintenance organizations

Authorizes medicare to make a single combined Part A and B payment, on a capitation basis, to a "Health Maintenance Organization," which would agree to provide care to a group not more than one-half of whom are medicare beneficiaries who freely choose this arrangement. Such payments may not exceed 100 percent of present Part A and B per capita costs in a given geographic area, and the exact amount of the payment would be dependent on the efficiency of the HMO.

The Secretary could make these arrangements with existing prepaid groups and foundations, and with new organizations which eventually meet the broadly defined term "Health Maintenance Organization."

Effective date: July 1973.

19. Payments for the services of teaching physicians

The bill provides that, for accounting periods beginning after June 30, 1973, services of teaching physicians would be reimbursed on a costs basis unless:

(A) The patient is bona fide private or;

(B) The hospital has charged all patients and collected from a majority on a fee-for-service basis.

For donated services of teaching physicians, a salary cost would be imputed equal to the prorated usual costs of full-time salaried physicians. Any such payment would be made to a special fund designated by the medical staff to be used for charitable or educational purposes.

20. Advance approval of ECF and home health coverage

The bill authorizes Secretary to establish, by diagnosis, minimum periods during which the posthospital patient would be presumed to be eligible for benefits.

Effective date: January 1973.

21. Termination of payment to suppliers of service

Under the bill the Secretary would be authorized to suspend or terminate medicare payments to a provider found to have abused the program. Further, there would be no Federal participation in medicaid payments which might be made subsequently to this provider. Program review teams would be established in each State to furnish the Secretary with professional advice in discharging this authority.

Effective date: January 1973.

22. Elimination of requirement that States move toward comprehensive medicaid program

The bill repeals Section 1903(e) which required each State to show that it was making efforts in the direction of broadening the scope of services in its medicaid program and liberalizing eligibility requirements for medical assistance.

23. Elimination of medicaid maintenance of effort

The bill repeals Section 1902(d). Under Section 1902(d) a State could not reduce its aggregate expenditures for the State share of its medicaid program from one year to the next.

Effective date: Enactment.

24. Determination of reasonable cost of inpatient hospital services under medicaid and maternal and child health programs

The bill would allow States, with the advance approval of the Secretary, to develop their own methods and standards for reimbursement of the reasonable costs of inpatient hospital services. Reimbursement by the States would in no case exceed reasonable cost reimbursement as provided for under medicare.

25. Customary charges less than reasonable costs under medicare

Effective for accounting periods beginning after December 31, 1972, the bill provides that reimbursement for services under medicaid and medicare cannot exceed the lesser of reasonable costs determined under medicare, or the customary charges to the general public. The provisions would not apply to services furnished by public providers free of charge or at a nominal fee. In such cases reimbursement would be based on those items included in the reasonable cost determination which would result in fair compensation.

Effective date: January 1973.

26. Institutional planning under medicare

The bill would require all providers, as a condition of medicare participation, to have a written overall plan and budget reflecting an operating budget and a capital expenditures plan which would be updated at regular intervals.

The required annual operating budget would not have to be a detailed item budget.

Effective date: Fiscal years after March 1973.

27. Cost determination system under medicaid

The bill provides for Federal matching for the cost of designing, developing, and installing mechanized claims processing and information retrieval systems at 90 percent and 75 percent for the operation including contract operation (of such systems).

Effective Date: July 1972.

28. Prohibition against reassignment of claims for benefits

Effective January 1, 1973, the bill prohibits payment to anyone other than the physician or other person who provided the service, unless such person is required as a condition of his employment to turn his fees over to his employer.

29. Utilization review requirements under medicaid and maternal and child health programs

Effective January 1973, the bill requires hospitals and skilled nursing homes participating in titles 5 and 19 to use the same utilization review committees and procedures now required under title 18 for those programs with certain exceptions approved by the Secretary. This requirement is in addition to any other requirements now imposed by the Federal or State governments.

30. Notification of unnecessary hospital and skilled nursing facility admissions

The bill requires notification to patient and physician and a payment cut-off after 3 days, in those cases where unnecessary utilization is discovered during a sample review of admissions to medicare hospitals or skilled nursing facilities.

31. Use of State health agency to perform certain functions under medicaid

Effective January 1973, the bill requires that the same State health agency (or other appropriate State medical agency) certify facilities for participation under both medicare and medicaid. The bill also requires that Federal participation in medicaid payments be contingent upon the State health agency establishing a plan for statewide re-

view of appropriateness and quality of services rendered.

32. Relationship between medicaid and comprehensive health programs

The bill permits States to waive Federal statewideness and comparability requirements in medicaid with approval of the Secretary if a State contracts with an organization which has agreed to provide health services in excess of the State plan to eligible recipients who reside in the area served by the organization and who elect to receive services from such organization. Payment to such organizations could not be higher on a per-capita basis than the per-capita medicaid expenditures in the same general area.

33. Proficiency testing

The bill provides for proficiency testing of paramedical personnel under medicaid until December 31, 1977.

34. Penalty for fraudulent acts and false reporting

The bill establishes penalties for soliciting, offering or accepting bribes or kickbacks, or for concealing events affecting a person's rights to benefit with intent to defraud, and for converting benefit payments to improper use, of up to one year's imprisonment and a $10,000 fine or both. Additionally, the bill establishes false reporting of a material fact as to conditions or operations of a health care facility as a misdemeanor subject to up to 6 months' imprisonment, a fine of $2,000, or both.

35. Provider Reimbursement Review Board

The bill establishes a Provider Reimbursement Review Board to hear cases involving an issue of $10,000 or more. Groups of providers can appeal where the amounts at issue on a common matter aggregate $50,000 or more. Any provider which believes that its fiscal intermediary has failed to make a timely cost determination on its annual cost report or timely determination on a supplemental filing can appeal to the Board where the amount involved is $10,000 or more. The change is effective for accounting periods ending on or after June 30, 1973.

36. Validation of Joint Commission on Accreditation of Hospitals Surveys

The bill provides that State certification agencies, as directed by the Secretary, would survey on a selective sample basis (or where substantial allegations of noncompliance have been made) hospitals accredited by the JCAH. The bill also authorizes the Secretary to promulgate health and safety standards without being restricted to JCAH standards.

37. Payment for durable medical equipment under medicare

The bill authorizes the Secretary to experiment with reimbursement approaches which are intended to eliminate unreasonable expenses resulting from prolonged rentals of durable medical equipment and then to implement the approaches found effective.

38–42. Skilled Nursing Facilities under medicare and medicaid

38. Conforming standards for extended care and skilled nursing home facilities.—The bill would establish a single definition and set of standards for extended care facilities under medicare and skilled nursing homes under medicaid. The provision creates a single category of "skilled nursing facilities" which would be eligible to participate in both health care programs. A "skilled nursing facility" would be defined as an institution meeting the present definition of an extended care facility and which also satisfies certain other medicaid requirements set forth in the Social Security Act.

Effective date: July 1973.

39. "Skilled care" definition for medicare and medicaid.—The bill would change the definition of care requirements with respect to entitlement for extended care benefits under medicare and with respect to skilled nursing care under medicaid. Present law would be amended to authorize skilled care benefits for individuals in need of "skilled nursing care and/or skilled rehabilitation services on a daily basis in a skilled nursing facility which it is practical to provide only on an inpatient basis." Coverage would also be continued during short-term periods (e.g. a day or two) when no skilled services were actually provided but when discharge from a skilled facility for such brief period was neither desirable nor practical.

Effective date: January 1973.

40. 14-Day transfer requirement for extended care benefits.—Under existing law, medicare beneficiaries are entitled to extended care benefits only if they are transferred to an extended care facility within 14 days following discharge from a hospital. Under the bill an interval of more than 14 days would be authorized for patients whose conditions did not permit immediate provision of skilled services within the 14-day limitation. An extension not to exceed 2 weeks beyond the 14 days would also be authorized in those instances where an admission to an ECF is prevented because of the non-availability of appropriate bed space in facilities ordinarily utilized by patients in a geographic area. *Effective date:* Enactment.

41. Reimbursement rates for care in skilled nursing facilities.—The bill amends title 19 to require States, by July 1, 1976, to reimburse skilled nursing and intermediate care facilities on a reasonably cost-related basis, using acceptable cost-finding techniques and methods approved and validated by the Secretary of HEW. Cost reimbursement methods which the Secretary found to be acceptable for a State's medicaid program could be adapted, with appropriate adjustments, for purposes of medicare skilled nursing facility reimbursements in that State.

42. Skilled nursing facility certification procedures.—Under the bill, facilities which participate in both medicare and medicaid would be certified by Secretary of HEW. The Secretary would make that determination, based principally upon the appropriate State health agency evaluation of the facilities.

43. Federal financing of nursing home inspections

The bill authorizes 100% Federal reimbursement for the survey and inspection costs of skilled nursing facilities and intermediate care facilities under medicaid, from October 1, 1972, through July 1, 1974.

44. Disclosure of information concerning medicare agents and providers

The bill provides the DHEW regularly make public the following types of evaluations and reports with respect to the medicare and medicaid programs: (1) individual contractor performance reviews and other formal evaluations of the performance of carriers, intermediaries, and State agencies including the reports of follow-up reviews: (2) comparative explanations of the performance of contractors—including comparisons of either overall performance or of any particular contractor operation: (3) program validation survey reports—with the names of individual deleted.

45. Prohibition against institutional medical care payments under cash welfare programs

The bill precludes Federal matching for that portion of any money payment which is related to institutional medical or remedial care.

46. Determining eligibility for medicaid for certain individuals

Individuals eligible for medicaid in September 1972 could not lose their eligibility because of the recent 20% social security benefit increase until October 1973.

47. Professional standards review organizations

The bill provides for the establishment of professional standards review organization consisting of substantial numbers of practicing physicians (usually 300 or more) in local areas to assume responsibility for comprehensive and on-going review of services covered under the medicare and medicaid programs. Until January 1, 1976 only such qualified physician-sponsored organizations may be designated as PSRO's. Subsequent to that date priority will be given to such organizations but where they do not choose to or do not qualify to assume such responsibilities in an area, the Secretary may designate another organization having professional medical competence as the PSRO for the area. The PSRO would be responsible for assuring that institutional services were (1) medically necessary and (2) provided in accordance with professional standards. A PSRO, at its option, and with the approval of the Secretary, may also assume responsibility for the review of non-institutional care and services provided under medicare and medicaid. PSRO's would not be involved with reasonable charge determinations. The provision is designed to assure proper utilization of care and services provided under medicare and medicaid utilizing a formal professional mechanism representing the broadest possible cross-section of practicing physicians in an area. Safeguards are included, designed to protect the public interest, including appeals procedures, and to prevent pro forma assumption in carrying out review responsibilities. The provision requires recognition of and use by the PSRO of utilization review committees in hospitals and medical organizations to the extent they are determined to be effective.

48. Physical therapy services and other services under medicare

Effective July 1973, the bill would include as covered services under part B, physical therapy provided in the therapist's office pursuant to a physician's written plan of treatment.

It also authorizes a hospital or extended care facility to provide outpatient physical therapy services to its inpatients, so that an inpatient could conveniently receive his part B benefits after his inpatient benefits have expired.

Benefit payments in one year for services by an independent practitioner in his office or the patient's home could not exceed $100. Effective January 1973, reimbursement for services provided by physical and other therapists would generally be limited to a reasonable salary-related basis rather than fee-for-service basis.

49. Coverage of supplies related to colostomies

The bill provides for medicare coverage of the costs of supplies directly related to the care of a colostomy.

50. Coverage prior to application for medicaid

The bill requires, effective July 1, 1973, all States to provide medicaid coverage for care and services furnished in or after the third month prior to application to those individuals who were otherwise eligible when the services were received. Included as eligible under the three-months retroactive coverage requirement would be deceased individuals whose fatal condition prevented them from applying for medicaid coverage but who would have been eligible if application had been made.

States are expected to modify their provider agreements where applicable so as to permit the application of appropriate utilization control procedures retroactively in these cases to assure that appropriate and necessary care was delivered.

51. Hospital admissions for dental services under medicare

The bill authorizes the dentist who is caring for a medicare patient to make the certification of the necessity for inpatient hospital admission for noncovered dental services under the above circumstances without requiring a corroborating certification by a physician.

This provision would be effective with respect to admissions occurring after the second month following enactment of the bill.

52. Extension of grace period for termination of supplementary medical insurance coverage where failure to pay premiums is due to good cause

The bill extends the 90-day grace period for an additional 90 days where the Secretary finds that there was good cause for failure to pay the premium before the expiration of the initial 90-day grace period.

This provision would apply to such cases of nonpayment of premiums due within the 90-day period preceding the date of enactment.

53. Extension of time for filing claim for supplementary medical insurance benefits where delay is due to administrative error

The bill provides that where a claim under supplementary medical insurance is not filed timely due to error of the Government or one of its agents, the claim may nevertheless be honored if filed as soon as possible after the facts in the case have been established.

This amendment would apply with respect to bills submitted and requests for payment made after March 1968.

54. Waiver of enrollment period requirements where individual's rights were prejudiced by administrative error or inaction

The bill authorizes the Secretary to provide such equitable relief as may be necessary to correct or eliminate the effects of these situations, including (but not limited to) the establishment of a special initial or subsequent enrollment period, with a coverage period determined on the basis thereof and with appropriate adjustments of premiums.

This provision would apply to all cases which have arisen since the beginning of the program.

55. Elimination of provisions preventing enrollment in supplementary medical insurance program more than 3 years after first opportunity

The bill eliminates the 3-year limit with respect to both initial enrollment and reenrollment after an initial termination. Enrollment periods would remain as presently defined and the restriction limiting individuals who terminate enrollment to reenroll only once would be retained.

This provision would apply to all those who are ineligible to enroll because of the 3-year limit in effect under present law.

56. Waiver of recovery of incorrect medicare payments from survivor who is without fault

The bill permits any individual who is liable for repayment of a medicare overpayment to qualify for waiver of recovery of the overpaid amount if he is without fault and if such recovery would defeat the purpose of title II or would be against equity and good conscience.

57. Requirement of minimum amount of claim to establish entitlement to hearing under supplementary medical insurance program

The bill requires that a minimum amount of $100 be at issue before an enrollee in the supplementary medical insurance program will be granted a fair hearing by the carrier.

The provision would be effective with respect to hearings requested after the enactment of the bill.

58. Collection of supplementary medical insurance premiums from individuals entitled to both social security and railroad retirement benefits

The bill provides that the Railroad Retirement Board shall be responsible for collection of supplementary medical insurance premiums for all enrollees who are entitled under that program.

59. Provide that services of optometrists in furnishing prosthetic lenses not require a physician's order

The bill would recognize the ability of an optometrist to attest to a beneficiary's need for prosthetic lenses by amending the definition of the term "physician" in title XVIII to include a doctor of optometry authorized to practice optometry by the State in which he furnishes services. An optometrist would be recognized as a "physician" only for the purpose of attesting to the patient's need for prosthetic lenses. (Of course, neither the physician nor the optometrist would be paid by medicare for refractive services when the beneficiary has been given a prescription by a physician for the necessary prosthetic lenses.) This change would not provide for coverage of services performed by optometrists other than those covered under present law, nor would it permit an optometrist to serve as a "physician" on a professional standards review organization.

60. Prohibition against requiring professional social workers in ECF's under medicare

The bill specifies that the provision of medical social services will not be required as a condition of participation for an extended care facility under medicare.

61. Refund of excess premiums under medicare

The bill provides authority for the Secretary to dispose of excess supplementary medical insurance premiums and excess hospital insurance premiums in the same manner as unpaid medical insurance benefits are treated.

62. Waiver of requirement of registered professional nurses in skilled nursing facilities in rural areas

The bill authorizes the granting of a special waiver of the R.N. nursing requirement for skilled nursing facilities in rural areas provided that a registered nurse is absent from the facility for not more than two day-shifts (if the facility employs one full-time registered nurse) and the facility is making good faith efforts to obtain another on a part-time basis.

In addition, this special waiver may be granted only if (1) the facility is caring only for patients whose physicians have indicated (in written form on order sheet and admission note) that they could go without a registered nurse's services for a 48-hour period or (2) if the facility has any patients for whom physicians have indicated a need for daily skilled nursing services, the facility has made arrangements for a registered nurse or a physician to spend such time as is necessary at the facility to provide the skilled nursing services required by patients on the uncovered day.

63. Exemption of Christian Science sanatoriums from certain nursing home requirements under medicaid

The bill exempts Christian Science sanatoriums from the requirements for a licensed nursing home administrator, requirements for medical review, and other inappropriate requirements of the medicaid program.

Such sanatoriums will be expected to continue to meet all applicable safety standards.

64. Licensure requirement for nursing home administrators

The bill permits States to establish a permanent waiver from licensure requirements for those persons who served as nursing home administrators for the three-year period prior to the establishment of the State's licensing program.

65. Increase in maximum Federal medicaid amount for Puerto Rico and the Virgin Islands

The bill provides that the Federal ceiling on title XIX payments to Puerto Rico be increased to $30 million effective with fiscal year 1972 and fiscal years thereafter. The 50 percent Federal matching rate would remain unchanged. The annual medicaid amount for the Virgin Islands would be increased from $650,000 to $1,000,000.

66. Medicaid: Freedom of choice in Puerto Rico

The bill delays, until June 30, 1975, the requirement that Puerto Rico implement the "freedom of choice" provision, under which medicaid recipients can choose providers or practitioners in its medicaid program.

67. Inclusion of American Samoa and the Trust Territory of the Pacific Islands under title V

The bill authorizes eligibility under title V for Samoa and the Trust Territory of the Pacific Islands.

68. Coverage of chiropractic services under part B of medicare

The bill broadens the definition of the term "physician" in title XVIII to include a licensed chiropractor who also meets uniform minimum standards to be promulgated by the Secretary.

The services furnished by chiropractors would be covered under the program as "physicians' services," but only with respect to treatment of the spine by means of manual manipulation which the chiropractor is legally authorized to perform. Claims for such treatment must be verifiable with a satisfactory X-ray indicating the existence of a subluxation of the spine.

The amendment would become effective with respect to services provided on or after July 1, 1973.

69. Chiropractors' services under medicaid

The bill conforms the coverage of chiropractic under medicaid with the provisions conditioning eligibility of such services included in the amendment adding chiropractic coverage to Part B of medicare except for the requirement that an X-ray show the existence of a subluxation.

70. Services of podiatric interns and residents under part A of medicare

Effective January 1973, the bill includes within the definition of approved hospital teaching programs services furnished by an intern or resident-in-training in the field of podiatry under a teaching program approved by the Council on Podiatry Education of the American Podiatry Association.

71. Use of consultants for extended care facilities

The bill allows those State agencies which are capable of and willing to provide specialized consultative services for medicare patients in a skilled care facility which requests them, to do so, subject to approval of the State's arrangements by the Secretary.

72. Direct laboratory billing of patients

The bill provides that, with respect to diagnostic laboratory tests for which payment is to be made to a laboratory, the Secretary would be authorized to negotiate a payment rate with the laboratory which would be considered the full charge for such tests, and for which reimbursement would be made at 100% of such negotiated rate. Such negotiated rate would be limited to an amount not to exceed the total payment that would have been made in the absence of such rate.

73. Clarification of meaning of "physicians' services" under title XIX

The bill defines a physician, under Title XIX, for purposes of the mandatory provision of physicians' services as being a duly licensed doctor of medicine or osteopathy.

74. Limitation on adjustment or recovery of incorrect payments under the medicare program

The bill would limit medicare's right of recovery of overpayments to a 3-year period (or a 1-year period) from the date of payment where the beneficiary acted in good faith; would permit the Secretary to set a

time between 1 and 3 years within which claims for underpayment would have to be made.

75. Speech pathology services under medicare

The bill would cover under medicare the costs of speech pathology services where such services are provided in clinics participating in the program as providers of covered physical therapy services.

76. Termination of medical assistance advisory council

The bill terminates the medicaid advisory council.

77. Modification of role of health insurance benefits advisory council

The bill provides for modification of the role of HIBAC so that its role would be that of offering suggestions for the consideration of the Secretary on matters of general policy in the medicare and medicaid programs.

78. Authority of Secretary to administer oaths in medicare proceedings

The bill authorizes the Secretary, in carrying out his responsibility for administration of the medicare program, to administer oaths and affirmations in the course of any hearing, investigation, or other proceeding.

79. Withholding medicaid payments to terminated medicare providers

The bill authorizes the Secretary upon 60-days' notices to withhold Federal participation in medicaid payments by States with respect to institutions which have withdrawn from medicare without refunding medicare overpayments or submitting medicare costs reports.

80. Intermediate care in States without medicaid

The bill allows Federal matching for intermediate care in States which, on January 1, 1972, did not have a medicaid program in operation.

81. Required information relating to excess medicare tax payments by railroad employees

The bill deletes the requirement that railroads include amount of hospital insurance tax withheld on W–2 forms. Employees would be notified, however, that those with dual employment may be entitled to a refund of excess hospital insurance tax paid.

82. Appointment and confirmation of Administrator of Social and Rehabilitation Service

The bill provides that appointments made on or after the enactment of this bill to the office of the Administrator of the Social and Rehabilitation Service will be made by the President, by and with the advice and consent of the Senate.

83. Repeal of section 1903(b)(1)

The bill deletes the requirement that States spend at least as much for care of individuals age 65 or over in mental hospitals as in fiscal year 1965.

84. Coverage under medicaid of intermediate care furnished in mental and tuberculosis institutions

The bill provides that intermediate care can be covered for individuals age 65 or older in mental institutions if such individuals could also be covered when in mental hospitals for hospital or skilled nursing facility care. Effective date: Services furnished after December 31, 1972.

85. Independent review of intermediate care facility payments

The bill provides that independent professional review to determine proper patient placement and care of Title XIX patients is mandatory in all intermediate care facilities.

86. Intermediate care maintenance of effort in public institutions

The bill provides that the designation of the base period for the maintenance of effort requirement pertaining to non-Federal expenditures with respect to patients in public institutions for the mentally retarded to be the four quarters immediately preceding the quarter in which the State elected to make such services available.

87. Disclosure of ownership of intermediate care facilities

The bill requires that intermediate care facilities not otherwise licensed as skilled nursing homes by a State make ownership information available to the State licensing agency. Effective date: January 1, 1973.

88. Treatment in mental hospitals for medicaid eligibles under age 21

The bill authorizes coverage of inpatient care (under specific conditions) in mental institutions for medicaid eligibles under age 21. *Effective date:* January 1973.

89. Public disclosure of information concerning survey reports of an institution

The bill requires the Secretary to make reports of an institution's significant deficiencies or the absence thereof (such as in the areas of staffing, fire safety, and sanitation) a matter of public record readily and generally available. Such information would be available for inspection within 90 days of completion of the survey.

90. Family planning services mandatory under medicaid

(1) The bill authorizes 90% Federal funding for the costs of family planning services under medicaid and title IV.

(2) Provision requires States to make available on a voluntary and confidential basis such counseling, services and supplies, directly and/or on a contract basis with family planning organizations throughout the State, to present, former, or likely recipients who are of child-bearing age and who express a desire for such services.

(3) The Federal share of AFDC funds would be reduced by 1%, beginning in fiscal 1974, if a State in the prior year fails to inform the adults in AFDC families of the availability of family planning services or if the State fails to actually provide or arrange for such services for persons desiring to receive them who are applicants or recipients of cash assistance.

91. Penalty for failure to provide child health screening services under medicaid

The bill would reduce the Federal share of AFDC matching funds by 1%, beginning in fiscal 1975, if a State—

(a) fails to inform the adults in FDC families of the availability of child health screening services;

(b) fails to actually provide or arrange for such services; or

(c) fails to arrange for or refer to appropriate corrective treatment children disclosed by such screening as suffering illness or impairment.

92. Home health coinsurance

Effective January 1973, the bill eliminates requirement of coinsurance payment under Part B of medicare for home health services.

93. Long-term care

The bill includes as intermediate care facilities or skilled nursing facilities under medicaid long-term institutions certified by the Secretary on Indian reservations.

94. Medicare appeals

The bill clarifies present law that there is no authorization for an appeal to the Secretary or for judicial review on matters solely involving amounts of benefits under part B, and that insofar as part A amounts are concerned, appeal is authorized only if the amount in controversy is $100 or more and judicial review only if the amount in controversy is $1,000 or more.

95. Medicare: Coverage of persons needing kidney transplantation or dialysis

The bill provides that fully or currently insured workers under social security and their dependents with chronic renal disease would be deemed disabled for purposes of coverage under parts A and B of medicare. Coverage would begin 3 months after a course of renal dialysis is begun.

III. SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

The bill would replace the present State programs of aid to the aged, blind, and disabled, effective January 1, 1974, with a new wholly Federal program of supplemental security income.

National supplemental security income; disregard of social security or other income

Under the bill, aged, blind, and disabled persons with no other income would be guaranteed a monthly income of at least $130 for an individual or $195 for a couple. In addition the bill would provide that the first $20 of social security or any other income would not cause any reduction in supplemental security income payments.

As a result, aged, blind, and disabled persons who also have monthly income from social security or other sources (which are not need-related) of at least $20 would, be assured total monthly income of at least $150 for individual or $215 for a couple.

Earned income disregard

In addition to a monthly disregard of $20 of social security or other income, there would be an additional disregard of $65 of earned income plus one-half of any earnings above $65. This will enable those aged, blind, and disabled individuals who are able to do some work to do so and in the process give them a higher income in addition to supplemental security income.

In addition, as under present law, any income necessary for the fulfillment of a plan for achieving self-support would be disregarded for persons qualifying on the basis of blindness. A savings clause would assure that blind persons would not receive any reduction in benefits due to these provisions.

Definitions of blindness and disability

Under present law each State is free to prescribe its own definition of blindness and disability for purposes of eligibility for aid to the blind and aid to the permanently and totally disabled.

Under the new supplemental security income program, there would be a uniform Federal definition of "disability" and "blindness."

The term "disability" would be defined as "inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months." This definition is the same as that now used in the Social Security disability insurance program.

The term "blindness" would be defined as central visual acuity of 20/200 or less in the better eye with the use of correcting lens. Also included in this definition is the particular sight limitation which is referred to as "tunnel vision."

A blind or disabled person who was on the rolls in December 1973 and met the State definition for blindness, disability as defined in the State plan in effect October 1972 would be considered blind or disabled for purposes of this title so long as he continues to be blind or disabled.

No disabled person would be eligible if the disability is medically determined to be due solely to drug addiction or alcoholism unless such individual is undergoing appropriate treatment, if available. Payments for addicts or alcoholics would only be made to third parties as protective payments.

Other Federal eligibility standards

Eligibility for supplemental security income would be open to an aged, blind or disabled individual if his resources were less than $1500 (or $2250 for a couple). In determining the amount of his resources, the

value of the home (including land surrounding home), household goods, personal effects, including an automobile, and property needed for self support would, if found to be reasonable, be excluded. Life insurance policies would not be counted if the face value of all policies was less than $1,500. (Current recipients under State programs with higher resources limits would retain their eligibility.)

State supplementation

States wishing to pay an aged, blind or disabled person amounts in addition to the Federal supplemental security income payment would be free to do so. The bill would permit States to enter into agreements for Federal administration of State supplemental benefits. Under these agreements supplemental payments would have to be made to all persons eligible for Federal supplemental security income payments except that a State could require a period of residence in the State as a condition of eligibility.

Ineligibility for food stamps

Individuals in the Supplemental Security Income program would not be eligible for food stamps or surplus commodities.

Savings clause

The bill provides no direct Federal participation in the costs of State supplemental payments. However, a savings clause is included under which the Federal Government would assume all of a State's costs of supplemental payments which exceed its calendar year 1972 share of the costs of aid to the aged, blind, and disabled. This savings clause would apply only to State supplementation needed to maintain the State's assistance levels in effect as of January 1972. The savings clause would, however, also cover an upward adjustment over the January levels to the extent necessary to offset the elimination of food stamp eligibility.

Medicaid coverage

Under present law, the States are required to cover all cash assistance recipients under the medicaid program. The bill would exempt from this requirement newly eligible recipients who qualify because of the new provision for a $130 minimum benefit with a disregard of $20 of social security or other income.

Social services

States would be authorized to continue programs providing social services to aged, blind, and disabled persons. These services are currently provided under the welfare programs for the aged, blind, and disabled which would be replaced by the new Federal supplemental security income program. There would be 75 percent Federal matching for the services provided, subject to the overall limitations established by the State and Local Fiscal Assistance Act.

Amendments to present law for aid to aged, blind, and disabled persons (effective until January 1, 1974):

Separation of social services not required

Separation of social services and eligibility determination is specifically not required.

Cost for providing manuals

At its option, the State may require a charge for reasonable cost of providing manuals and other policy issuances.

Appeals process

The bill provides that the decision of the local agency on the matter considered at an evidentiary hearing may be implemented immediately.

Absence from State for 90 days

The bill provides that the State may make any person ineligible for money payments who has been absent from the State over 90 consecutive days until such person has been present in the State for 30 consecutive days in the case of an individual who has maintained his residence in the State during such period or 90 days in the case of any other individual.

Rent payments for public housing

Permits the States, if they elect to do so, to make rent payments directly to a public housing agency on behalf of a recipient or a group or groups of recipients.

Safeguarding information

The bill permits the use or disclosure of information concerning applicants or recipients to public officials who require such information in connection with their official duties.

Passalong of social security increases

Present law requires State programs of aid to the aged, blind, and disabled to assure that the total income of recipients who also get social security are at least $4 higher as a result of the 1969 social security benefit increase. The bill would add an additional $4 "passalong" related to this year's 20 percent social security increase and would make both "passalong" provisions applicable until January 1974.

IV. CHILD WELFARE SERVICES AND SOCIAL SERVICES

Grants to States for child welfare services (including foster care and adoptions)

The committee adopted an amendment increasing the annual authorization for Federal grants to the States for child welfare services to $196 million in fiscal year 1973, rising to $266 million in 1977 and thereafter. For fiscal year 1973, this is $150 million more than the $46 million which has been appropriated every year since 1967. It is anticipated that a substantial part of any increased appropriation under this higher authorization will go toward meeting the costs of providing foster care which now represents the largest single item of child welfare expenditure on the county level. The bill, however, avoided earmarking amounts specifically for foster care so that wherever possible the State and counties could use the additional funds to expand preventive child welfare services with the aim of helping families stay together and thus avoiding the need for foster care. The additional funds can also be used for adoption services, including action to increase adoptions of hard-to-place children.

Social services

Provides a saving provision to the limitation on expenditures for social services contained in the State and Local Assistance Act of 1972 so that States for the first quarter of fiscal 1973 will be reimbursed as they would have been under previous laws. This saving provision would be applicable only to the extent that the resultant Federal funding for this quarter does not exceed $50 million.

TABLE 1.—SOCIAL SECURITY TAX RATES FOR EMPLOYERS AND EMPLOYEES UNDER PRESENT LAW AND UNDER H.R. 1

[In percent]

Calendar year	OASDI		HI		Total	
	Present law	New schedule	Present law	New schedule	Present law	New schedule
1973 to 1977	4.60	4.85	0.9	1.0	5.50	5.85
1978 to 1980	4.50	4.80	1.0	1.25	5.50	6.05
1981 to 1985	4.50	4.80	1.0	1.35	5.50	6.15
1986 to 1992	4.50	4.80	1.1	1.45	5.60	6.25
1993 to 1997	4.50	4.80	1.2	1.45	5.70	6.25
1998 to 2010	4.50	4.80	(1.2)	(1.45)	(5.70)	(6.25)
2011 plus	5.35	5.85	(1.2)	(1.45)	(6.55)	(7.3)

Note: Under both present law and the new schedule, the contribution and benefit base would be $10,800 in 1973 and $12,000 in 1974, with automatic adjustment thereafter.

TABLE 2.—*Social security programs: First full-year cost of H.R. 1*

[Amounts in millions]

Provision	*Additional benefit payments in calendar year 1974*
Total	$4,372
Social security cash benefit programs:	
Earnings in year of attainment of age 72	14
Retirement test at $2,100	842
Special minimum at $170 for 30 years	20
Credit for delayed retirement prospectively	27
Liberalized disability provision for blind (House)	38
Reduction in disability waiting period to 5 months	128
Increased benefits for widows and widowers	1,109
Eliminate support requirement for divorced wives	23
Student child benefits payable after 22 to end of semester	19
Age 62 computation point for men	14
Liberalized workmen's compensation offset	22
Children disabled at ages 18 to 21	17
Increased allowance for vocational rehabilitation expenses	28
Military wage credit	46
Subtotal, cash benefits	2,347
Hospital insurance program:	
Coverage of the disabled	$1,412
Liberalized definition of skilled nursing facility care	110
Waiver of beneficiary liability for disallowed claims	35
Coverage of renal dialysis and transportation	75
Subtotal, hospital insurance	1,632
Supplementary medical insurance program (general revenues):	
Coverage of the disabled	365
Increase in part B deductible	—58
Coverage of chiropractors' services	17
Coverage of speech pathologist services	9
Coverage of renal dialysis and transplantation	52
Eliminate coinsurance on home health services	8
Subtotal, supplementary medical insurance program	393

Source: Department of Health, Education, and Welfare.

TABLE 3.—*Changes in estimated medicaid cost (+) and savings (—) under H.R. 1*

[In millions of dollars]

	Calendar year 1974
Changes in H.R. 1:	
Coverage of the disabled under Medicare	—$70
Increase in Medicare pt. B deductible from $50 to $60	+8

	Calendar year 1974
Reduction in Medicaid matching if States fail to perform required utilization review	—$162
Imposition of premium, copayment and deductible requirements on medicaid recipients	—89
Families with earnings under Medicaid: Eligibility extended 4 months	+33
Limitation on nursing home and intermediate care facility reimbursement to 105 percent of last year's payment	—22
Elimination of requirement that States move toward comprehensive Medicaid program by 1977	(1)
Elimination of requirements that States maintain their year to year fiscal efforts in Medicaid	—640
Payments to States under Medicaid for installation and operation of claims processing and information retrieval systems	+10
Increased Medicaid matching for Puerto Rico and the Virgin Islands	+10
More specific requirements as to eligibility for skilled nursing level of care	—14
100 percent reimbursement for the cost of certifying skilled nursing homes under Medicaid	+10
Expansion of Medicaid coverage to include inpatient care for mentally ill children	+120
90 percent Federal funding of family planning services	+36
Coverage of persons needing renal dialysis or transplantation under Medicare	—20
Preserving Medicaid eligibility for social security beneficiaries	-----
Total estimated reduction in Medicaid costs under H.R. 1	—790

[1] The current law estimates take no account of the effect of the requirement that States move toward comprehensive medicaid programs by 1977; therefore, no savings are attributed to the repeal of this requirement.

Source: Department of Health, Education, and Welfare.

TABLE 4.—CALENDAR YEAR 1974 FEDERAL COSTS OF SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED, AND CHILD WELFARE SERVICES

[Dollars in billions]

	Gross costs	Current law	Amount of increase
Aged, blind, and disabled:			
Benefit payments	$3.5	$2.1	$1.4
Savings clause for State supplementation	.3	-----	.3
Food programs	-----	.3	—.3
Administrative costs	.4	.2	.2
Subtotal, aged, blind, and disabled	4.2	2.6	1.6
Child welfare services	.2	(1)	.2
Total	4.4	2.6	1.8

[1] Current law cost is $46,000,000.

Source: Department of Health, Education, and Welfare.

CHANGES IN ACTUARIAL BALANCE OF THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE SYSTEM, EXPRESSED IN TERMS OF ESTIMATED LEVEL-COST AS PERCENT OF TAXABLE PAYROLL, BY TYPE OF CHANGE, LONG-RANGE DYNAMIC COST ESTIMATES, PRESENT LAW AND CONFERENCE BILL

[In percent]

Item	OASI	DI	Total
Actuarial balance under present law	+0.09	—0.02	+0.07
$2,100 retirement test	—.21	(1)	—.21
$170 special minimum PIA	—.06	(1)	—.06
Delayed retirement increment (prospective)	—.07	(2)	—.07
5-month disability waiting period	(2)	—.03	—.03
100 percent PIA widow's benefit at age 65	—.24	(2)	—.24
Age-62 point for men (prospective)	—0.22	(1)	—0.22
Miscellaneous changes [3]	—.01	—.02	—.03
Revised contribution schedule [4]	+.71	+.08	+.79
Total effect of changes in bill	—.10	+.03	—.07
Actuarial balance under bill	—.01	+.01	0

[1] Less than 0.005.
[2] Not applicable to this program.
[3] Includes the following: Workmen's compensation offset based on 80 percent of highest earnings; child's benefits to children disabled at ages 18 to 21; disabled child 7 years reentitlement; broaden definition of adopted child; student's benefits to end of semester in which attainment of age 22; child's benefit on grandparent's account if full orphan and supported by him; elimination of support requirement for divorced wife's and widow's benefits; reduced widower's benefits at age 60, and liberalization of insured status requirements for disability benefits with respect to blind persons.
The schedule for employer and employee each is as follows:

	OASI	DI	Total
1973–77	4.300	0.550	4.85
1978–2010	4.225	.575	4.80
2011+	5.100	.750	5.85

CHANGES IN ACTUARIAL BALANCE OF THE HOSPITAL INSURANCE SYSTEM, EXPRESSED IN TERMS OF ESTIMATED AVERAGE-COST AS PERCENT OF TAXABLE PAYROLL BY TYPE OF CHANGE, LONG-RANGE DYNAMIC COST ESTIMATES, PRESENT LAW AND CONFERENCE BILL

[In percent]

Item	HI system
Actuarial balance of present system	+0.01
Coverage of disabled beneficiaries	—.43
Kidney dialysis	—.06
Liberalized level of care in ECF's	—.02
Waiver of beneficiary liability	—.01
Revised contribution schedule	+.53
Total effect of changes in bill	+.01
Actuarial balance under bill	+.02

[4] The new schedule for employer, employee, and self-employed each is as follows: 1973–77, 1.00; 1978–80, 1.25; 1981–85, 1.35; 1986+, 1.45.

COST IMPACT ON MEDICARE OF H.R. 1 (CONFERENCE VERSION)

	Fiscal year— 1973	1974
Sec. 201. Disabled under medicare	-----	+1,310
Sec. 213. Waiver of beneficiary liability	+15	+32
Sec. 247. Liberalized ECF	+33	+99
Sec. 299I. Renal dialysis	-----	+67
Total, pt. A	+48	+1,508
Sec. 201. Disabled under medicare	+24	+310
Sec. 204. Increase in pt. B deductible	—32	—79
Sec. 283. Speech pathology	+2	+14
Sec. 273. Chiropractors	-----	+20
Sec. 299K. Termination of home health coinsurance	+5	+14
Sec. 299I. Renal dialysis	-----	+35
Total, pt. B	—1	+314

ADDITIONAL SOCIAL SECURITY PAYMENTS RESULTING FROM THE SOCIAL SECURITY AMENDMENTS OF 1972

[In millions]

Provision	Additional payments in calendar year 1973	1974
Cash benefits:		
Total	$1,842	$2,347
Increased benefits for widows and widowers up to 100 percent of PIA at age 65 (limited to OAIB)	977	1,109
Retirement test changes:		
$2,100 exempt amount; $1 for $2 above $2,100	$556	$842
Earnings in year of attainment of age 72	10	14
Special minimum PIA up to $170	18	20
Credit for future delayed retirement	10	27
Noncontributory credits for military service after 1956	41	46
Eliminate support requirement for divorced wives and surviving divorced wives	20	23
Student child benefits payable after age 22 to end of semester	17	19
Age 62 computation point for men	2	14
Reduce disability waiting period to 5 months	108	128
Liberalized disability insured status for blind workers	32	38
Liberalized workmen's compensation offset (80 percent of high 1 year)	17	22
Children disabled at age 18–21	16	17
Increased allowance for vocational rehabilitation expenditures	18	28
Medicare:		
Total, pt. A	773	1,634
Coverage of disabled	624	1,412
Liberalize ECF benefits	.88	110
Waiver of beneficiary liability	30	35
Coverage of chronic kidney disease	31	77
Total, pt. B	72	476
Coverage of disabled	98	465
Increase in deductible	—64	—115
Coverage of speech pathology	8	18
Coverage of chiropractors	7	35
Eliminate SMI coinsurance for home health	12	15
Coverage of chronic kidney disease patients	11	58

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to my colleague, the gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, this is a most significant bill. The gentleman has outlined some of the provisions in it, but would the gentleman not agree this has more far-reaching provisions generally in social security and medicare and medicaid than any bill we have passed in recent times?

Mr. MILLS of Arkansas. I have said I think it is the best and most far-reaching improvement we have passed since the act of 1965 on medicare.

Mr. ULLMAN. If the gentleman will yield further, because of the connection with the budget and the ceiling, I think Members should fully understand the fiscal impact of this bill on the current budget.

Mr. MILLS of Arkansas. As I pointed out the increased cost with respect to the old-age assistance and disability for the blind does not take effect until January 1, 1974. Actually we are improving the 1973 budget situation. We are reducing the cost to the budget by about $900 million in the fiscal year 1973.

Mr. ULLMAN. I think this is tremendously important. It will carry some very far-reaching measures that I think Members should be aware of and I think we should have them in the report.

Mr. MILLS of Arkansas. Yes. I have already inserted an extended statement.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, I thank the gentleman for yielding.

I am particularly interested in the problem of the impact of the increase of 20 percent in social security. I notice the conferees have provided that this eligibility for medicaid in September 1972 would not reduce eligibility.

Mr. MILLS of Arkansas. That is right.

Mr. BINGHAM. But only for 1 year.

Mr. MILLS of Arkansas. That is right.

Mr. BINGHAM. Could the gentleman comment on the thinking of the conferees?

Mr. MILLS of Arkansas. We can look at it again at the end of that year and make a determination as to whether we want to continue it or not. Most of the people we are dealing with are of an average age of 75. These we are grandfathering in are in the declining years of their lives. If it is necessary to continue this a year or two I think there would be no objection.

Mr. BINGHAM. I thank the gentleman.

Can the gentleman comment on the impact of the 20-percent increase?

Mr. MILLS of Arkansas. We have added another $4 pass-through to the one which we enacted in 1969. It is a second $4 pass-through which would guarantee those people who draw social security and welfare this month at least a $4 increase in the total of their benefits.

Mr. BINGHAM. I thank the gentleman. I assume the conferees recognized that would not totally take care of the problem.

Mr. MILLS of Arkansas. Oh, no; it does not cover the whole increase, but my goodness, we cannot raise social security and then continue to negate all of the increases in social security for purposes of welfare determinations. We just cannot do it.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, did the gentleman do anything about insuring that this pass-through increase to the people will not be reduced by the States by that much?

Mr. MILLS of Arkansas. It can be reduced all right. Say it amounts to $20, the State is prohibited from reducing it by the full $20. The State would reduce it by $16, but it must pass on $4.

Mr. KAZEN. I thank the gentleman.

Mr. MILLS. Mr. Speaker, I urge adoption of the conference report.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. PRICE of Texas. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Speaker, we have before us here today a classic example of poor timing and inefficiency by the Congress. In this, the 59th minute of the 11th hour before adjournment, Members are being asked to pass judgment upon legislation which will directly affect the well-being of millions of retired and disabled citizens, and an even greater number of Americans who are workers and taxpayers.

Considering the fact that H.R. 1 was the first bill to be introduced at the opening of the 92d Congress, it is a sad commentary that this bill is one of the very last pieces of legislation to be voted upon, especially since the final bill is but an emasculated, mangled, and toothless shadow of the original proposal. I am particularly referring to the highly touted welfare reform provisions which were designed to extricate us from our current welfare mess. While I do not favor the guaranteed annual income approach which has been the darling of liberals and professional welfare lobby groups, nevertheless I believe that something should have been done by the Congress to face up to the fact that taxpayers and citizens in general are thoroughly disgusted with the present situation which has made public dependence a way of life for far too many persons.

Since it is obvious that welfare reform legislation has been swept under the rug for this session, I believe it imperative that the 93d Congress make this a matter of top priority immediately upon convening. And instead of following the path of least resistance by enacting a guaranteed income scheme which would only further expand the power of the Federal Government at the expense of the States and further perpetuate welfare dependency as an occupation, I plan to introduce and support legislation to provide meaningful reform. Following the President's recommendation for a reorganization of the Federal Government, let us apply the President's concept of special revenue sharing to all welfare programs and put the States fully in charge of administering welfare. Furthermore, such a proposal ought to contain "teeth" such as I have proposed whereby any person fraudulently filling out welfare forms or undeservingly collecting welfare should be subject to the same penalties applied to any other thief. I see no difference whether one steals from a private citizen or from the public treasury; both acts are despicable and ought to be dealt with as such.

Any welfare reform proposal enacted by the Congress ought to be a true workfare program—able-bodied persons receiving benefits should be required to receive job training where possible and should be made to work for whatever assistance they receive. Goodness only knows the filth, trash, and debris that needs cleaning up along our highways, rivers, lakes and streets, and research has shown that a great many needs for workers exists in public service type work in hospitals, schools, and the like. If the public must underwrite the cost of keeping a certain percentage of the citizenry with over 11 million now on the welfare rolls, let that money be an investment for the public good instead of fruitless drain that it is now.

Mr. Speaker, H.R. 1 as before us is a far cry from the original $18 billion bill it was before going to conference. And while I will support the social security amendments as offered, I believe that the bill is at best a last-minute attempt at compromise. I applaud the provision to raise from $1,680 to $2,100 the amount an elderly citizen receiving social security benefits can earn in outside income before losing his benefits, however I intend to press for action in the next session on my bill which would remove these income limitations altogether. It simply makes no sense that a citizen should pay into social security all of his working life and then be denied the fruits of his labors at the time he needs the benefits the most. While social security is bragged about as a way to meet the needs of our retired citizens, the plain fact is that the system is stacked against the low income worker who is most dependent upon the benefits as his chief source of retirement income. Persons with substantial incomes from investments are free to collect the full amount of social security benefits due them, while poor citizens who must work to supplement their benefits are penalized if they earn more than pin money. Let us make social security more equitable—equal work deserves equal pay, and equal contributions to social security deserve equal benefits to retired citizens.

(Mr. FORSYTHE (at the request of Mr. BYRNES of Wisconsin) was granted permission to extend his remarks at this point in the RECORD.)

Mr. FORSYTHE. Mr. Speaker, once again, with H.R. 1, we are put in the position of having to vote for legislation that only does part of the job, even after more than 2 years of study and debate.

There is no more pressing problem facing this Congress than true reform of the welfare system. The House took a major step on June 22, 1971, when it passed its version of H.R. 1, providing a responsible mix of improved benefits with strong incentives to get people to work instead of accepting Government handouts.

But that bill was emasculated by the Senate, and now all we have is the promise of fiscal relief for the States when the Federal Government takes over the adult welfare categories, now administered by the States, 2 years hence.

Certainly any reform of the welfare system must include financial relief for the States. However, it also ought to provide ways of curbing abuse, of helping those truly in need, and of forcing the loafers to accept training and employment.

In my view, this lack of action by the 92d Congress on basic welfare reform constitutes its greatest failure. Hopefully, the 93d Congress will act more responsibly.

I was also bitterly disappointed over other actions taken by the House-Senate conference, with regard to older citizens.

The provision forbidding the reduction of Federal benefits, such as medicare, for the aged because of increases in social security should not have been cut from the bill. It is absolutely hypocritical for

the Congress, on the one hand, to offer a 20-percent boost in social security benefits, and then to take away medicare because the individual is suddenly too affluent. Fortunately for New Jerseyites, Governor Cahill has assured that this will not occur in our State.

I was also disappointed that the conferees eliminated the provision placing some prescription drugs under medicare. Now, there may have been some technical problems with the specific provision before them. These, however, should have been improved, instead of the provision being withdrawn entirely. One of the first bills I sponsored provided this coverage.

H.R. 1 does take a positive step in increasing the earnings limitation for social security recipients from $1,680 to $2,100 a year before benefits will be reduced.

I reiterate: This was a positive step, but by no means is adequate. I was one of many Members of this body who sponsored legislation to eliminate this ceiling, and I am still convinced that this must be done.

On the whole, however, H.R. 1 does make solid advances to benefit our senior citizens, to whom we all owe so much.

Cash benefits are increased for widows to a full 100 percent of their husband's payment. This is certainly long overdue.

The bill encourages healthy persons age 65 to stay on the job and to delay drawing social security, by offering extra cash benefits. Obviously, this will help utilize the great talent resource that we have among Americans of this age group and will contribute to making life ever more meaningful for them.

I was especially pleased with the provision extending medicare payments to cover expensive kidney machine treatments. In the New Jersey Senate, I sponsored legislation, which is now law, providing help for victims of kidney disease. This is very close to my heart.

The bill makes many other important advances in medicare and social security. These, combined with the 20-percent boost in social security and railroad retirement benefits previously approved, as well as the nutrition program now in effect, give this Congress a fine record of responsiveness to the older American.

Mr. BYRNES of Wisconsin. Mr. Speaker, given the problem facing the conferees, I think they really did an exceptional job. I guess that too often I find myself in the role of a protester.

This situation is not different, except that now I express a protest at the way this very, very important subject was handled, not by this body, but by the other so-called coequal legislative branch of Government.

We passed H.R. 1 on June 22, 1971. That was almost 16 months ago. It contained important changes in the Social Security Act but, most importantly, it was an attempt to face up to what is surely one of the most serious problems that we have in this country, one that cries for attention; namely, the problem of welfare reform. In fact, we had sent our recommendations for welfare reform to the other body once before, in the previous Congress, and nothing happened. Then, a year ago last June, we sent H.R. 1, which also embodied welfare reform, to the other body. But when did we get this bill back? For all practical purposes, it was not returned to the House until last Tuesday.

The hope was that the Congress would adjourn last Saturday. Four days before the anticipated adjournment we got this bill back from the Senate with 583 amendments. The Senate conferees asked us to sit down and try to work out the differences in hundreds of areas that are of utmost importance to many millions of our people.

The conferees labored far beyond what human endurance should require in concluding work on this major bill at 10:30 p.m. last Saturday evening after having been almost constantly in conference from 9:30 that morning.

I repeat, I think that given those circumstances, the conferees did a commendable job. I think that this House generally can be pleased with the efforts of its conferees who took this bill, which was an $18-million bill after it came from the Senate, and brought it down to a figure that is more reasonable and responsive to the needs and the capacities of our society today.

I support the conference report, but I do so in protest at the way this most important measure has been handled by the other body and the almost impossible situation in which this House has been placed.

Mr. Speaker, I particularly protest the unwillingness and the apparent inability of the Congress to come to grips with this most pressing problem facing our society—that of welfare reform.

Nobody supports the current welfare system. It is outdated and unworkable. The protests against it have been made not just within the past year or the past 2 years. They have been growing for many years.

We thought we faced up to it 4 years ago in the House. Then we thought we faced up to it a year and a half ago when we passed H.R. 1. But it is still unresolved. We still have that same old system which is unsatisfactory to all.

I believe it is unsatisfactory from any standpoint. It is unsatisfactory to the people who have to foot the bill. It is unsatisfactory to anybody who has to administer the program.

Yet here we are again avoiding the issue and not facing up to the problem.

It is my hope that one of the first things the Senate and the House address themselves to in the next Congress is welfare reform because I do not believe that we can afford to neglect doing something about it much longer. As time goes on it becomes more and more essential that we take action.

It is true, as the chairman of our committee has said, that the Senate was adamant against even talking to us about the program which the House sent to the Senate. Quite frankly, and I think justifiably, we were equally adamant on the House side against talking about the proposals made by the Senate, since they were not responsive to the problem at all, and would push the problem under the rug at a great deal of cost, rather than provide actual reform.

So we were at a stalemate. This was all we could do.

It had been my hope, time permitting, that we might have made a greater effort with the Senate conferees in getting them to at least accept the underlying philosophies of the House bill, philosophies which I believe are essential to any meaningful reform of our welfare system. But time ran out and circumstances would not permit us to deal effectively with a proposition sent to us at the last minute, one involving, as I said, some 583 amendments and some 940 pages. We got to the point, with adjournment of the Congress impending, that there was no such thing as time as far as our capacity to deal effectively with the issues was concerned.

But with the start of a new Congress in January of 1973, I hope it will be kept in mind by both committees and by the Members of the House that just because we failed to approve welfare reform in two Congresses, there is all the more reason for a redetermination to do something about it next year.

With that, Mr. Speaker, I urge my colleagues to support this conference report, which I believe certainly results in a basic improvement of many of the provisions of our laws relating to social security, hospital insurance, supplemental medical benefits, old age assistance, the adult assistance program of aid to the blind and the disabled. I believe that real progress has been made, and I strongly urge approval of this report.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman from Wisconsin yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, much as I share the extreme disappointment of the distinguished ranking member of the Committee on Ways and Means that this conference report comes to us in a form in which it does not deal in a meaningful fashion with the welfare reform program, I certainly want to commend him and the other conferees for the work that they have done and for the genuinely good bill which they have returned to us, save for the exception that he has already noted.

Mr. Speaker, I join with him in expressing the hope that this will be a matter of the utmost priority for the 93d Congress, and I would only at this time take a further moment to express my own deep personal regret that because of the gentleman's pending retirement he will not be with us to share with us the benefit of his wisdom and his counsel and his almost unequalled expertise on these matters, and we will miss the contribution that I am sure he could have made on this matter.

Mr. BYRNES of Wisconsin. Mr. Speaker, I thank the gentleman.

Mr. MILLS of Arkansas. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Speaker, I rise in support of the conference committee re-

port. I would like to associate myself with the remarks of the gentleman from Illinois (Mr. ANDERSON) with reference to the outstanding leadership that the gentleman from Wisconsin (Congressman BYRNES) has given us in this House in this area of policy over the years.

Mr. Speaker, I think the conference committee is to be commended for having waded through some several hundred pages of highly technical language and for having shorn off titles IV and V that the other body in these closing days added to H.R. 1.

The social security amendments are highly desirable.

However, when the history of this particular legislation is written, it will be noted that this new—supplemental security income—section particularly with a federally administered program to maintain income for our aged, blind, and disabled, with a federally stated minimum, will prove to be, the one most remarkable achievement that this particular conference committee report contains. I believe it to be accurate to state that I was the first to urge a national minimum for adults as a part of the welfare reform program of the administration. Thanks to Tom Joe, this is now a reality.

Mr. Speaker, the chairman and I, when H.R. 1 left this House, had a colloquy on the meaning of some of the income and resource language in H.R. 1 as it then existed. The language before us appears to be the same, so I will not take the time of the House to redo that colloquy.

Mr. Speaker, I would like to close by commending the distinguished chairman of the full committee and all the Democratic conferees for coming back under very difficult circumstances with a very acceptable product, and to confirm the following:

First. That the new Federal program does not permit the imposition of liens and further does not permit the imposition of relatives responsibility, except for parents of minor children and a spouse for a spouse, and

Second. That the committee intends that the Secretary, if he administers the States supplemental payments, does not permit the imposition of liens, or the imposition of more restrictive relatives responsibility than that permitted in the Federal programs, or a more restrictive resources test than would be applied under the basic Federal program.

Third. That the Federal program does not permit an "imputation" of rent for an owner occupied residence. Therefore, this practice engaged in by some States, for example, California—which results in a reduction in grants—shall not be permitted under the Federal program.

Fourth. That the income and resource provisions are to be liberally construed.

Mr. MILLS of Arkansas. I fully concur. The gentleman from California's (Mr. BURTON) statement is correct.

Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Speaker, I wonder if the gentleman could tell us what the impact of the 20-percent social security increase is on those who are receiving both assistance for low-income housing and old-age assistance.

Mr. MILLS of Arkansas. Mr. Speaker, I cannot. That question came up, of course, in the committee, and it came up in the conference, but there was nothing that we could do in the conference to ease the situation insofar as low-rent housing is concerned.

Neither of the two committees, as the gentlewoman understands and knows, has jurisdiction over low-rent housing, so there is not a thing we can do about it. I, frankly, cannot tell the gentlewoman how many people might be adversely affected by the increase in social security as it relates to the limitation for purposes of eligibility for low-rent housing.

Ms. ABZUG. Will the gentleman yield further?

Mr. MILLS of Arkansas. I will be glad to yield to the gentlewoman from New York.

Ms. ABZUG. It was my understanding that there were some provisions in the bill of the other body with respect to the impact of the 20-percent social security increase, not only on medicaid, but on food stamps and old-age assistance, those presently receiving food stamps and old-age assistance.

Mr. MILLS of Arkansas. There could be an effect.

Ms. ABZUG. What about the effect of the conference bill?

Mr. MILLS of Arkansas. There could be an effect on all three areas.

Mr. Speaker, the bill itself "grandfathers" in those who were eligible for medicaid prior to the increase in social security benefits, so that none of them can be made ineligible for a year as a result of this increase.

Nothing has been done to protect them with respect to food stamps. The $4 pass-through—for want of a better term we have named it "pass-through"—protects them against the complete reduction in the welfare payment to overcome the amount in the increase of the social security payment, so that the States must allow for $4 more to back up this item.

Ms. ABZUG. I thank the gentleman.

Mr. MILLS of Arkansas. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. I thank the able chairman for yielding to me.

Mr. Speaker, I wish to commend the able chairman and his fellow managers on the part of the House for the excellent job they did in the conference, but I note with a great deal of concern reference in the report to the action taken on amendments Nos. 328 and 329.

Under amendment No. 328, the Senate amendment added a new section which provided under medicare that certain drugs which would be required on an outpatient basis, in other words, for use in the home, would be covered by medicare.

Amendment No. 329, the Senate amendment added a new section which made available under medicare the cost of eyeglasses, dentures, hearing aids, and podiatric services for members of families with an income of $5,000 or less or individuals with an income of less than $3,000.

May I ask the able chairman of the committee why it was felt necessary for the managers on the part of the House to ask the Senate to recede on these two very desirable provisions?

Mr. MILLS of Arkansas. If the gentleman will yield, actually the addition of care for eyes, ears, and dentures costs the equivalent of 2.42 percent of payroll. It was a poor amendment adopted by the Senate and there was no provision for it in the bill at all, so that although it was very good for making drugs available outside the hospital for those eligible under medicare, this was an item that was dropped in the conference because of the added cost. It was not because it was not a desirable amendment, but we were trying to get a bill through that would enable us to live with the increases in rates and not go too far up on those rate increases.

Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Speaker, I rise in support of the conference report.

I am particularly pleased with the recommendations on the child welfare services provisions dealing with authorization and funding for that purpose.

There are other benefits here that are really good, and I believe every Member of this House will vote for this conference report.

Mr. MILLS of Arkansas. If the gentleman will yield to me. I think the record should indicate that the gentleman from Massachusetts as a conferee was most helpful in the development of this conference report and particularly helpful with respect to the matter he is referring to.

Mr. BURKE of Massachusetts. Mr. Speaker, the conference report before us today on H.R. 1 is certainly one of the most long awaited conference reports in the history of Congress. For close to 1½ years, we have been waiting for the other body to complete action on H.R. 1 so as to go to conference and to get action this Congress on two of the major issues of our time, improving the lot of our elderly and beginning a long-overdue reform of this Nation's welfare system. As a matter of fact, the history of the conference report before us today goes back to the Congress when H.R. 1's predecessor expired in the Senate in the closing days of that Congress as the clock ran out.

Thus, we have in a real sense been this way twice now and on both occasions, the Ways and Means Committee on which I serve spent months in both public and executive sessions considering any number of various proposals affecting both the elderly and the welfare system. Whatever its shortcomings and there were many when H.R. 1 passed this House and left for the other body, I think we all felt that it at least possessed the merit of being a big step in the right direction and constituted a real beginning of a Federal effort to tackle the problem of spiraling welfare costs and the patchwork quilt pattern of welfare practices from State to State.

Having served on the conference committee that presents this report to you today and having all but given up hope that any kind of resolution to the vast differences between the two bodies on the issues involved would be forthcoming this Congress, I really feel that what we are voting on here today is a mere shadow of its former self. This conference report on H.R. 1 cannot be regarded by anyone whether they be advocating reform of our social security system or reform of our welfare system as constituting real progress in that direction or anything more than stop gap legislation. Sure, there are some increased benefits for the elderly in this bill. Very few, but some. Given the attitude that the elderly are bound to be grateful for whatever crumbs they get from the Federal Government, I am in no doubt that this conference report will pass with overwhelming approval.

But, when I think of the possibilities that were presented to this Congress to score significant advances in both these crucial areas, this bill is a poor excuse for years of hard work and labor. No one is going to be satisfied with this report. The pressure is already building up to make both these issues prorities items for the next Congress. I do not know when we are going to learn that problems as overriding as old age and welfare reform will not just disappear for lack of action, but will remain to haunt us until the problems are tackled and mastered. This report does neither.

As a matter of fact, irony of ironies, the biggest cheers around the country today are from those celebrating the fact that for all intents and purposes, this report drops titles IV and V from H.R. 1, as amended by the Senate. In other words, we have abandoned for this Congress any effort to come to grips with what is fast becoming this Nation's No. 1 domestic problem, welfare reform.

Thus, money will continue to be thrown at a problem that knows no bounds, by a Federal Government which has no control over the problem at the local level, since these programs are administered by the local governments with varying degrees of failure.

H.R. 1's attempt at welfare takeover by the Federal Government with promised relief for the local property taxpayer, a beginning of the end to mass migration in search of higher payments, fell victim to all the emotions the very mention of the word "welfare" seems to stir up across this land. It fell victim to a combination of forces of those who are against all kinds of welfare and recognize no genuine need and would like to turn back the hands of time to the 19th century social Darwinism of Herbert Spencer; those who wanted a payment level of $6,900 or nothing; those who found it impossible to compromise between $2,400 and $3,000 for a family of four; and perhaps the largest group of all, those that were confused and afraid to get involved with any legislation having to do with welfare. Well, all these groups should be happy today. Especially those that would not touch the welfare mess with a 10-foot pole. It may well be years before they will be asked to get involved again.

I must confess that given the best solution the Senate could come up with—namely, no solution at all, but rather an expensive era of trial and error—the last thing anyone needs in welfare is more trial and more error—I must confess I would rather have no title IV and V rather than that abomination we would have had to accept in the name of welfare reform. At least we know that welfare remains unfinished business. Too many might have been confused by such a compromise and thought they could walk away from the job feeling they had accomplished something.

As far as improving the lot of our elderly in this Nation, H.R. 1, particularly as it left the Senate, promised more than this report delivered. Sure, we have increased the outside earnings limitation a paltry $420 a year. Sure, there are added widows' benefits and some improvement in the strenuous requirements covering eligibility of the blind. Sure, there have been some long-overdue increases in minimum benefits. But I predict today that what this bill will be remembered mostly for in years to come is the tax increase contained in it.

Unless and until this Congress sits down and really analyzes the needs of the elderly in this Nation today who are totally dependent upon social security for their very sustenance, estimates what it will cost to give these people a reasonable degree of security in their declining years and then considers how to finance the massive costs involved, we are always going to be treated to piecemeal reform around election year and ever-increasing social security payroll taxes.

Those that are working will always feel they are paying for those that are retired and wonder if they will have any security in their old age, so overwhelming a burden will the payroll tax be at the rate it is increasing now. It is time this country stopped trying to go it alone on the myth of a voluntary contributory pension plan, via social security taxes with 50 percent of the burden borne by the employer and 50 percent by the employee. It is time we benefited from the experience of other nations and resorted to the use of general revenues to bear some of the burden.

The aims and uses of the social security system today have changed so substantially since 1935 that we can no longer afford to finance it by 1935's methods. As long as social security continued to be that little something extra, a 50–50 plan had a reasonable chance of success. Nobody felt as though they were getting a Federal hand-out. They were contributing to their own insurance plan. But, today social security is all some of our senior citizens have to count on and if these people are to begin to enjoy some of the dignity, they have a right to expect in old age, then benefits are in need of substantial increases and the present tax system cannot bear the burden.

I sympathize with the employers around this country and those who are working today who groan and dread each new social security increase. They know they are going to be hit between the eyes with another round of what is fast becoming the most regressive tax in this country today, the social security tax. The solution is not to ignore the needs of the elderly to keep the tax down. The solution is to put the social security system on a new financing basis which will spread the costs evenly across the income level in a progressive way.

For years now, I have had my proposal before this body to finance social security on a one-third employer, one-third employee, and one third general revenue basis unless and until this House begins to seriously consider some alternative to the present approach, then these may well be the last social security increases we shall see for some time. Prescription drugs, dental and podiatric care will not be part of the social security program until such reform is accomplished. Long overdue tax reform which would consider the special needs of the elderly, owning homes or paying rent will continue to elude us until something is done about social security taxes.

In other words, until the myth that the social security system in the final quarter of the 20th century can be a self-financed contributory retirement plan instead of a major Federal program constituting an all-out attack on the problems of the elderly, then our elderly are going to continue to complain about the meager improvements and benefits and the employers and employees are going to continue to scream about the unbearable burden of social security taxes. Mr. Speaker, these are the issues which should have been tackled by the Congress; unfortunately, these are the issues which remain unfinished business.

Mr. Speaker, as we today consider approval of the conference report on H.R. 1 which would expand the social security and medicare benefits, and establish a new Federal program of benefits for the aged, blind, and disabled, I want to draw attention to a provision within the Senate Finance Committee report (92–1230) on H.R. 1, which has disturbed a number of people. The section to which I refer would prohibit the Secretary of Health, Education, and Welfare from allowing donated voluntary funds for social services for matching under title IV A of the Social Security Act. In effect such a directive from the Congress would deal a blow to the many productive voluntary and much needed programs now in operation.

The problem of open-ended Federal matching for social services has since been recognized. The problem presented because the HEW Secretary failed to issue effective and detailed regulations has now been dealt with by Congress. But to put an end to allowing State matching requirements be met by funds donated by private sources, would be to throw the baby out with the bath water. I cannot let this opportunity to establish legislative history go by without expressing my serious objection to the impression now afoot that Congress wishes to restrict private matching, in spite of the fact that the Senate provisions were dropped in Conference.

The following memorandum from the United Way of America details the excellent work of private, charitable, volun-

tary organizations. Even the Secretary of Health, Education, and Welfare is opposed to this congressional elimination of the current private-public partnership which effectively delivers social services to those persons in need. I would hope, Mr. Speaker, that the Secretary of Health, Education, and Welfare does not refrain from approving social services matching plans. What might appear to be abuses to some, when States subsequently contract with these same contributors to perform services with the resulting matching grants, can certainly be tightened up and reexamined. But any blanket prohibition would be utterly disastrous not only to the needy involved, but to what is left of private charity and public philanthropy in this country today.

The material follows:

OCTOBER 13, 1972.

Hon. WILBUR D. MILLS,
Chairman, House Ways and Means Committee, Washington, D.C.

DEAR MR. CHAIRMAN: As we have discussed, I am most concerned about the legislative history which has been made regarding use of donated private funds for social services matching under Title IV A of the Social Security Act. In its report on H.R. 1, the Senate Finance Committee directed HEW to issue regulations prohibiting the use of such funds for this purpose.

Having served as United Fund chairman in the past, I am convinced that this kind of partnership between private donations and public agencies should be encouraged rather than discouraged, and I would strongly urge that the legislative history so far created on this point be modified.

United Fund representatives have indicated that their contributions to state social service agencies now amount to approximately $17 million dollars per year, some 60% of which is being used for child care. They acknowledge that in a few cases, the social service agencies have in turn contracted with United Fund agencies to provide services which may be more directed toward United Fund priorities than the state social service plan priorities. They would be very much willing to accept the limitation that donated funds may be used for matching purposes only if the funds are spent for services in accordance with the state plans and not merely to provide for United Fund priorities.

I thank you for your key role in obtaining Congressional acceptance of the ceiling on social services spending as part of the general revenue sharing bill. With this provision, I am sure that we can now begin to obtain the necessary control over this important program. However, I believe a prohibition on public-private partnership in this field would be a great mistake, and your assistance in correcting this point in the legislative history on H.R. 1 would be very much appreciated.

With best wishes,
Sincerely,

ELLIOT L. RICHARDSON.

UNITED WAY OF AMERICA, OCTOBER 17, 1972

The involvement of the private voluntary sector in the delivery of social welfare services is not a new phenomenon. The private sector has provided local initiative and resources to implement several existing Federal assistance programs. These include day care, programs for the mentally retarded, alcoholics, and drug abusers, services to the aged, blind and disabled, and many more. Moreover, matching funds, in kind and cash, have been made available through United Way to implement OEO and Model Cities legislation.

Since 1970, United Way has channeled more than 17 million in matching funds to state welfare departments for social services. These funds, collected from the private voluntary sector, enable states to provide services directly through public agencies or to purchase services from individuals, other public agencies, or the private sector. United Way of America organizations, while providing matching funds, are not eligible to subcontract with state or municipalities for any of these funds.

A favorable by-product of the fund matching program is a strengthened public/private partnership which clearly demonstrates effective involvement of volunteer leadership in local communities. This leadership represents a broad sector of business, industrial, and low, moderate and upper income lay citizens who bring knowledge, expertise and resources to the design and delivery of essential services for people in need.

The Senate Finance Committee Report (No. 92-1230) on the Social Security Act (H.R. 1) would direct the Secretary of the Department of Health, Education and Welfare to issue regulations which eliminate private sources of funds to be used as the states' matching requirement for Federal financial participation. The result of Congressional approval of this measure would seriously affect existing funding mechanisms in our communities. For example, it would eliminate a United Way contribution of $788,000 in funds to obtain $1,679,000 in Federal match in the State of Maine.

We therefore advocate that instead of totally eliminating the use of private sources for matching, as stated in the report, that the Secretary of the Department of Health, Education and Welfare earmark, within those funds to be appropriated, certain sums to be matched by the private sector.

Mr. ROSTENKOWSKI. Mr. Speaker, I would like at this time to join with my distinguished colleague, the Honorable JAMES BURKE of Massachusetts, in expressing my concern for that section of H.R. 1 which would prohibit the Secretary of HEW from allowing donated voluntary funds for social services for matching under title IV A of the Social Security Act.

I approve the directive to the Secretary of HEW regarding the issuance of regulations prescribing the conditions under which the State welfare agencies may purchase services that they do not themselves provide, but I respectfully disagree with providing regulations that state that the State matching requirements cannot be made by funds donated by private sources.

Secretary Richardson's position is clear in that he believes it would be a mistake, nationally, to prohibit the public-private partnership in the field of social services. Nationwide, I am sure that such a prohibition would have adverse effects which this Congress does not intend.

In Chicago, the local community fund, in collaboration with the city of Chicago's Department of Human Resources, has supported in the last 2 years a camping program which has allowed more than 6,500 disadvantaged children each year to go to camp who otherwise never would have been able. Nationwide, this program has provided 3- and 4-week camping opportunities to more than 50,000 disadvantaged children. Los Angeles, Cleveland, Boston, Chicago—more than 20 large cities have participated constructively and positively in this program of public and private financing with the State plan and with the full approval of HEW.

The private voluntary sector in Chicago is currently ready to contract with the State of Illinois Department of Children and Family Services for a day care program which would allow more than 3,000 children between the ages of infancy and 14 to receive the full benefits and full range of services in more than 40 site locations and would offer employment opportunities for their parents in this program. This program provides parents' day care services so that they may take training or secure employment, and they would then be relieved of the necessity for continuance on public assistance. The private voluntary agencies in Chicago have worked long and successfully and well with local government to achieve social service opportunities for families and individuals in need. They are currently building a case history of those kind of successes which we all look to; namely, the alleviation of the welfare rolls.

The model cities day care program in Chicago and the day care programs in the private sector do not overlap and will not be duplicate efforts. Several meetings with the Model Cities Administration and the private sector have taken place in the last 6 months. It is the hope that these meetings will achieve a common discipline in day care parental training as well as develop evaluation tools and systems of monitoring. This innovative program hangs in balance. Its outcome is based upon the interpretation which the Secretary of HEW would allow that local private funds can be made available. Without such local private funds, this day care program cannot begin and the camping program will terminate.

The State of Illinois, under revenue sharing, will have slightly in excess of $135 million allocated from the Federal Treasury. If all the private donated funds in Illinois for this fiscal year were to be added together, the private sector would be providing local donations of no more than $2 million which would be matched by $6 million of the already agreed upon formula proportion of Illinois of $135 million.

Social services are keyed to people who need them and if the legislation we are going to vote upon today is to achieve its objectives and goal, it does not to my mind seem reasonable that simultaneously we should begin prohibitions and restrictions that would preclude any viable attempt to achieve alleviation of the stresses of city living, be it in the city of Chicago or any other large or small city or community in the United States. The relationship of the public plan and the private dollar is a good one and I hold that the Department of Health, Education, and Welfare should continue its approval and allow that States may accept privately donated funds to be used as appropriate matching funds to effect State plans and achieve the goals of State priorities.

Mr. MILLS of Arkansas. Mr. Speaker, I yield myself the remainder of the time.

I yield to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. I want to join in the commendation that we have today for the fine work of the conferees and ask one question or make one request. I would like to request that there be placed in the RECORD a tabulation on the effect of the retirement test; that is, the $2,100 retirement test, as it relates to various levels of income.

Mr. MILLS of Arkansas. We propose to do that, but it will take a little time to get it ready.

Mr. Speaker, I now yield to the gentleman from New York (Mr. CAREY).

Mr. CAREY of New York. Mr. Speaker, I wish to commend the conferees, especially on their action taken with regard to the disabled in this report on H.R. 1.

However, I am particularly concerned with what the conference report does not say with respect to the relationship between the Federal WIN program and State-funded and operated work programs designed to help able-bodied welfare recipients achieve self-sufficiency.

As the chairman may recall, New York State launched an innovative work program on July 1, 1971, under which able-bodied welfare recipients were required to report twice monthly to State employment offices where they received a full range of employment services, including referral to jobs, training, and counselling, and picked up their welfare checks at the same time.

The first-year results of this program speak for themselves: 29,369 recipients were placed in jobs and 53,030 were dropped from the welfare rolls for failure to comply.

However, a three-judge Federal court ordered the program stopped in a July 28, 1972 decision which held that Congress pre-empted the work program field when it established the Federal WIN program in 1967. The State of New York is appealing its case to the U.S. Supreme Court.

My specific question for the chairman has to do with the intent of the Congress in authorizing the WIN program in 1967 and in amendments to that program in subsequent years. It is my understanding that Congress intended, through the WIN program, merely to assist the States in the critical area of guiding able-bodied welfare recipients toward self-sufficiency—and not to supersede individual State programs designed to achieve the same end. Under this interpretation, New York and other States could operate their own programs as supplementary to the Federal WIN program. Is my understanding of the congressional intent in this area correct?

Mr. MILLS of Arkansas. I agree with the interpretation of my friend, the gentleman from New York, on the matter, so long as the State program does not contravene the provisions of Federal law.

Mr. MILLS of Arkansas. Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. REUSS).

Mr. REUSS. Mr. Speaker, H.R. 1, as agreed to by the House conferees, is in many respects a progressive bill. It boosts widows' social security benefits, permits retirees to earn more without loss of benefits, gives medicare benefits to disability retirees, and institutes a guaranteed minimum for aged, blind, and disabled welfare recipients.

However, the bill is regressive in that it raises the entire $6 billion a year needed to pay for these improvements by increasing the payroll tax on 96 million employed persons, and their employers from the present 5.2 percent in 1972 and 5.5 percent in 1973 to 5.85 percent in 1973 and 6 percent by 1978, together with an increase in the wage base from this year's $9,000 to $12,000 in 1974.

There are no loopholes in the social security tax for the working man. It is a flat tax imposed upon earnings up to a dollar limit, regardless of whether the earner is an average working man or a millionaire. Thus while a person earning $12,000 a year will be paying, in 1973, 5 percent of his income in social security taxes, and in 1978, 6 percent, a corporate executive pulling down $100,000 a year will have to contribute only six-tenth—in 1978, seven-tenth—of 1 percent of his earnings.

Providing a decent life for the aged and the disabled is not the responsibility of the low- and moderate-income working class alone: it is a concern for all Americans. The increased benefits should be funded from general revenues. The notion of an inviolate social security trust fund is outdated. Certain social security expenditures are already paid for out of general revenues: Part B of medicare, for instance, takes approximately $1 billion a year from general funds.

I do not propose that we simply add another $6 billion to the Nixon fiscal 1973 budget deficit. General revenues must be increased by about $6 billion to cover these new expenditures. I would have liked to move today that the report on H.R. 1 be recommitted with instructions to replace the provisions raising payroll taxes by two reform loophole-plugging measures—repealing the Asset Depreciation Range system and tightening up the Minimum Tax—which would yield aproximately the same revenue and would shift the burden to those more able to pay—wealthy individuals and corporations. The measures would not have been within the scope of the conference, however, and I am unable to do so.

Mr. Speaker, I support the conference report on H.R. 1 because of the progressive provisions which it preserves. But I strongly urge that the Ways and Means Committee give highest priority next Congress to reforming the whole system and the system of social security financing, and specifically to revoke the new social security rate schedule in the conference report and to raise the necessary money fairly through plugging tax loopholes.

Mr. Speaker, again I thank the gentleman for yielding, and I congratulate the committee on a very progressive conference report on the social security side, but one that I fear is regressive in its funding. Essentially it taxes 96 million workers regressively in order to pay for what should be at least in my opinion a public responsibility.

Therefore I hope that early in the next session the tax writing committee can turn its attention to plugging some of the loopholes we face in the country.

Mr. MILLS of Arkansas. That is the first order of business, as my friend, the gentleman from Wisconsin, knows, of the Committee on Ways and Means; we are going to enter into that, and we do expect the gentleman from Wisconsin to come before the committee and give us his ideas on how to do it.

Mr. REUSS. Mr. Speaker, I think it is wise, and I hope that the committee will consider using some of the new revenues, to use general revenues in part for the social security improvements we are voting today.

Again I thank the gentleman for yielding.

Mr. MILLS of Arkansas. Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Speaker, I wonder if the distinguished chairman of the Committee on Ways and Means could give us some thoughts with respect to a possible date on which eyeglasses, hearing aids, prescription drugs, and so forth, will become available to the elderly. We already are having inquiries as to when there might be some reasonable expectation that the provisions relating to such items might become law. I understand, of course, that it was dropped in the conference, but nevertheless in my judgment I believe that it would be good legislation.

So could the distinguished chairman of the Committee on Ways and Means, for the benefit of the Members, give us some indication of a timetable so that the elderly might know when these various essential medical devices might be available?

Mr. MILLS of Arkansas. I am sorry, Mr. Speaker, but I cannot answer the gentleman's question and be honest with the gentleman, because I just do not know when we can get to it. As pointed out, this Senate amendment costs 2.42 percent of payroll. That is in the first year, and that is a very, very sizable amount of money, and that of course is only the initial cost, so there was nothing available in H.R. 1 in order to accomplish it, and therefore it was dropped regardless of its merits.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. BYRNES of Wisconsin. Mr. Speaker, I will be glad to yield additional time to the gentleman from Arkansas (Mr. MILLS), but before doing so let me just yield to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD) such time as he may consume.

Mr. GERALD R. FORD. Mr. Speaker, I think that under the circumstances, the conferees have done the very best job

they can in trying to resolve, as I understood it, some 580-some differences between the House version and the Senate version of H.R. 1. Perhaps if there had been more time something that might have been meaningful in the way of welfare reform might have come out of the conference. Unfortunately, under the circumstances that we face, that result did not seem feasible.

I must conclude, however, that by not acting on the legitimate and long overdue welfare program this Congress has failed the American people.

The House of Representatives in 1970 passed the President's family assistance program. The other body failed to act.

In 1971 and 1972 the other body failed to respond to the public demand for welfare reform, and what they sent to conference could hardly be considered welfare reform under any definition.

So the conferees were hamstrung in what they could do both because of the limitations of time and as to the substantive matters involved.

Mr. Speaker, there is no more important issue in the minds of the American people wherever I travel than the need, the necessity, for welfare reform. For this Congress to fail the American people on this issue is unforgivable. I trust it will have the highest priority on next year's agenda because the public demands it and the public needs it.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, having just concluded this final conference with the gentleman from Wisconsin and the gentleman from Ohio, two retiring Members of the Congress, I want to pay my respects to both JOHN BYRNES and JACK BETTS for their many years of outstanding service to this Nation.

My friend, JOHN BYRNES, has been on this committee for many, many years. I do not really think that the Congress or the country have fully appreciated or evaluated the tremendous service that he has rendered, and his expertise in these many areas of complicated law covered by the Committee on Ways and Means—unparalleled except for our distinguished chairman. On so many issues that we have covered on a day-to-day basis, both the gentleman from Wisconsin and the gentleman from Ohio have contributed in a nonpartisan way to constructive solutions.

Their service to their Nation has been unparalleled and outstanding. The committee will sorely miss their continued service. I wish them the very best in their retirement and hope that their skill and expertise may continue in some way to be utilized for the public good.

Mr. MILLS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I am happy to yield to the gentleman.

Mr. MILLS of Arkansas. Mr. Speaker, I would like to associate myself with the remarks made by my good friend, the gentleman from Oregon, regarding the services of our two good friends—JOHN BYRNES and JACK BETTS who have seen fit, contrary to all our desires, to retire at the end of this Congress to what, I am sure, will be a more pleasant life, but one that takes them from us in the way my friend, the gentleman from Oregon, has described.

They are leaving two awfully big pairs of shoes to be filled. I do hope when we reconvene in the next Congress that the expertise of these two gentlemen will be taken into consideration by my Republican colleagues when they fill these two vacancies on our committee—we want the best you have because we are losing the best you have.

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

Mr. ULLMAN. I yield to the gentleman.

Mr. GERALD R. FORD. Mr. Speaker, I spoke just a moment ago about the substance of the legislation before us. I had intended to make some remarks during the consideration of the next conference report concerning the gentleman from Wisconsin and the gentleman from Ohio (Mr. BETTS), both of whom are leaving this body of their own free will and of their own accord. Both of them have been long, close personal friends of mine. Both of them have done in a legislative way a job that I think could not have been done better by anybody. I think they have the mutual respect of both sides of the aisle for their performance during their long service in the Congress.

It goes without saying, Mr. Speaker, that I will miss both of them. It goes without saying, Mr. Speaker, that those of our colleagues who have been associated with them on the Committee on Ways and Means will greatly miss their expertise and their attitude in trying to solve problems rather than creating difficulties.

Both of them will be missed, I am sure, by all because of their outstanding performance over a long period of time not only for their districts but for their country.

Mr. ULLMAN. Mr. Speaker, I yield to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, like all the rest of my colleagues, I view the departure from this body of JOHN BYRNES and JACKSON BETTS with a sense of loss and of foreboding. These men have made a fine, solid, dependable contribution to the work of the Ways and Means Committee and the House of Representatives. Both are characterized by directness and intellectual honesty. Both are exceptionally diligent. Both exhibit the loyalty and personal integrity which we admire in human beings, and even more in successful politicians.

As ranking minority member of Ways and Means, Mr. BYRNES has carried a major legislative burden with grace and eloquence. We all depend on him in countless ways, and his retirement leaves a void which will be hard to fill. He and his cheerful, friendly, wise and dependable colleague from Ohio diminish us by their departure, just as they have added to the luster of this institution by their service here. I suppose we can console ourselves with the thought that wise men have served here before, and this Nation calls to its service the strengths it needs when it needs them; but for me, personally, I doubt that I will be able to find others I admire in the same way I admire these two men. I hope they will come back to see us frequently.

Mr. BIESTER. Mr. Speaker, another session of Congress is passing by and Congress has again failed to tackle some of the persistent and growing problems in American society. Last year the House faced up to one of the problems—a welfare "system" growing more and more out of control—when we passed the welfare reform provisions of H.R. 1.

H.R. 1 is before us again, but it is a far cry from the measure which we sent over to the Senate. Welfare reform got lost in the shuffle, a victim of unreconcilable differences from all sides of the issue.

Although I am deeply disappointed by our retreat on this aspect of the House-passed version of H.R. 1, I will vote for the conference report. I will do so primarily because of the desperately needed social security benefits for retired persons which are included.

I would venture that none of us in this Chamber have to deal on a daily basis with more frustrating and moving constituent problems than those of our senior citizens, particularly those who are eking out a marginal existence on a small, fixed income. Changes which will be brought about as a result of H.R. 1 are going to help: increased widows' payments, higher pensions for those working beyond retirement age, raised earnings limitations, new monthly minimums for certain categories of employees and modifications in the medicare program.

As Congress attempts to keep abreast of what is necessary to insure a decent standard of living for the elderly, Congress must also address itself to the inadequacies in the convenient process of social security funding. The time is rapidly approaching—if, indeed, it has not already arrived—when funding from general revenues will be necessary to realize the liberalized benefits which are required.

The current system of payroll and employer taxes is reaching its limits of tolerability. As a regressive tax, the payroll tax falls more heavily on lower and middle-income workers; the provisions of H.R. 1 significantly increase the employee payroll contributions over the next several years.

Using general revenues to improve the effectiveness of the social security system is not a new idea, but it is one which must be carried out if the average American is to receive a fair shake in the whole social security system.

Mr. FRENZEL. Mr. Speaker, the conference report on H.R. 1 is, like most other legislative compromises, a mixed bag of blessings and banes.

The main blessings are the improvements in social security, and the fine job our House conferees did in scaling down the fantastic Senate spending

appetite. The package before us, described by the chairman as the most significant improvements since 1965, carries about one-third the cost of the Senate bill. I regret the increase in rates and income levels necessary to support these increases. Social security taxes are onerous and regressive, and surely by now must have reached maximum tolerable levels.

Had I guessed that these sweeping changes could have been achieved this year, I surely would have supported the Byrne amendment to the 20-percent increase passed a few months ago. With reasonable Senate cooperation we could have had equitable, retainable, basic increases in benefits and these other fringe improvements. Because of the way the Senate performed, we have sacrificed some useful fringe benefits and forced a regressive tax upwards.

The curse in this bill is that, for the second straight year, the Senate has refused to participate in achieving the great national goal of welfare reform. The President, and the people of this country, have asked that Congress make welfare reform a high priority. The House has done so twice. The Senate has failed twice.

Again, congratulations are due the House conferees for rejecting the Senate proposal for demonstrations, or trials, of welfare reform. These trials would only postpone reform and give a new license for the operation of an obsolete, unworkable system. I join the gentleman from Wisconsin (Mr. BYRNES) in urging that welfare reform get an even stronger commitment from Members of this body next year.

Since this bill is flawed only by what has gone before and by what is not in it, it obviously is deserving of our support. I hope it is passed overwhelmingly.

Mr. COTTER. Mr. Speaker, I rise in support of H.R. 1, but I do so with some reluctance. This bill corrects many of the abuses in the existing social security system. For example, it gives widows 100 percent of their husbands' benefits; it increased the amount of outside earnings to $2,100, although I believe that $3,000 represents a more realistic figure.

Yet fair play should be a keystone of free government. Today, however, we give our final approval to some very basic changes in our social security system—yet we fail to effectively grapple with the fact that our social security system places more of a burden on the middle-income American than on the very rich. Under the present rules, a man earning $9,000—and a man earning two or three times that amount pay the same tax, $468 for social security. The $9,000 wage earner is paying 5.2 percent of his gross pay while the $18,000-a-year man pays 2.6 percent of his gross income for social security and the $27,000-a-year man pays less than 2 percent of his income for his social security benefits. Even under the new provisions, which will ultimately raise the wage base to $12,000 and the tax rate to 6 percent, the disparity will continue to exist. A $9,000 wage earner will pay 6 percent of his gross pay, or $540 for social security, but the $18,000-a-year man will pay $720, or 4 percent, for the same benefits.

What I am arguing for is equity in this situation. At a minimum, each wage earner should be expected to pay the same percentage of his entire salary for social security benefits. This is the most elementary equity. Each worker pays at the same rate. Many would argue that there should be a progressive social security tax rate.

I am undertaking a study of each of these approaches, and will introduce legislation to replace the existing social security tax system.

Mr. VANIK. Mr. Speaker, in examining the Senate Finance Committee's report accompanying H.R. 1, I notice that it includes a direction to the Secretary of Health, Education, and Welfare to issue regulations which would eliminate private sources of funds to be used as the States' matching requirement for Federal financial participation.

On top of the other limitations which we have placed on social service programs, this Senate Finance Committee suggestion is totally unrealistic and should be disregarded by the Department. The social service funding situation has undergone so many changes since the Senate Finance Committee's report was released, that it is obvious that the entire Congress—not just the Senate Finance Committee—must review the entire title IV(A) and other social service programs of the Government.

The involvement of the private voluntary sector in the delivery of social welfare services is not a new phenomenon. The private sector has provided local initiative and resources to implement several existing Federal assistance programs. These include day care, programs for the mentally retarded, alcoholics, and drug abusers, services to the aged, blind, and disabled, and many more. Moreover, matching funds, in kind and cash, have been made available United Way to implement OEO and Model Cities legislation.

A favorable byproduct of the fund matching program is a strengthened public-private partnership which clearly demonstrates effective involvement of volunteer leadership in local communities. This leadership represents a broad sector of business, industrial, and low, moderate, and upper income lay citizens who bring knowledge, expertise, and resources to the design and delivery of essential services for people in need.

A limitation on private voluntary sector assistance in social service matching funds will only create more confusion—during a most confusing transition period. It is imperative that the present system of public and private support of social services programs continue.

Mr. DONOHUE. Mr. Speaker, I intend to support this conference report on H.R. 1 because the conferees, under existing circumstances, have developed an overall acceptable program through the elimination of a great many of the unhappy additions that were placed in our original House bill, by the Senate, and by their restrengthening of other provisions in our original bill that were weakened by Senate action. We have the option, at this late day, apparently, of accepting this conference report or having no bill at all in this Congress. I think the wiser choice, in the national interest, in this situation, is the adoption of the compromise report.

Mr. Speaker, may I say that many authorities in the administration of social services and in the operation of our Federal program of benefits for the aged, blind, and disabled are very deeply concerned by a provision that was projected in the Senate committee report on our original H.R. 1 bill to the effect that the HEW Secretary would be required to disallow State use of donated voluntary funds for social services for matching under title IV(A) of the Social Security Act.

The substantive effect of such a projection would, in the opinion of the experts, mark the end of numerous productive programs and essentially needed social services in countless communities throughout the various States and I know that this sad development would truly occur in my own Commonwealth.

I think the record of our previous action here on this vitally important measure would show that this Senate committee projection was not in our original House bill, that it was dropped in the conference discussions and the attempted elimination of the existing private-public partnership, which operates so effectively in so many of these social services needs areas, is actually opposed by the highest Government authority himself, the Secretary of the Health, Education and Welfare Department.

Under these circumstances, Mr. Speaker, I would urge and hope that the legislative history on the adoption of this conference report would indicate and emphasize the congressional desire to encourage this wholesome kind of partnership between public agencies and private donators with the clarifying limitation, where necessary, that such donated funds may be used for matching purposes only if the funds are spent for services in full accord with State plans and not solely to provide for the priorities or suggestions set forth by a private donator.

Mr. Speaker, there is no question or doubt that wherever and whenever any abuses or excesses occur in any cooperative exercise of this kind of private unit-public agency relationship that they should be forbidden and eliminated; I am confident that very, very few, if any, such abuses take place in my own area and I know that the donations from voluntary sources to our Massachusetts State Department of Public Welfare have helped that department to generate over $3 million of essential social services all over the State. In an era when we are bent, and I think wisely, on promoting the tremendous national material benefits, not to mention goodwill, of a wholesome private-public partnership in most every area of American life I believe it would be a serious mistake, now, to erect any barrier, such as the prohibition proposed in the Senate report, against the

progress of this healthy partnership. In this matter, I most earnestly hope that the Health, Education and Welfare Department Secretary is permitted the modified discretion that he desires and which seems most prudent in the effective operation of the social security law and in advancing the national interest involved.

Mr. REID. Mr. Speaker, I rise in support of H.R. 1, the Social Security Amendments of 1972.

However, I must say, Mr. Speaker, that I was very disappointed that the conference did not see fit to include two important provisions which had been added by the other body and which would have provided significant fiscal relief to the State of New York. Although I did engage in a colloquy just last week with the gentleman from Arkansas (Chairman MILLS) on these provisions, I regret that both the Javits-Mondale amendment authorizing funds for child care—from which New York State could have expected about $80 million—and another amendment providing New York State with approximately $166 million in intermediate fiscal relief, were dropped from the bill.

I was glad to see, however, that the Federal takeover of aid to the aged, blind, and disabled will provide New York State with a vitally needed $168 million, which will hopefully cushion the fiscal blow that my State presently faces.

Finally, and briefly, I want to state my support for a number of other provisions which amend the Social Security Act and liberalize benefits and recipient requirements.

Mr. BINGHAM. Mr. Speaker, it is a great disappointment to me, as I am sure it is to many other Members of the House, that this very important legislation, H.R. 1, affecting so many of our great social programs, has been so delayed by the Senate that we are forced to act on it in the rush of the final hours of the 92d Congress. The House passed its version of H.R. 1 way back in June of 1971. The House-passed bill was not perfect, but it contained a great many urgently needed reforms in the social security system and other programs.

As if the delay by the Senate were not enough, the bill the Senate proposed failed to include a reasonable plan for reform of our existing welfare system, which is so terribly inadequate both for those who find themselves in need of assistance and the remaining citizens who pay the bill for that assistance through their taxes. Again, the House-passed version of H.R. 1 was not perfect. But it did contain a start toward sweeping welfare reform. In the absence, however, of a correspondingly constructive proposal by the Senate, we are now faced with a bill which contains no comprehensive welfare reform provisions at all.

What we are left with, Mr. Speaker, is another assortment of provisions, most relating to the social security system, which should have been approved long ago. Most are needed and worthy of support. But they certainly leave sweeping welfare reform as a major failure of this Congress.

As far as social security improvements are concerned, I had hoped that this bill would provide complete assurance that the 20-percent increase in social security benefits which went into effect in October would be passed on in full to all social security recipients without any loss of other benefits which they might be receiving, such as old-age assistance, medicaid, disability, aid to dependent children, and the like. I am pleased to note that I took the lead in the House in introducing separate legislation to this effect, and have been most concerned that appropriate action be taken before this Congress adjourns to make sure that the 20-percent benefit increase the Congress approved actually results in the 20-percent increase in total income for every recipient that the Congress intended.

This bill does solve the problem, at least temporarily, with regard to medicaid. It provides that anyone and everyone eligible for medicaid as of September 1972, shall continue to be eligible for medicaid until October of next year regardless of any increase in income as a result of the 20-percent social security benefit raise. That will give the Congress time to consider what might best be done on a permanent basis to see that medicaid recipients are not deprived of needed medicaid benefits and thereby robbed of purchasing power as a result of social security benefit increases, and I, for one, intend to seek the strongest possible protection of medicaid recipients in this respect.

With regard to other benefits threatened by the 20-percent social security increase, this bill guarantees only that total income for social security recipients will be $4 higher after the increase than before—far less of a guarantee than I had proposed and feel is essential. This guarantee applies to benefits to the aged, blind, and disabled, but does not cover eligibility for food stamps, ADC, or housing allowances. I believe that action should be taken by the next Congress to expand and improve this guarantee, and I am hopeful that, in the meantime, the various State officials who have certain powers over eligibility for these benefits within their respective States will take every action available to them to see that needy senior citizens continue to receive the full amount of these benefits despite the 20-percent social security increase so that that increase will have the maximum impact on their spending power.

The remaining provisions of this bill make a great many improvements in the coverage and operation of the social security programs, including medicare and medicaid. A number of these improvements were recommended in the broad social security bill I sponsored in this Congress (H.R. 9300). In particular, an increase in the minimum social security benefit to an amount equal to $8.50 times the years of coverage under social security, similar to what I proposed, is contained in this final version of H.R. 1. Likewise, provision is made for widows to receive the full amount—100 percent—of their husband's benefits; and outside earnings permitted without reduction in social security benefits are increased from the current $1,650 to $2,100 per year.

Over all, a minimum of about 6.3 million people will receive higher benefits and about 500,000 people will become eligible for benefits as a result of the liberalized coverage contained in this bill. That is a gratifying achievement which I am glad to support and for which the members of the Ways and Means Committee and the House and Senate conferees on this bill deserve to be commended.

Finally, Mr. Speaker, this bill contains provisions expanding coverage under medicare which will make that program much more helpful to our older citizens who desperately needed improved health care. In particular, coverage is extended to include the services of optometrists and, in some instances, chiropractors, as well as kidney transplant and dialysis. Unfortunately, coverage of the costs of essential prescription drugs, a provision which was included in my bill and which many of us have long felt is of highest importance and priority, was dropped from this bill by the conferees after having been approved by the Senate. With regard to administration of the medicare program, I am particularly gratified to note that enrollment in part B of the program is made automatic, subject to waiver after enrollment, so that we will no longer have the unfortunate situation that has existed in the past where needy older citizens have neglected to enroll at the appropriate time and have therefore been denied benefits for the considerable periods between enrollment dates.

Mr. Speaker, on the basis of these numerous constructive aspects of H.R. 1 as it is now presented to the House, and with confidence that the next Congress will go to work diligently to fill in the very major gaps I have pointed out, I intend to vote for the conference report.

Mr. BURKE of Florida. Mr. Speaker, as my colleagues know I was a cosponsor of the Social Security Amendments of 1971. When H.R. 1 passed the House in 1971, however I did not vote for it, even though I strongly advocated the need for increased social security payments. My objection then was not that I opposed any increase in social security payments, but rather because I felt that social security should not be tied with any welfare package. Our senior citizens who worked and paid into social security as did their employers, certainly never deserved to be treated as welfare recipients; to me such an inference, or coupling thereof, is an insult to them.

Earlier this year the 20-percent increase in social security benefits came to the floor for a vote. Regrettably at that time I was in the hospital recovering from an operation and was therefore prevented from voting. Had I been present then I would have voted yea as I would have done today.

Yesterday, I had some very important meetings in my district involving questions of ocean outfall and the building moratorium which is a serious problem to south Florida, and the area which includes my congressional district.

I learned late yesterday evening that the social security amendments would be called up today and that the welfare reform provisions had been deleted from H.R. 1.

Regrettably my plane flight was canceled and I was delayed in leaving Miami and arrived in Washington at 2:05 p.m. Unfortunately also the vote on the social security amendments which I cosponsored was taken at 1:40 p.m. and my arrival on the House floor was too late to cast my vote. Thus despite my earnest efforts in working for the passage of this legislation I was, once again for reasons beyond my control unable to vote for these measures which, in my opinion, are so deserving to our senior citizens. Nevertheless, I want to state that I am happy that this legislation passed, even though I could not vote for the measure. As I indicated, had I been here, I would have surely done so, and it is with a warm feeling that I join with the millions of Americans who will benefit from the passage of this bill in rejoicing in the knowledge that justice has at last prevailed.

Mr. BIAGGI. Mr. Speaker, I rise in support of the conference report on H.R. 1. While it does not provide all the reforms we sought, especially in regard to the welfare programs, it does provide many needed reforms in our social security law and fulfills many promises to the older people of this Nation.

I am pleased that many of the provisions I have fought for since coming to Congress are included in the omnibus bill. Widow's benefits will be increased from the present 82.5 percent of their husband's pension to 100 percent. A minimum benefit of $170 a month for persons who have worked under social security will be paid. It will extend medicare benefits to the 1.7 million disabled who receive social security pensions. It would include for the first time chiropractors' care under medicare.

The earnings limitation for recipients will also be increased from the present $1,680 to $2,100. While I have fought for complete elimination of the ridiculous provision of the law that restricts people from working, I am pleased that some increase was granted.

There will be many provisions to take up in the next Congress, however. Prescription drugs, and optometric care should be included under medicare. The outside earnings limitation should be eliminated. The retirement age should be reduced from 62 to 60.

The vast majority of older Americans have worked hard all their lives. They are responsible for the great achievements that this country lays claim to today. Our military and technological might and world position is due in large part to their efforts.

Unfortunately the ravages of inflation have relegated the majority of senior citizens to a life of poverty. With fixed pensions or limited income, many have found it necessary to go on welfare. Many have had to give up their homes—purchased through lifelong work—because of high property taxes or the high cost of maintenance. Many others feel unsafe to go out on the streets because of the extensive crime problem.

We cannot afford to turn our backs on these people who have built America. Let us see that in their retirement at least, their financial problems are somewhat alleviated. This bill will help improve the financial outlook of our senior citizens. The other reforms I have mentioned, coupled with much needed tax reforms to reduce property taxes and provide for retirement income exemptions will provide a more adequate measure of relief. I urge you to bear in mind, my colleagues, that some day all of us will be retired senior citizens ourselves.

Mr. ZABLOCKI. Mr. Speaker, I rise at this time to commend our colleague from Arkansas, the Honorable WILBUR MILLS, and other distinguished House Members whose diligent work during the past week has produced legislation of which we all have reason to be proud—the conference report on H.R. 1, containing reforms in the social security system whose enactment the House has urged during the 91st and 92d Congresses.

The task which confronted these conferees was indeed monumental, for they faced the need to reach agreement on the more than 580 points of difference between the legislation as passed by the two Houses. The conference report which has resulted from their efforts represents a positive, progressive contribution toward the improved welfare of our Nation's senior citizens.

The plight of the elderly in this country has been emphasized by recently released statistics of the 1970 census report; in 1970, more than one quarter of the elderly lived in what the Government has officially defined as poverty. While H.R. 1 will not eliminate this tragic situation, its provisions will bring relief to many of our senior citizens. Provisions of the conference report to protect medicaid recipients from loss of their benefits because of the 20 percent social security increase, and to require that States pass along at least $4 of the social security increase to those recipients who also receive aid through State programs to the aged, blind, and disabled, help to insure that the social security increase has its intended impact in helping the elderly to meet increased living costs.

While I commend my colleagues for their efforts in producing this vital report and express my support for the many provisions of H.R. 1 which eliminate inequities in social security, medicare, and medicaid regulations, I must also express my concern and regret that the conference report does not contain legislation which many of us had hoped would have been a significant achievement of the 92d Congress—the sorely needed reforms of our welfare system. We in the House of Representatives have clearly indicated our concern in this matter in twice sending to the Senate detailed programs to comprehensively amend existing welfare programs in order to break the cycle of poverty for many and give positive assistance to help welfare recipients become taxpayers instead of tax-takers. However, because in both the 91st and 92d Congresses the other body has failed to reach agreement, we have been unable to enact programs to provide adequately for those in real need and prevent the abuses which have permitted some to "take a ride" at the expense of the American taxpayer.

In addition to action on welfare reform, it is my hope that the 93d Congress will give top priority to a thorough review of the manner in which social security benefits are funded. The 20-percent increase in social security benefits approved earlier this session, as well as the additional reforms in H.R. 1, as we know, have necessitated an increase in social security taxes—taxes which take a greater percentage of income from those who earn less than from those who are more affluent. In this respect, consideration should be given to the gradual change which has come about in the nature of the social security program, for more and more aged Americans now regard it not as a supplemental addition to their savings but as their only source of support in their retirement. Recognizing this development, the possibility of funding social security programs in part from general funds should be studied. The concept of employee, employer, and Government contributing equally to the trust fund is one which in my opinion should be more thoroughly explored and enacted during the 93d Congress.

At this time, I would also like to join Chairman MILLS, Congressman AL ULLMAN and others in their remarks about our colleague, JOHN BYRNES.

Mr. Speaker, it is with mixed emotions that I extend a fond farewell and best wishes to my esteemed colleague and personal friend, the Honorable JOHN W. BYRNES.

On the one hand, I share his personal satisfaction of relief from the heavy pressures of office occasioned by his retirement after 28 distinguished and productive years in Congress. At the same time I know full well that his dedicated service will be sorely missed.

It was my privilege to serve with JOHN BYRNES in the Wisconsin State Legislature. During his tenure in the State senate and over the years in Congress I have respected and admired his able efforts on behalf of the people of Wisconsin's Eighth District and the Nation. He has unfailingly given freely of himself in attaining the goals and objectives of the Congress.

His special expertise in the area of taxation, exemplified by his distinguished work as ranking minority member of the Ways and Means Committee, has earned him repeated distinction. Without doubt he is one of our Nation's leading tax experts.

GENERAL LEAVE

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the conference report.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

Mr. BYRNES of Wisconsin. 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 305, nays 1, answered "present" 3, not voting 122, as follows:

[Roll No. 455]

YEAS—305

Abzug	Dulski	Kee
Adams	Duncan	Keith
Addabbo	du Pont	Kemp
Alexander	Eckhardt	King
Anderson, Ill.	Edwards, Ala.	Kluczynski
Andrews, Ala.	Edwards, Calif.	Koch
Annunzio	Eilberg	Kyl
Ashbrook	Esch	Kyros
Ashley	Eshleman	Landgrebe
Aspinall	Evins, Tenn.	Landrum
Badillo	Fascell	Latta
Barrett	Findley	Leggett
Belcher	Fish	Lennon
Bennett	Flood	Lent
Bergland	Flynt	Long, Md.
Betts	Foley	Lujan
Biaggi	Ford, Gerald R.	McClory
Biester	Ford, William D.	McCloskey
Bingham	Forsythe	McCollister
Blatnik	Fountain	McCulloch
Boland	Fraser	McDade
Brademas	Frelinghuysen	McDonald, Mich.
Brasco	Frenzel	McEwen
Bray	Frey	McFall
Breaux	Fulton	Madden
Brinkley	Fuqua	Mahon
Brotzman	Garmatz	Mallary
Brown, Mich.	Gaydos	Mann
Brown, Ohio	Gibbons	Mathias, Calif.
Broyhill, N.C.	Gonzalez	Mathis, Ga.
Broyhill, Va.	Goodling	Mazzoli
Buchanan	Grasso	Meicher
Burke, Mass.	Green, Pa.	Metcalfe
Burton	Griffin	Miller, Calif.
Byrnes, Wis.	Grover	Miller, Ohio
Camp	Gubser	Mills, Ark.
Carey, N.Y.	Gude	Minish
Carlson	Hagan	Mink
Carney	Halpern	Minshall
Carter	Hamilton	Mitchell
Casey, Tex.	Hammer-schmidt	Mizell
Cederberg	Hanley	Montgomery
Celler	Hansen, Idaho	Moorhead
Chamberlain	Harrington	Morgan
Chisholm	Harsha	Mosher
Clancy	Hathaway	Murphy, N.Y.
Clark	Hawkins	Myers
Clausen, Don H.	Hays	Natcher
Cleveland	Hechler, W. Va.	Nedzi
Collier	Heckler, Mass.	Nelsen
Colmer	Heinz	Nix
Conable	Helstoski	Obey
Conover	Henderson	O'Hara
Conte	Hicks, Mass.	O'Konski
Conyers	Hicks, Wash.	O'Neill
Corman	Hillis	Passman
Cotter	Hogan	Patten
Coughlin	Holifield	Pepper
Culver	Horton	Perkins
Daniel, Va.	Hosmer	Pettis
Daniels, N.J.	Hull	Pickle
Davis, Ga.	Hungate	Pike
Davis, S.C.	Hunt	Pirnie
de la Garza	Hutchinson	Poage
Dellenback	Jacobs	Powell
Dellums	Jarman	Preyer, N.C.
Denholm	Johnson, Calif.	Price, Ill.
Dennis	Johnson, Pa.	Price, Tex.
Dent	Jonas	Quie
Devine	Jones, Ala.	Quillen
Diggs	Jones, N.C.	Randall
Dingell	Karth	Rangel
Donohue	Kastenmeier	Rarick
Dorn	Kazen	Rees
Downing	Keating	Reid
Drinan	Kemp	Reuss
Rhodes	Seiberling	Vander Jagt
Riegle	Shriver	Vanik
Roberts	Sikes	Veysey
Robinson, Va.	Skubitz	Vigorito
Robison, N.Y.	Slack	Wampler
Rodino	Smith, Calif.	Ware
Roe	Smith, Iowa	Whalen
Rogers	Spence	Whalley
Rooney, Pa.	Springer	White
Rosenthal	Staggers	Whitehurst
Rostenkowski	Stanton, J. William	Whitten
Roush	Stanton, James V.	Wiggins
Roy	Steed	Williams
Roybal	Steele	Wilson, Charles H.
Ruth	Stokes	Wright
St Germain	Stratton	Wyatt
Sandman	Stubblefield	Wydler
Sarbanes	Stuckey	Wylie
Satterfield	Sullivan	Wyman
Saylor	Taylor	Yates
Scherle	Teague, Calif.	Yatron
Scheuer	Terry	Young, Fla.
Schmitz	Thone	Young, Tex.
Schneebeli	Tiernan	Zablocki
Schwengel	Ullman	Zion
Scott	Vander Jagt	Zwach
Sebelius	Vanik	

NAYS—1

Teague, Tex.

ANSWERED "PRESENT"—3

Hall	Pelly	Rousselot

NOT VOTING—122

Abbitt	Dickinson	Mayne
Abernethy	Dow	Meeds
Abourezk	Dowdy	Michel
Anderson, Calif.	Dwyer	Mikva
	Edmondson	Mills, Md.
Anderson, Tenn.	Erlenborn	Mollohan
	Evans, Colo.	Monagan
Andrews, N. Dak.	Fisher	Moss
	Flowers	Murphy, Ill.
Archer	Galifianakis	Nichols
Arends	Gallagher	Patman
Aspin	Gettys	Peyser
Baker	Giaimo	Podell
Baring	Goldwater	Pryor, Ark.
Begich	Gray	Pucinski
Bell	Green, Oreg.	Purcell
Bevill	Griffiths	Railsback
Blackburn	Gross	Roncalio
Blanton	Haley	Rooney, N.Y.
Boggs	Hanna	Runnels
Bolling	Hansen, Wash.	Ruppe
Bow	Harvey	Shipley
Brooks	Hastings	Shoup
Broomfield	Hébert	Sisk
Burke, Fla.	Howard	Smith, N.Y.
Burleson, Tex.	Ichord	Snyder
Burlison, Mo.	Jones, Tenn.	Steiger, Ariz.
Byrne, Pa.	Kuykendall	Steiger, Wis.
Byron	Link	Stephens
Cabell	Lloyd	Symington
Caffery	Long, La.	Talcott
Chappell	McClure	Thompson, Ga.
Clawson, Del	McCormack	Thompson, N.J.
Clay	McKay	Thomson, Wis.
Collins, Ill.	McKevitt	Udall
Collins, Tex.	McKinney	Van Deerlin
Crane	McMillan	Waggonner
Curlin	Macdonald, Mass.	Waldie
Danielson		Widnall
Davis, Wis.	Mailliard	Wilson, Bob
Delaney	Martin	Winn
Derwinski	Matsunaga	Wolff

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Widnall.

Mr. Hébert with Mr. Arends.

Mr. Waggonner with Mr. Martin.

Mr. Rooney of New York with Mr. Mailliard.

Mr. Roncalio with Mr. Archer.

Mr. Brooks with Mr. Collins of Texas.

Mrs. Hansen of Washington with Mr. Del Clawson.

Mr. Shipley with Mr. Andrews of North Dakota.

Mr. Bevill with Mr. Blackburn.

Mr. Cabell with Mr. Shoup.

Mr. Chappell with Mr. Davis of Wisconsin.

Mr. Mikva with Mr. Michel.

Mr. Wolff with Mr. Hastings.

Mr. Delaney with Mr. McKevitt.

Mr. Murphy of Illinois with Mr. Railsback.

Mr. Moss with Mr. Bob Wilson.

Mr. Podell with Mr. Steiger of Wisconsin.

Mr. Giaimo with Mr. McKinney.

Mrs. Green of Oregon with Mr. Ruppe.

Mr. Howard with Mr. Smith of New York.

Mr. Sisk with Mr. Steiger of Arizona.

Mr. Hanna with Mr. Harvey.

Mr. Anderson of California with Mr. Goldwater.

Mr. Anderson of Tennessee with Mr. Baker.

Mr. McCormack with Mr. Winn.

Mr. Macdonald of Massachusetts with Mr. Broomfield.

Mr. Matsunaga with Mr. Thomson of Wisconsin.

Mr. Nichols with Mr. Snyder.

Mr. Gray with Mr. Crane.

Mr. Gettys with Mr. McClure.

Mr. Fisher with Mr. Peyser.

Mr. Flowers with Mr. Burke of Florida.

Mr. Danielson with Mr. Talcott.

Mr. Byron with Mr. Lloyd.

Mr. Blanton with Mr. Kuykendall.

Mr. Ichord with Mr. Dickinson.

Mr. Mollohan with Mr. Mills of Maryland.

Mr. Monagan with Mr. Bow.

Mr. Collins of Illinois with Mr. Gallagher.

Mr. Clay with Mr. Galifianakis.

Mr. Pucinski with Mr. Erlenborn.

Mr. Purcell with Mr. Mayne.

Mr. Runnels with Mrs. Dwyer.

Mrs. Griffiths with Mr. Bell.

Mr. Stephens with Mr. Derwinski.

Mr. Burlison of Missouri with Mr. Byrne of Pennsylvania.

Mr. Jones of Tennessee with Mr. Abernethy.

Mr. Abourezk with Mr. Abbitt.

Mr. Aspin with Mr. McMillan

Mr. McKay with Mr. Long of Louisiana.

Mr. Meeds with Mr. Patman.

Mr. Dow with Mr. Pryor of Arkansas.

Mr. Waldie with Mr. Baring.

Mr. Evans of Colorado with Mr. Curlin.

Mr. Link with Mr. Symington.

Mr. Van Deerlin with Mr. Dowdy.

Mr. Udall with Mr. Edmondson.

Mr. Haley with Mr. Thompson of Georgia.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. McKEVITT. Mr. Speaker, I was delayed en route from Denver to Washington today. However, had I been present, I would have cast my vote in favor of the conference report on H.R. 1.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

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

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 1331, FURTHER CONTINUING APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file a conference report on House Joint Resolution 1331, the continuing resolution.

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

Mr. HALL. Mr. Speaker, I request the Clerk read the subject of the legislation.

The SPEAKER. Will the gentleman restate his request?

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the conferees on the continuing resolution, House Joint Resolution 1331, have until midnight tonight to file a conference report.

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

Mr. HALL. Mr. Speaker, reserving the right to object, what is House Joint Resolution 1331?

Mr. MAHON. As I said, this is the continuing resolution to take care of all measures that do not clear the Congress in this session. Foreign aid is one of them.

Mr. HALL. Mr. Speaker, further reserving the right to object, may I say to the gentleman from Texas that I reserved the right to object because I just did not hear the phrase, "continuing resolution." and I withdraw my reservation of objection.

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

There was no objection.

PERMISSION TO CONSIDER CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 1331, FURTHER CONTINUING APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it shall be in order to consider a conference report on House Joint Resolution 1331, making further continuing appropriations for fiscal year 1973, and for other purposes, at any time during the remainder of this session.

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

Mr. HALL. Mr. Speaker, reserving the right to object, I wonder if the gentleman would modify his unanimous-consent request to say "at any time during this day"? I am a little reluctant, in view of what has happened around here Sunday morning, to grant unanimous-consent requests for the balance of this session. I am one of those who does not want to be here on Christmas Eve again, as I have been in the past.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. HALL. I will be pleased to yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it shall be in order to consider a conference report on the continuing resolution, House Joint Resolution 1331, at any time during the session today.

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

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection, and I appreciate the cooperation of the gentleman from Texas.

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

There was no objection.

TO CORRECT THE ENROLLMENT OF H.R. 1

Mr. MILLS of Arkansas, Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 724) directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 1.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 724

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 1) to amend the Social Security Act, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

1. At the end of the table of contents, add the following:

Sec. 405. Separation of social services not required.
Sec. 406. Manuals and policy issuances not required without charge.
Sec. 407. Effective date of fair hearing decision.
Sec. 408. Absence from State for more than 90 days.
Sec. 409. Rent payments to public housing agency.
Sec. 410. Statewideness not required for services.
Sec. 411. Prohibition against participation in food stamp or surplus commodities program by persons eligible to participate in employment or assistance programs.
Sec. 412. Child welfare services.
Sec. 413. Safeguarding information.

2. In section 137 of the bill, strike out "(a)" after "SEC. 137.".

3. In section 283 of the bill—

(A) strike out "(including a single service rehabilitation facility)" in subsection (a);

(B) strike out "; except that" and all that follows down through "provided" in subsection (a);

(C) redesignate subsection (b) as subsection (c); and

(D) insert the following new subsection after subesction (a):

(b) Section 1835(a)(2) of such Act (as amended by section 251 of this Act) is further amended—

(1) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(2) by adding after subparagraph (C) the following new subparagraph:

"(D) in the case of outpatient speech pathology services, (1) such services are or were required because the individual needed speech pathology services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician.".

4. In section 301 of the bill, in the proposed new section 1614(a)(1), before the period at the end of clause (B) insert the following: "(including any alien who is lawfully present in the United States as a result of the application of the provisions of section 203(a)(7) or section 212(d)(5) of the Immigration and Nationality Act)".

5. In section 306 of the bill, strike out "October" the second place it appears and insert "September".

6. In section 403 of the bill, strike out all that follows the colon and insert the following:

(1) the amount, not to exceed $50,000,000 payable to the State (as determined without regard to such section 1130) with respect to the total expenditures incurred by the State for services (of the type, and under the programs to which the allotment, as determined under such subsection (b), is applicable) for the calendar quarter commencing July 1, 1972, plus

(2) an amount equal to three-fourths of the amount of the allotment of such State (as determined under such subsection (b), but without application of the provisions of this section):

Provided, however, That no State shall receive less under this section than the amount to which it would have been entitled otherwise under section 1130 of the Social Security Act.

7. After section 411 of the bill, add the following new sections:

CHILD WELFARE SERVICES

SEC. 412. Effective with respect to fiscal years beginning after June 30, 1972, section 420 of the Social Security Act is amended by striking out "$55,000,000 for the fiscal year ending June 30, 1968, $100,000,000 for the fiscal year ending June 30, 1969, and $110,000,000 for each fiscal year thereafter" and inserting in lieu thereof "$196,000,000 for the fiscal year ending June 30, 1973, $211,000,000 for the fiscal year ending June 30, 1974, $226,000,000 for the fiscal year ending June 30, 1975, $246,000,000 for the fiscal year ending June 30, 1976, and $266,000,000 for each fiscal year thereafter".

SAFEGUARDING INFORMATION

SEC. 413. (a) Section 2(a)(7) of the Social Security Act is amended to read as follows:

"(7) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;".

(b) Section 1002(a)(9) of such Act is amended to read as follows:

"(9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;"

(c) Section 1402(a)(9) of such Act is amended to read as follows:

"(9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;".

(d) Section 1602(a)(7) of such Act is amended to read as follows:

"(7) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;".

RECIPIENTS OF ASSISTANCE FOR THE AGED, BLIND, AND DISABLED INELIGIBLE

SEC. 414. (a) Section 402(a) of the Social Security Act is amended (1) by striking out the period at the end thereof and inserting in lieu of such period "; and", and (2) by adding at the end thereof the following new clause: "(24) if an individual is receiving benefits under title XVI, then, for the period for which such benefits are received, such individual shall not be regarded as a member of a family for purposes of determining the amount of the benefits of the family under this title and his income and resources shall not be counted as income and resources of a family under this title."

(b) The amendments made by subsection (a) shall be effective on and after January 1, 1973.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, this is very unusual for us, in that we do have a long list of matters that were not included or were incorrectly included by the Printing Office in connection with the conference report, and I understand that the only way to correct the conference report is by a concurrent resolution such as we have just offered.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO INCLUDE SUMMARY OF AMENDMENTS ON H.R. 1

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to include in my remarks in connection with the conference report on H.R. 1 just agreed to, a summary of the amendments that we have caused to be prepared.

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

There was no objection.

CONFERENCE REPORT ON H.R. 16810, PUBLIC DEBT LIMITATION

Mr. MILLS of Arkansas. Mr. Speaker, I call up the conference report on the bill (H.R. 16810) to provide for a temporary increase in the public debt limitation, and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

Mr. WILLIAM D. FORD. Mr. Speaker, reserving the right to object, I would like to ask the chairman if the debt ceiling bill, as he would now bring it to us, includes a cut in education and health programs and to what extent can they be cut, and what is the limitation, if any, on the discretion of the President to pick and choose programs which will be cut?

Mr. MILLS of Arkansas. There are a number of categories—some 49 or 50 and maybe more—there are some 50 categories where the President is limited in the authority we gave him last week to make cuts to not more than 20 percent.

Mr. WILLIAM D. FORD. Are any of the categories that you refer to areas where the President's power is limited in the field of education?

Mr. MILLS of Arkansas. A specific exclusion for that was not in either bill, I must say, and it is not in the conference report. However, the numerical categories I mentioned do include categories for education wherein the 20 percent limitation does apply.

Mr. WILLIAM D. FORD. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

The Clerk will read the conference report.

The Clerk proceeded to read the conference report.

PARLIAMENTARY INQUIRY

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLS of Arkansas. Mr. Speaker, is it true that this conference report not having laid over for 3 days cannot be called up except by unanimous consent?

The SPEAKER. That is correct.

Mr. MILLS of Arkansas. Mr. Speaker, I withdraw my request for consideration of the conference report.

The SPEAKER. The gentleman from Arkansas withdraws his request for consideration of the conference report.

AMENDING DISTRICT OF COLUMBIA CODE LIMITING ACTIONS ARISING OUT OF DEFECTIVE OR UNSAFE IMPROVEMENT TO REAL PROPERTY

Mr. JACOBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1524) to amend title 12, District of Columbia Code, to provide a limitation of actions for actions arising out of death or injury caused by a defective or unsafe improvement to real property.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill as follows:

S. 1524

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

SECTION 1. (a) Chapter 3 of title 12 of the District of Columbia Code (relating to limitation of actions) is amended by adding at the end the following new section:

"§ 12–310. Actions arising out of death or injury caused by defective or unsafe improvements to real property

"(a) (1) Except as provided in subsection (b), any action—

"(A) to recover damages for—

"(i) personal injury,

"(ii) injury to real or personal property, or

"(iii) wrongful death,

resulting from the defective or unsafe condition of an improvement to real property, and

"(B) for contribution or indemnity which is brought as a result of such injury or death,

shall be barred unless in the case where injury is the basis of such action, such injury occurs within the ten-year period beginning on the date the improvement was substantially completed, or in the case where death is the basis of such action, either such death or the injury resulting in such death occurs within such ten-year period.

"(2) For purposes of this subsection, an improvement to real property shall be considered substantially completed when—

"(A) it is first used, or

"(B) it is first available for use after having been completed in accordance with the contract or agreement covering the improvement, including any agreed changes to the contract or agreement,

whichever occurs first.

"(b) The limitation of actions prescribed in subsection (a) shall not apply to—

"(1) any action based on a contract, express or implied, or

"(2) any action brought against the person who, at the time the defective or unsafe condition of the improvement to real property caused injury or death, was the owner of or in actual possession or control of such real property."

(b) The table of sections for such chapter 3 is amended by adding at the end the following new item:

"12–310. Actions arising out of death or injury caused by defective or unsafe improvements to real property."

SEC. 2. The amendments made by section 1 of this Act shall apply only with respect to actions brought after the date of enactment of this Act.

AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS: Strike out everything after the enacting clause and insert the following:

SECTION 1. (a) Chapter 3 of title 12 of the District of Columbia Code (relating to limitation of actions) is amended by adding at the end the following new section:

"§ 12–310. Actions arising out of death or injury caused by defective or unsafe improvements to real property

"(a) (1) Except as provided in subsection (b), any action—

"(A) to recover damages for—

"(i) personal injury,

"(ii) injury to real or personal property, or

"(iii) wrongful death,

resulting from the defective or unsafe condition of an improvement to real property, and

"(B) for contribution or indemnity which is brought as a result of such injury or death,

shall be barred unless in the case where injury is the basis of such action, such injury occurs within the ten-year period beginning on the date the improvement was substantially completed, or in the case where death is the basis of such action, either such death or the injury resulting in such death occurs within such ten-year period.

"(2) For purposes of this subsection, an improvement to real property shall be considered substantially completed when—

"(A) it is first used, or

"(B) it is first available for use after having been completed in accordance with the contract or agreement covering the improvement, including any agreed changes to the contract or agreement,

whichever occurs first.

"(b) The limitation of actions prescribed in subsection (a) shall not apply to—

"(1) any action based on a contract, express or implied, or

"(2) any action brought against the person who, at the time the defective or unsafe condition of the improvement to real property caused injury or death, was the owner of or in actual possession or control of such real property."

(b) The table of sections for such chapter 3 is amended by adding at the end the following new item:

"12–310. Actions arising out of death or injury caused by defective or unsafe improvements to real property."

SEC. 2. The amendments made by section 1 of this Act shall apply only with respect to

actions brought after the date of enactment of this Act.

SEC. 3. On and after the date of the enactment of this Act, the Chairman of the District of Columbia Council shall receive compensation at the rate of $20,000 per annum.

Mr. JACOBS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I ask the distinguished gentleman from Indiana if this insertion is the bill which has oft been considered and indeed passed before by this body, sent to the other body, and is now identical to their bill, limiting the statutes of limitation on design construction of 10 years in the cases of architects?

Mr. JACOBS. That is correct.

Mr. HALL. Does the gentleman's amendment encompass section 3 which would give the chairman of the District of Columbia Council compensation at the rate of $20,000 per year?

Mr. JACOBS. That is right. That is also correct.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection. This in effect handles a situation albeit in a nongermane manner, which was brought before this body on Saturday last, and would have promoted all members of the District of Columbia Council, not the commissioners, but just the council, in at least a relative, if not similar, manner.

I did request that that not be considered at that time by unanimous consent, although I am not versed in the legal signature of the so-called Architect's bill. I understand it has passed the other body, and this was a device for getting the hard working chairman of the District of Columbia Council—who I understand left a remunerative job to assume this on the recommendation of the commissioner and by appointment of the President—who now receives only a pittance for what was intended as a "part-time" job; but actually has become a job on which he spends some 12 to 14 hours a day—and based on a conference, he fully deserves this stipend.

Would the gentleman agree with me?

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Indiana.

Mr. JACOBS. Mr. Speaker, that is precisely my understanding of the situation, and I think this is clearly an act of equity on the part of the conference.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

Mr. JACOBS. Mr. Speaker, for the benefit of the Members I provide the following more detailed analysis of the provisions of this bill relating to limitations on actions.

PURPOSE OF THE BILL

The purpose of S. 1524 is to provide a limitation on the period of time during which an action may be brought to recover damages, contribution, or indemnity against architects, designers, engineers, or contractors on the ground of a defective or unsafe condition of an improvement to real property. At the present time in the District of Columbia there is no limitation as to the period of liability of an architect, engineer, or contractor for a defective or unsafe condition in an improvement to real property. Thus, such parties may become defendants in a suit brought by a person who sustains a personal injury in a building which was built 25 or even 50 years ago. The only limitation applying in such case under District of Columbia law is that such an action must be brought within 3 years after the date the cause of action accrues.

The bill, S. 1524 reported by the Senate, would require that such an action would be barred unless it is brought within 10 years from the date the improvement to real property was substantially completed.

NEED FOR THE LEGISLATION

In recent years there has been a substantial increase in the number of actions for the recovery of damages, contribution, or indemnity, for injury to property or persons or wrongful death against architects, engineers, and contractors, based upon a defective or unsafe condition of an improvement to real property.

The District of Columbia, as was the case in the States, has no statute of limitations relating to such actions. Architects who design buildings or improvements to real property, engineers who design and install equipment, or contractors, who build the improvements under rigid inspection and conformity with building codes, may find themselves named as defendants in such damage suits many years after the improvement was completed and occupied.

Comparatively, modern architecture, engineering, and construction, with the new techniques, technology, and methods, may give the appearance of defective or unsafe conditions to older structures which conditions may be used as a basis for such damage suits. In such cases, the architectural plans used may have been discarded, copies of building codes in force at the time of design or construction may no longer be in existence, and the persons who were individually involved may have deceased or may not be located. The purpose of the law is to provide a reasonable time and opportunity for a person who has suffered injury or damages to bring an action. To permit the bringing of such actions without any limitation as to time places the defendant in an unreasonable position if not imposing the impossibility of asserting a reasonable defense.

Specific cases are cited to illustrate the need for the pending legislation. In one case an architectural firm designed an auditorium which was built in 1928. In 1965, a visitor to the auditorium fell on the stairway and was injured. Her allegation in a suit for damages against the owner was that her injury was due to the improper location of a handrail. The owner of the building, in turn, filed suit against the architect for alleged negligence in designing the stairway and handrail. Thus, 38 years after the completion of the construction the architectural firm is now defending itself against a $50,000 lawsuit.

In another instance an engineering firm designed a grain elevator which was built in 1934. The elevator was destroyed by an explosion in 1957. In 1959, the owner sued the engineer for $250,000 alleging that the explosion was due to errors in the design of the ventilation system.

In the first case, none of the architects involved in the design of the auditorium were alive but the architectural firm was sued. The plans, specifications, and contracts may have been lost or destroyed. Old building codes, essential to the defense cannot be found. In the grain elevator case, the plaintiff in effect alleged that the engineer should have created in 1934 a ventilation system based on 1959 standards and technology.

Architects, engineers, and contractors have no control over an owner whose neglect in maintaining an improvement may cause dangerous or unsafe conditions to develop over a period of years. They cannot prevent an owner from using an improvement for purposes for which it was not designed. Nor can they prevent the owner of a building from making alterations or changes which may, years afterward, be determined unsafe or defective and appear to be a part of the original improvement.

I believe that as a matter of good law, in fairness and equity to the architect, designer, engineer and builder, it is proper to enact legislation such as S. 1524 to establish a reasonable time limit within which suits for damages alleging defective or unsafe conditions, attributable to their actions, can be brought.

STATE ENACTMENTS

The problem which this legislation is designed to remedy has been recognized throughout the United States. Since 1960, 40 states have enacted statutes of limitation similar to that proposed in this bill. In addition, the legislatures in 10 other States are considering such legislation. The provisions of this bill are reasonably comparable to legislation enacted in the States. See tables A and B attached.

Table A contains citations of similar statutes that have been enacted in various jurisdictions, amounting to about 40.

Table B contains information concerning the basic limitation to personal injury, property damage, and wrongful death, in the various jurisdictions and establishes the correlations between those basic limitations and a 5-year period of limitation.

The tables follow:

TABLE A

STATUTES OF LIMITATION FOR THE DESIGN PROFESSIONS

Alabama. Act No. 788. Approved September 12, 1969, Statutory period is four years. Alabama Statutes, sections one through four.

Alaska. Alaska Statutes, Chapter 61, section 09.10.055. Approved March 31, 1967. Statutory period is six years.

Arkansas. Arkansas Statutes Annotated, sections 37-238. Approved February 7, 1967. Statutory period is five years.

California. West's Annotated California

Code, section 337.1, C.C.P. Approved August 23, 1967. Statutory period is four years.

Colorado. Colorado Revised Statutes 1963, section 3, 87–1–28. Statutory period is ten years.

Connecticut. General Statutes, section 53–584a. Approved 1969. Statutory period is seven years.

Delaware. Delaware Code, section 10–8126. Approved 1969. Statutory period is six years.

Florida. Florida Statutes Annotated, section 95.11(10). Effective September 1, 1967. Statutory period is twelve years.

Georgia. Georgia Code Annotated, § 3–1006. Approved March 8, 1968. Statutory period is eight years.

Hawaii. Revised Laws of Hawaii, 241–7. Approved June 4, 1967. Statutory period is ten years.

Idaho. Idaho Code, section 5–241. Approved March 8, 1965. Statutory period is six years.

Illinois. Smith-Hurd Illinois Annotated Statutes, Chapter 51, Section 58. Laws of 1969. Creates a presumption of due care if injury occurs six years or more after performance of work or manufacture or design (superseding earlier statute considered in *skinner* v. *Anderson,* 1967, Ill., 231 N. E. 2d 588).

Indiana. Burns Indiana Statutes Annotated, section 2–640. Approved March 4, 1967. Statutory period is ten years.

Kansas. Kansas Code of Civil Procedure, § 60–513. Approved 1963. Statutory period is ten years.

Kentucky. Kentucky Revised Statutes, § 413.135. Approved June 16, 1966. Statutory period is five years.

Louisiana. Louisiana Revised Statutes, Title 9, § 2772. Approved July 10, 1964. Statutory period is ten years.

Maryland. Annotated Code of Maryland, § 20 of Article 57. Approved May 21, 1970. Statutory period is twenty years.

Massachusetts. General Laws of Massachusetts. Chapter 260, § 2B. Approved July 16, 1968. Statutory period is six years.

Michigan. Michigan Statutes Annotated, 27A. § 5839, effective November 1, 1967. Statutory period is six years.

Minnesota. Minnesota Statutes Annotated section 541.051. Approved May 21, 1965. Statutory period is ten years.

Mississippi. Mississippi Code Annotated, § 720.5. Approved June 15, 1966. Statutory period is ten years.

Montana. Senate Bill No. 13, Chapter 60, Montana Session Laws of 1971. Approved February 27, 1971. Statutory period is ten years.

Nevada. Nevada Revised Statutes, section 11.205. Approved 1965. Statutory period is six years.

New Hampshire. New Hampshire Revised Statutes Annotated, § 508:4–b. Effective July 27, 1965. Statutory period is six years.

New Jersey. New Jersey Statutes Annotated, 2A:14–1.1. Approved May 18, 1967. Statutory period is ten years.

New Mexico. New Mexico Statutes Annotated, section 23–1–26. Approved March 29, 1967. Statutory period is ten years.

North Carolina. North Carolina General Statutes, § 1–50–(5). Approved 1963. Statutory period is six years.

North Dakota. North Dakota Century Code Annotated, § 28–01–44. Approved March 14, 1967. Statutory period is ten years.

Ohio. Baldwin's Ohio Revised Code, § 2305.131. Effective September 10, 1963. Statutory period is ten years.

Oklahoma. Oklahoma Statutes Annotated, § 12:109. Approved May 22, 1967. Statutory period is five years.

Oregon. Oregon Revised Statutes, § 12.115. Approved 1967. Statutory period is ten years.

Pennsylvania. Purdon's Pennsylvania Statutes Annotated, § 12–65.1. Effective July 1, 1966. Statutory period is twelve years.

South Carolina. Code of Laws of South Carolina, 1962, § 10–151 through § 10–155. Approved April 16, 1970. Statutory period is ten years.

South Dakota. South Dakota Code, House Bill 803, 1966 Regular Session. Approved February 15, 1966. Statutory period is ten years.

Tennessee. Tennessee Code, Title 28, sections 314–8 inclusive. Approved March 26, 1965. Statutory period is four years.

Texas. Acts of 1969, Vernon's Annotated Texas Statutes, Article 5526A. Effective September 1, 1969. Statutory period is ten years.

Utah. Utah Code Annotated, § 78–12–25.5. Approved February 27, 1967. Statutory period is seven years.

Virginia. Virginia Code, Title 8, § 24.2. Approved March 31, 1964. Statutory period is five years.

Washington. Revised Code of Washington Annotated, 4.16.300–4.16.310. Approved March 21, 1967. Statutory period is six years.

Wisconsin. West's Wisconsin Statutes Annotated, § 893.155. Approved 1961. Statutory period is six years.

SUMMARY OF BASIC STARTING POINTS FOR STATUTORY PERIODS:

Description:	*Jurisdictions*
Upon performance or furnishing of construction of services	12
Upon substantial completion or its equivalent	22
Upon original occupancy	2
Other or combined starting points	4

TABLE B.—TABLE OF LIMITATIONS PERIODS RE CLAIMS FOR PERSONAL INJURY, PROPERTY DAMAGE, AND WRONGFUL DEATH (BASIC LIMITATIONS ONLY)

LIMITATIONS OF TIME (YEARS) FOR COMMENCEMENT OF ACTIONS

State	Personal injury	Property damage	Wrongful death
Alabama	1	1	2
Alaska	2	6	2
Arizona	2	2	2
Arkansas	3	3	3
California	1	3	1
Colorado	6	6	2
Connecticut	2	2	2
Delaware	2	2	2
District of Columbia	3	3	1
Florida	4	3	2
Georgia	2	4	2
Hawaii	2	2	2
Idaho	2	3	2
Illinois	2	5	2
Indiana	2	2	2
Iowa	2	5	2
Kansas	2	2	2
Kentucky	1	5	1
Louisiana	1	1	1
Maine	6	6	2
Maryland	3	3	2
Massachusetts	2	2	2
Michigan	3	3	3
Minnesota	6	6	3
Mississippi	6	6	6
Missouri	5	5	2
Montana	3	2	3
Nebraska	4	4	2
Nevada	2	3	2
New Hampshire	6	6	2
New Jersey	2	6	2
New Mexico	3	4	3
New York	3	3	2
North Carolina	3	3	2
North Dakota	6	6	2
Ohio	2	2	2
Oklahoma	2	2	2
Oregon	2	6	3
Pennsylvania	2	6	1
Rhode Island	2	6	2
South Carolina	6	6	6
South Dakota	3	6	3
Tennessee	1	3	1
Texas	2	2	2
Utah	4	3	2
Vermont	3	3	2
Virginia	2	5	2
Washington	3	3	3
West Virginia	2	2	2
Wisconsin	3	6	3
Wyoming	4	4	2

SUMMARY—MEAN AVERAGES

	Years
Personal injury	2.902
Property damage	3.784
Wrongful death	2.216

Source: Derived from Markham's Negligence Counsel, 1971.

GENERAL DISCUSSION

Mr. JACOBS. In almost all cases the statutes which have been passed by various States relating to the design professions have longer statutory periods than those which apply generally to claims for personal injury and property damage. A comparison of the figures shown in table A with those shown in table B makes this clear. The reason for this is, of course, that in statutes of limitation applying generally to claims for personal injury and property damage, the statutory period normally commences to run at the time of the injury or damage. In the District of Columbia this period is now 3 years for personal injury or property damage and 1 year for wrongful death.

In the statutes relating to the design professions—about 40 in number—the period commences to run, generally speaking, at the time the services were completed, and that approach has been used in S. 1524. In general, the legislatures have taken the view that the period in the design profession statutes should be somewhat longer than the statutes which begin to run when the injury or damage occurs. The reason for this is that now—wherever the special statutes do not yet exist—there is, as a practical matter, a period of time subsequent to completion of the work but prior to the occurrence of the injury, during which no statute of limitations is running. Consequently, the longer period in the design profession statutes accommodates partially to the previously existing time frame, but does provide an eventual bar to a suit in such a case. Until such statutes were adopted, there were, in fact, no limitations at all to protect such defendants from potential liability, unless the plaintiff slept on his rights after the occurrence of the injury. The shortest period in design profession statutes is 4 years. Alabama, California, and Tennessee have 4-year periods, Arkansas, Kentucky, Oklahoma, and Virginia have 5 years. Alaska, Idaho, Massachusetts, Nevada, New Hampshire, North Carolina, Washington, and Wisconsin have 6 years. Other States have longer periods. Quite a number have 10 years. Maryland and Pennsylvania have even longer periods, although I understand that legislation is being considered in Maryland to reduce its 20-year period.

S. 1524 provides for a 10-year period. This seems reasonable in the light of other presently existing statutes and in the light of the substantive issues involved. There seems to be no definite correlation between the length of the period or periods in the general statute in a given State and the length of the period chosen for the design profession statute, but in general, the latter are longer.

In the District of Columbia the general statute is 3 years for both personal injury and property damage. The same thing is true in Arkansas, for example, which has a 5-year period in the design profession statute which was sustained by the Supreme Court of Arkansas, in the case in which the U.S. Supreme Court dismissed the appeal. The Supreme Court of Oregon has recently upheld its 10-year statute, the ordinary period being 2 years for personal injury and 6

years for property damage. Thus it seems to me that the 10-year period in S. 1524 is reasonable in the light of all the circumstances and not out of line with the existing periods in the District of Columbia Code.

With regard to a second question which might be raised, it is true that an architect or a contractor is generally responsible for hidden defects existing in design or construction at the time of acceptance or occupancy if the defect involves negligence or a breach of contract. In the old days, there was considerable law, however, to the effect that, where an owner accepted a new building, he waived any claims arising from patent or visible defects. The same doctrine also had an important influence on third party claims. This doctrine of "waiver" has largely been abrogated by the modern cases and by contract provisions. Normally today the architect or the contractor is liable for patent or visible defects if there was negligence or a breach of contract even though the owner has accepted the building. Thus the distinction between latent or hidden defects on the one hand and patent or visible ones on the other is of much less significance than it used to be.

With respect to the design profession statutes of limitation, I believe that the thinking has been that, if a latent or hidden defect has not shown up in 5 years—or whatever the period may be—the design professional or the contractor should not be liable for it any more than he should be for a patent or visible claim. In other words, substantially the same considerations apply for terminating the liability of the design professional after a given time with respect to latent defects as with respect to patent defects. In general, fairness to all parties is the objective and a defect which is latent is as likely—all things considered—to be hidden from everyone. I suppose that to a certain extent the owner is aided by the inspection conducted by District building inspectors in bringing to light defects in a new building, but it does not appear that an owner can—or should be able to—sue the District if a defect were not found. Upon a cursory check of the District of Columbia Digest we have found no cases where the District of Columbia has been sued for personal injury or property damage resulting from the failure of a District building inspector to discover a defect in a building. It seems probable that a case of this kind would be held to fall within the governmental function exception, and that the District would not be liable.

Testimony received on earlier bills by the House District Committee showed that about 84.3 percent of the claims of defects with respect to construction show up within 4 years—hearings on H.R. 6527, H.R. 6678, and H.R. 11544, Subcommittee No. 1, 90th Congress, 1st session 28 (1967). Under present circumstances, design professionals are subject to suit without any limit of time. It would seem that this is an unfair situation, and it has been corrected by 40 of the 50 States. Until about 20 years ago, the acceptance of the property by the owner cut off any chance of suit by him, and in many instances by third parties. Under modern doctrines, he and third parties can sue design professionals on a variety of theories. It is not unreasonable to change the balance between the two interests so that suits can be commenced only through some reasonably long period.

The SPEAKER. The question is on the amendment offered by the gentleman from Indiana.

The amendment 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.

GENERAL LEAVE

Mr. JACOBS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

CONFERENCE REPORT ON H.R. 15475, NATIONAL ADVISORY COMMISSION ON MULTIPLE SCLEROSIS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 15475) to provide for the establishment of a national advisory commission to determine the most effective means of finding the cause, the cures and treatments for multiple sclerosis.

The Clerk read the title of the bill.

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

There was no objection.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

Mr. HALL. Mr. Speaker, reserving the right to object, I understand this is a conference report in which there has been a minimum change, but yet the House-passed bill does establish another advisory commission. I would ask if there are any nongermane or additional costs from the House-passed version, and if this new advisory commission comes within the limitation of the overall advisory commission bill passed by the House.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from West Virginia.

Mr. STAGGERS. The proposed conference report is identical with the bill that was passed by the House, with even the number of advisory board members the same. The only thing the report does is change the number of public members from four to five and the number of other members from five to four. That is the only change in the bill. It is otherwise identical to the bill that passed this House some time ago.

Mr. HALL. Mr. Speaker, further reserving the right to object, the gentleman probably answered the second part of my question, but it was put in such a concise form that I am not sure. Does this comply with the form of the Board as passed by the House?

Mr. STAGGERS. It is difficult to hear just exactly what the gentleman from Missouri is talking about.

Mr. HALL. Mr. Speaker, a point of order. The gentleman from West Virginia cannot even hear my question, although I bellow like a bugler.

The SPEAKER. The House will be in order.

Mr. STAGGERS. Mr. Speaker, I would say to the gentleman, if I understood the question, the answer is "yes."

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 14, 1972.)

Mrs. HECKLER of Massachusetts. Mr. Speaker, it is with a great sense of pride and gratitude that I rise today to urge adoption of the conference report on H.R. 15475, which would create a National Advisory Commission on Multiple Sclerosis.

As author of the original MS legislation, I am grateful to so many people in this and in the other body for the enormous amount of work and concern they have invested in this legislation.

I feel that I can also speak for some quarter of a million victims of this terrible disease when I thank:

The more than 80 Members of this House who joined me as cosponsors of the MS bill.

The distinguished chairman of the committee, the gentleman from West Virginia (Mr. STAGGERS) and the ranking member of the minority, the gentleman from Illinois (Mr. SPRINGER).

The great gentleman from Florida (Mr. ROGERS) chairman of the subcommittee which conducted hearings on the bill and in its wisdom slightly altered it; the distinguished ranking member of the minority, the gentleman from Minnesota (Mr. NELSEN) whose help was invaluable.

The distinguished members of the conference, the gentleman from Kentucky (Mr. CARTER) and the gentleman from Virginia (Mr. SATTERFIELD).

The distinguished chairman of the committee in the other body, the gentleman from New Jersey (Mr. WILLIAMS) and the distinguished gentleman from Pennsylvania (Mr. SCHWEIKER).

The list is indeed endless.

But more important, the fact that so many Members recognized the great need this bill is designed to fill makes me proud of this Congress which has demonstrated its ability to respond when the cause is just.

The victims of MS, stricken in the prime of their lives between the ages of 20 and 40, have suffered for too long in

silence. Only recently have they cried out to us, telling us of their need and of the hope they feel that help in the form of a research breakthrough is now somehow obtainable.

This legislation, Mr. Speaker, has had a short but stormy history. The problem of multiple sclerosis became an immediate concern of mine when two constituents, Barry Corbett of Attleboro, Mass., and Robert Baptiste of Mansfield, Mass., detailed the problem for me.

They explained how neither the cause nor the cure of MS is known, but that there is general belief the mystery would yield to an all-out coordinated national effort to find a breakthrough amidst all the international research now going on.

Barry and Bob, both members of the Attleboro Jaycees, enlisted the support of their chapter, the Massachusetts chapter and the entire national Jaycee organization behind the legislation. Soon, more than 80 Members of the House joined as cosponsors.

The Interstate and Foreign Commerce Subcommittee on Public Health and Environment then was kind enough to hold a hearing on the legislation May 23, 1972.

The House passed a multiple sclerosis bill on August 1 and the Senate followed suit on September 26. The conference report was adopted in the Senate Saturday, and, hopefully, today in the House.

That is the story of this bill, Mr. Speaker, a multifaceted story played out before an audience of a quarter million Americans whose thin dreams waxed and waned with each twist and turn.

Now we must keep faith with them today by adopting this report. And that same faith must be kept with them in the future with the appointment of truly dedicated, knowledgeable, committed citizens to the National Advisory Commission on Multiple Sclerosis.

I know it will be. I know of the President's deep personal concern. And I know well of the concern of Secretary Elliot Richardson. His outstanding service in public life in Massachusetts, the medical tradition of his family, and his natural commitment to this sort of thing are going to serve multiple sclerosis victims well.

And when this Commission reports back to the President, and to the Secretary, and to this Congress 1 year from now, let us pray this story has a happy ending.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AUTHORITY FOR SPEAKER TO DECLARE RECESS

Mr. SIKES. Mr. Speaker, I ask unanimous consent that it may be in order at any time during the day for the Speaker to declare a recess subject to the call of the Chair.

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

Mr. HALL. Mr. Speaker, reserving the right to object, do we return to the question of more recesses, and whether this is one recess for a specific purpose, or whether it is a recess for a time certain, or what the purpose of this recess is?

The SPEAKER. The House is waiting for important information, as the gentleman well understands, and it is also waiting for some Senate action.

Mr. HALL. Further reserving the right to object, I do not know what the alternative of the House is, and it would certainly be better for the House to be in recess than to be, by unanimous consent or other device, passing needless legislation. After what we went through Saturday night and Sunday morning I am still vaguely hoping for some kind of sine die adjournment. Is there any plan for a sine die adjournment resolution to be before the House at this time?

The SPEAKER. The gentleman knows as well as the Chair that the House cannot do anything until the Senate is ready to act on such a resolution.

Mr. HALL. No; the gentleman does not know that, Mr. Speaker. It sounds like the old refrain that I have heard many times, but we could pass a resolution and hasten their actions by so doing. I take it the Chair's statement means there is no such plan.

Therefore, Mr. Speaker, I am constrained to object to this unanimous-consent request.

The SPEAKER. Would the gentleman object to having that request changed if the House should stand in recess until 3:30 p.m.; 1 hour?

Mr. HALL. With the usual notification?

The SPEAKER. The hour of 3:30; specifically, 1 hour.

Mr. HALL. Mr. Speaker, I withdraw my reservation.

Mr. SIKES. Mr. Speaker, I so modify my request.

Mr. ULLMAN. Mr. Speaker, reserving the right to object, could the Chair appraise the Members of the House of the parliamentary situation with respect to the debt ceiling bill?

I understand the report was filed midnight Saturday night. What is the parliamentary situation with respect to that, other than by unanimous consent?

The SPEAKER. The Chair understands the chairman of the committee, the distinguished gentleman from Arkansas, is asking for a special rule.

It was filed after midnight on Saturday night.

Mr. ULLMAN. But tomorrow, majority vote if a rule is granted?

The SPEAKER. If the rules are waived.

Mr. ULLMAN. I thank the distinguished Speaker. I withdraw my reservation.

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

There was no objection.

RECESS

The SPEAKER. The Chair declares the House in recess until 3:30 p.m.

Accordingly (at 2 o'clock and 31 minutes p.m.), the House stood in recess until 3 o'clock and 30 minutes p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 30 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House with Senate amendments to a bill of the Senate of the following title:

S. 3858. An act to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 16676. An act to amend the Community Mental Health Centers Act to extend for one year the programs of assistance for community mental health centers, alcoholism facilities, drug abuse facilities, and facilities for the mental health of children.

RECESS

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the House stand in recess until 4:30 p.m.

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

There was no objection.

Accordingly (at 3 o'clock and 35 minutes p.m.), the House stood in recess until 4:30 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 30 minutes p.m.

EMERGENCY HEALTH PERSONNEL

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 3858) to amend the Public Health Service Act to improve the program of medical assistance to areas with health manpower shortages, and for other purposes, with Senate amendments to the House amendment thereto, and consider the Senate amendments to the House amendment.

The Clerk read the title of the bill.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may we hear the contents of the Senate amendments and have a little more definition of the bill which we are considering?

The SPEAKER. The Clerk will report the Senate amendments to the House amendment.

The Clerk read the Senate amendments to the House amendment, as follows:

Page 4, line 1, of the House engrossed amendment, after "service" insert: "on a fee-for-service or other basis".

Page 4, line 11, of the House engrossed amendment, after "collect" insert: ", on a fee-for-service or other basis,".

Page 9, line 7, of the House engrossed amendment, strike out "comments (if any) made by" and insert: "approval of".

Page 9, line 17, of the House engrossed amendment, strike out "comment on" and insert: "approve".

Mr. HALL. Mr. Speaker, reserving the right to object, is this bill from the other body under consideration the same as we refer to as the Emergency Health Personnel Act, H.R. 16755?

Mr. STAGGERS. If the gentleman will yield, it is.

I would like to explain that there are two Senate amendments we would disagree on and send back to the Senate. There are two other amendments with which we would like to concur.

These amendments, numbered 1 and 2, are a simple change in the existing law which will permit HEW to collect money under this program in a fee-for-service manner or whatever other manner is most appropriate. Since these amendments would give the program reasonable, extra flexibility without requiring any new action, I feel that they are appropriate and urge that we concur.

The amendments with which we disagree, Nos. 3 and 4, would prevent HEW from closing or transferring any hospital without the prior approval of State and local health-planning agencies. Our bill would ask these agencies for comments, but we do not feel that they should be given an absolute veto power as in these amendments, and I urge that they be disagreed to.

Mr. HALL. I will say that I certainly agree with the amendment as read by the clerk, as near as I can understand the context of it.

Do I understand the gentleman from West Virginia, the chairman of the Committee on Interstate and Foreign Commerce, to say that after accepting these two amendments, he then plans to send the papers back to the other body with two amendments still in disagreement?

Mr. STAGGERS. With two amendments still in disagreement.

Mr. HALL. Which would maintain the position of the House?

Mr. STAGGERS. That is correct. Yes, sir. This is the House bill.

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

Mr. HALL. I am glad to yield to the distinguished minority leader.

Mr. GERALD R. FORD. As I recall the history of the legislation which is now before us, it was passed under suspension of the rules.

Mr. STAGGERS. That is correct.

Mr. GERALD R. FORD. By a relatively narrow margin.

Mr. STAGGERS. No. That was another bill on Emergency Medical Services, not this bill on the Emergency Health Personnel Act which received a good margin.

Mr. GERALD R. FORD. But the margin under suspension of the rules was very narrow?

Mr. STAGGERS. On the other bill.

Mr. GERALD R. FORD. There was a dispute, as the gentleman from West Virginia indicates, but there was also a fair amount of apprehension that if this bill went over to the other body, they would load it up with about $4 to $6 billion of other matters pertaining to health that were objected to by a number of Members on this side of the Capitol.

Now, do I understand the gentleman from West Virginia to say to the House that this is all; this is all that the managers on the part of the House or the chairman of that committee will agree to as far as this matter is concerned?

Mr. STAGGERS. This is correct.

Mr. GERALD R. FORD. There will not be anything else agreed to by the gentleman from West Virginia on this subject?

Mr. STAGGERS. We are not even going to conference. We are sending this back.

Mr. HALL. Mr. Speaker, further reserving the right to object, in withdrawing I simply want to say that this is an excellent example and one of the hazards of prolonging this session of Congress.

But, if the gentleman will stand firm as he has indicated, I have no objection to the two amendments we have under consideration. Therefore, I withdraw my reservation.

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

There was no objection.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk reads as follows:

Mr. STAGGERS moves that the House concur in Senate amendments Nos. 1 and 2.

The motion was agreed to.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves that the House disagree to Senate amendments Nos. 3 and 4.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONFERENCE REPORT ON H.R. 16810, PUBLIC DEBT LIMITATION

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 16810) to provide for a temporary increase in the public debt limitation, and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973.

The Clerk read the title of the bill.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 14, 1972.)

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is the conference report on H.R. 16810, the debt-limit bill, which also imposes on the President the burden of cutting back expenditures for this fiscal year to the level of $250 billion. As I am sure the House recognizes the expenditure limit was by far the most important issue in conference, and it consumed at least 90 percent of our time.

One of the two other titles in the House-passed bill increased the temporary limit on the Federal debt to $465 billion for the rest of this fiscal year. Since the Senate made no change in the House provision, this title was not in conference.

The other title—title III—established a temporary joint congressional committee to study and recommend procedures for regaining congressional control over the budget. The substance of the House bill was retained in this case although modified by four minor Senate amendments.

There were also other amendments made on the floor of the Senate adding further new titles. The House conferees agreed to some of these and rejected others. I will discuss them in a few moments.

Let me return now to the expenditure ceiling. You will recall that in order to make it possible for the President to reduce expenditures to the $250 billion ceiling for the next 9 months only, discretion was left with the President as to where the cuts should be made.

Members who opposed this provision argued that this involved a delegation of congressional authority to the President—something I, no more than any other Member, want to do. Despite this, the majority of the House concluded that it is more important for the country—during the remaining 8½ months of the present fiscal year—to gain some control over our ever-increasing deficits, than to forgo this temporary delegation of authority.

The actual facts are that the delegation of authority to the President under this bill is much, much smaller than many Members seem to assume. Presidents have been reserving funds since the time of Thomas Jefferson, and it is a practice followed by most Presidents since that time. Although the Senators may not have been quite aware of the implications of their action, they too recognized that the reserving of funds is a regular practice of Presidents when they tied to this bill a requirement for regular reports by the President on the impoundment of funds.

I believe the Members of the House voted to pass this bill because of the very critical situation in the economy at this time. Even with the $250 billion spending

limit, the administration estimates that the Federal funds budget deficit will be $32.4 billion. Thanks to the surplus in the trust funds, the deficit in the unified budget will be somewhat less but still much too large, at $25 billion. This amount, which the Treasury must borrow from the money markets, is in competition with demands of the housing industry, with those of State and local governments, with those of private businesses for purchases of new plant and equipment and even with those of some Federal agencies which have separate authority to borrow funds.

Among these programs, the demands of the housing industry and State and local governments are especially sensitive to variations in the demands made on the money market. When these markets become tight, these two groups of borrowers find themselves in serious difficulty.

If the Federal Government should find it necessary to borrow more than the $25 billion, this almost certainly will drive up interest rates much faster than already is occurring, and cause a slowdown in the rate of housing construction.

When the demand for funds in the money market increases, the pressure on the Federal Reserve System to increase the supply of funds into the money market also rises. The resulting increase in the supply of money is almost sure to bring about a strong revival of inflationary pressures.

The latest figures on the money supply which have been released by the Federal Reserve since I last spoke to you, show that during the past 13 weeks the money supply has increased by 7.6 percent in terms of an annual rate. Over the past 6 months, the rate of increase on an annual basis was 6.3 percent. This higher rate of increase in the last 3 months is a clear danger sign of rising inflationary pressures.

The figures I have just referred to have been made available since the House first acted on this bill, last Thursday. At that time, I also cited figures—which I shall not repeat today—showing that prices were rising, that business inventories were rising and that interest rates also were again rising.

Finally, I believe the House was also strongly influenced by the present sad state of the American competitive position in world trade. Our balance of trade and our balance of payments have continued to deteriorate. Ten months ago in the Smithsonian agreement, the United States agreed to a devaluation of the dollar and depreciation of the dollar relative to other currencies. It was hoped that in time these changes would help us to reverse our present position in world trade.

Whatever improvements may be induced by the changes in exchange rates, there is no chance they will succeed if there is to be a further rise in inflationary pressures. Higher prices for our exports mean they will become less competitive in foreign markets. At the same time, higher domestic prices mean it will be easier for imported goods to compete successfully against the domestically produced goods.

When this bill reached the floor of the Senate, there apparently was a full recognition of the danger of expenditures exceeding $250 billion. But there also was a fear of giving the President any flexibility in holding spending within this limit. They were unwilling to give the President any discretion in cutting spending. The result was unfortunate. They passed an amendment which would have completely hamstrung the President in making the cuts. In fact, the Director of OMB told us the amendment was totally unworkable.

As a result, the Senate passed an amendment which with the exception of nine exempt categories of spending would have required the funds to be reserved proportionately from all other programs. It also limited to 10 percent the reduction "in any appropriation or any activity, program or item within such appropriation."

In the conference, we met the Senate at least halfway. We agreed to exempt items from the cutback and this listing of items was similar to the Senate listing. We also agreed to an overall limitation in any category which provided guidelines for the President without the rigidity of the proportionate cuts of the Senate provision.

This result was no easily-arrived-at decision. It was as difficult for the conferees from the House to convince the conferees from the Senate to change their basic position as it was for the Senate conferees to convince us we should change our basic position. Only after hours of debate, deadlock and then further discussions was it possible to reach this compromise.

I should also say that the administration is not certain the authority in the conference report is sufficient to enable it to make the cuts to $250 billion, but its representatives said that they would do their best to make it work.

Under the conference agreement, there are six categories which are exempted from the cut. They are:

First, veterans compensation, pension benefits, and hospital care;

Second, benefits from social insurance trust funds;

Third, medicaid;

Fourth, public assistance maintenance grants;

Fifth, military retirement pay, civil service annuities, and railroad retirement annuities and pensions; and

Sixth, judicial salaries.

These exclusions do not preclude reservation of amounts for administrative costs or construction that might fall within these programs.

As far as the rest of the budget is concerned, the conferees agreed that the authority provided under this bill was to be limited to reductions of no more than 20 percent in any functional category in the budget. There is one slight modification in this. The functional budget categories, which appear in table 15 of the 1973 budget, show 68 categories. The agreement of the conferees reduced the number of the categories for the purposes of this bill to 50. This was done by consolidating 30 of the smaller, less sensitive categories into 12 categories.

A second Senate floor amendment also related to the expenditure limit. This would have exempted from any expenditure cutback any appropriations where an expenditure reduction of more than 10 percent is required in an appropriation bill. In practice, this would have applied to the appropriation bill for the Departments of Labor and Health, Education, and Welfare where a reduction of 13 percent is required. However, this cutback merely brings the total amount approved back to the House bill level, which still is above the amount shown in the budget. This limitation was eliminated as part of the compromise on the first amendment I described.

Let me turn now to title III of the bill which establishes a temporary joint committee to review operations of the expenditure ceiling and to recommend procedures to enable Congress to regain control over the budget. There were four minor Senate amendments in this title, all of which the House conferees agreed to. The more important of these amendments are as follows:

First. Two Members are to be appointed from the general membership of the House and the Senate—one each from the majority and the minority—instead of only one Member from the general membership as provided in the House bill;

Second. The expenses of the new joint committee are to be paid from the contingent fund of the Senate, and the expenditures through February 28, 1973, may not exceed $100,000.

The House conferees believe that this joint committee in the long run may prove to be the most important portion of this bill. This, of course, will be true only if the joint committee can develop an effective solution to help Congress gain control over the budget.

The Senate also added four other amendments to the bill. The first of these was accepted by the House conferees. It requires the President to transmit to Congress and to the Comptroller General of the United States a report whenever he reserves or impounds funds appropriated by the Congress. This report, which is to be made promptly upon such decision by the President, is to contain specific information with respect to the impounded funds, and all such reports are to be printed in the Federal Register. The House conferees agreed to this amendment since it seemed to represent an appropriate method of keeping Congress informed as to the actions taken under this bill.

The next two Senate amendments were not agreed to. The first of these would have established a permanent joint committee on the budget and would have provided for the duties of that committee. The House conferees believed that the determination of whether such a committee should be established was one of the matters which should be studied by the joint study committee which is to report to the Congress next year.

The next Senate amendment which also was rejected was an income tax amendment. It would have provided that all single individuals, filing separate returns and those filing as heads of households, were to use the same tax rate

schedules as married couples filing joint returns. The House conferees were not willing to accept this amendment since it was not germane to this bill, because it involved a big revenue loss and also because it does not represent an adequate solution to the complex problem of the interrelationship of the tax treatment of single persons and married couples.

Mr. Speaker, I think that your conferees have done the best they can in trying to resolve this matter. It is not what I would have wanted; it is not what the Senate would have wanted, either; it is a true compromise. I think we should accept the conference report, because I do not see how we could work out anything better if we went back to conference.

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

Mr. MILLS of Arkansas. Mr. Speaker, I yield myself 1 additional minute.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from New York.

Mr. CELLER. Mr. Speaker, what about the matter of salaries such as those of the judiciary, and the legislative salaries? Can they be reduced?

Mr. MILLS of Arkansas. The difference is this—as I am sure my friend, the gentleman from New York, knows—judicial salaries cannot be reduced under the Constitution during the tenure of a judge on the bench.

Mr. CELLER. What about legislative salaries?

Mr. MILLS of Arkansas. Legislative salaries can be reduced.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, there was no disagreement in conference or between the House and the Senate on the provisions of this legislation which would increase the borrowing authority of the Treasury to $465 billion. Neither was there disagreement in the action of the House or the Senate that spending for fiscal year 1973 should be limited to $250 billion. There is no disagreement between the House and the Senate on those two specific propositions. The disagreement relates only to the authority given the President in this legislation which will enable him to carry out the directives and the responsibilities placed on him to keep spending within a $250 billion ceiling.

In my judgment the House did the proper thing. We directed the President to bring spending for this year within that figure of $250 billion, and then said to him, "You use the authority that is necessary to do that."

The Senate, however, while placing the responsibility on the President to limit spending then circumscribed his opportunity to do so by making it virtually impossible for him to carry out the responsibility imposed on him.

As the chairman of the House conferees explained, we finally came to a compromise with respect to a limitation that would be provided, under this bill, relative to the authority granted the President to bring expenditures down to the proper levels.

Let me point this out, however: There is no certainty that either the limitations on his authority imposed by the Senate or that to which conferees have now agreed will permit the President to carry out the responsibility that we have imposed on him.

Officials in the administration believe they can live within the limited authority that is granted, and have promised to make every effort to do so but it should be noted that it will be difficult, extremely difficult.

When this matter was being considered previously on the House floor I said that it was going to be very hard for the President to bring the spending level down to $250 billion, no matter what authority was granted him.

But now we have circumscribed that situation in this conference report. There is no use of us arguing now or my repeating now the arguments I, the chairman, and others made with respect to the need for a ceiling. That was agreed to by this House and does not merit repetition at this time.

The only question that remains is the degree of limitation on the President's capacity to make reductions and his ability to reach the $250 billion figure.

I am not happy at all with what we have done, even in the conference, because I think we have tied the hands of the President when we put him to work and said: "Now you have to cut down these expenditures to $250 billion." I just do not believe that we are carrying out our responsibilities when we tell the President—"Here is what you have to do but we are not going to give you the tools that you certainly need to do it."

Unfortunately, in this conference as in so many other situations—we finally get to the point where we obtained the best possible compromise. That is what this conference report which we bring back to you today represents. It is the best we could get in terms of carrying out the need for a limitation on spending.

I will not belabor that point any further, Mr. Speaker, except to say that when there is no other alternative, the only thing that can be done and the thing that must be done, is to adopt this conference report. We must certainly have a debt ceiling increase before this Congress adjourns. As the chairman pointed out, if after October 31 we have not acted on this matter, then the limitation on the borrowing authority of the President is not $450 billion, as it is today, and it is not the $465 billion that he needs to get through to next June 30. It will revert to the permanent debt ceiling of $400 billion. Thus $50 billion of borrowing authority will be removed from the President and the Secretary of the Treasury.

I understand that presently the borrowing level is somewhere in the neighborhood of $435 billion and he can borrow that other $15 billion between now and October 31.

However, after October 31, he cannot borrow a penny—and his borrowing authority will be less than it is today. As a result, it will be impossible to run the Government for more than 8 or 10 days.

Mr. MILLS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. MILLS of Arkansas. I wish the gentleman would take the time to point out that in both the House and the Senate bill, the language is identical with respect to the directive to the President to hold the reins on spending at $250 billion or less. That part of the amendment was not even in conference.

Mr. BYRNES of Wisconsin. Title I of the House bill is the same as title I in the conference report. It was not amended and has no changes. It deals with the $465 billion borrowing authority.

Title II deals with the limitation. I think it is section 201.

Mr. MILLS of Arkansas. That is right.

Mr. BYRNES of Wisconsin. In title II we set forth the directive to the President to keep spending in the fiscal year 1973 to $250 billion. There is not an "i" dotted or a "t" crossed as far as any change in that particular section is concerned.

So it is not in disagreement.

The directive to the President to cut to $250 billion is not in disagreement. The only area of disagreement is the matter of the limitation on his authority. The House put no limitation on his authority. The Senate put a limitation that anybody in his right mind would realize that the President could not possibly carry out and still cut the expenditures or hold them down.

The result of the conference agreement is that the President may be able to carry out the mandate of both Houses with the authority granted him.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I agree with what the gentleman stated. Would the gentleman suggest perhaps we ought to do something also for that borrowing which is outside of the debt, which this year will total $28.1 billion, for which the Government must go in the market? Is there not a need in a future bill considered by the new Congress, perhaps, to include also some kind of restraint on that borrowing that goes on by agencies of the Government beyond the control of the Congress and outside of the Federal debt?

Mr. BYRNES of Wisconsin. Let me say that I agree with the gentleman, that certainly in the future Congress must give serious consideration to this aspect of the problem. Borrowing is an important Government liability. I would start out first by passing the bill S. 3001 which would establish a Federal financing bank to coordinate the various borrowing programs of the Federal Government. That measure passed the Senate last June and was favorably reported by our committee in late September. I understand that it has encountered some problems on this floor and apparently is not going to be enacted during this session. That is unfortunate because, in my judgment, that bill represents an im-

portant first step toward solving this problem.

I would certainly also say that I think the gentleman is correct, and that we should get some mechanism to make sure that we are taking a look at this kind of borrowing. While it is certainly not within any realm of possibility to do so in these closing days of the session, I would hope that we would at least do what is possible now; namely, to enact a workable expenditure limitation.

Mr. ULLMAN. Mr. Speaker, I yield to the distinguished chairman of the Rules Committee, the gentleman from Mississippi (Mr. COLMER).

Mr. COLMER. Mr. Speaker, when this bill was up originally I attempted to express my own views about the matter. I am sorry that the other body saw fit to limit, such as it did, the powers of the President in this area. However, it is the best thing we can get.

Mr. Speaker, I shall not burden the House with a further recital of my views.

Mr. Speaker, as we approach the passage of the debt-ceiling limitation, and as I approach the final day of my service here in the Congress, I again and finally would like to record my view on our fiscal affairs.

Some will recall that last week when this bill was up for consideration in the House, I made some remarks pointing out again that the crisis which I had been predicting for a number of years had arrived. But, Mr. Speaker, with the hope that it will not be considered as self-serving, I should like to include in these remarks a copy of a speech that I made on March 19, 1952. In that speech I pointed out 11 ways that Congress could do something about spending. As a reminder to this Congress and with the hope that it may have some influence on the next, I enclose this speech as follows:

HIGH TAXES RESULT OF UNBRIDLED SPENDING

Mr. COLMER. Mr. Speaker, I call up House Resolution 578 and ask for its immediate consideration.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and pending that, I yield myself 15 minutes at this time.

Mr. Speaker, for the past two decades this splendid young Republic has been going through one crisis after another; some were real, others mere political creations advanced to perpetuate those in control of the government in power. Today we are faced with another crisis, a real crisis, a crisis that threatens to destroy the fiscal foundation of the Republic. We are on the brink of the precipice of national bankruptcy. More and more thoughtful citizens throughout the country are realizing and fully appreciating the dangers ahead if this unbridled governmental spending is permitted to continue.

Today we, the representatives of the people, are given an opportunity to apply the brakes and thus make a further contribution toward reversing the trend in extravagant government spending.

This rule makes in order the consideration of H.R. 7072, the annual independent offices appropriation bill, a bill appropriating funds for the next fiscal year for most of the Federal bureaus. The President, through his Budget Bureau, requested of the Congress a total of $2,085,097,390 for these bureaus. The Appropriations Committee, under the able leadership of its subcommittee chairman, the gentleman from Texas [Mr. THOMAS], has cut that request by a total of $700,048,695. In every case the committee has made substantial reductions excepting, of course, such items which are fixed and not susceptible to reduction.

As one who has long been interested in this economy drive. I desire now to express, in the premises, on my own part and on the part of my coworkers, the gratitude of all economy-minded Members of this body for the committee's efforts. While further efforts will be made in the form of appropriate amendments to make even further economies, I apprehend that determined efforts will be made by those Members of the House who consider themselves liberal minded to restore the reductions made by the committee in an effort to continue the spending spree. This effort must not prevail. The line must be held.

BALANCED BUDGET

Mr. Speaker, I have been alarmed for the past several years over the dismal picture presented of the country going deeper and deeper each year into the red while the Federal Government digs deeper and deeper into the pocket of the American taxpayers. More than a year ago a little band of southern Democrats, with the aid of others, in this body got together and agreed to accept the President's challenge to cut his budget. Last year we succeeded in trimming that budget several hundred million dollars. This year others have joined our group and the work continues. We have reason to believe that, with the addition of more and more converts to the cause, the budget can be balanced this year in spite of the $82,000,000,000 request of the President with the resultant $14,000,000,000 proposed deficit. If the economy line is held on this bill and the succeeding appropriation bills yet to come before us, there will be no necessity for any deficit. We can place ourselves on a pay-as-you-go basis. Therefore our immediate objective this year should be a balanced budget.

It is as obvious as the noonday sun that if we cannot balance the budget now, with an all-time high national income of cheap money together with an all-time high taxing program, the hope of ever balancing the Nation's budget is indeed dim. In fact, prudence suggests that under such conditions we should be retiring a part of our gargantuan debt and fortifying our fiscal condition for the eventual rainy day.

FANTASTIC GROWTH OF NATIONAL DEBT

Mr. Speaker, the growth of our national debt and the fantastic amount of taxes extracted from our people has caused me to do a little research. I thought it might be well to call the attention of the Congress and the country to some comparative figures of taxes and expenditures by our Federal Government at 25-year intervals over a period of the past 160 years of the country's history. The startling results are as follows:

Period	Total expenditures	Net receipts	Change in public debt
1789 to 1813	$219,233,000	$221,816,000	[1] $6,024,000.00
1814 to 1838	534,759,000	644,634,000	−71,053,000.00
1839 to 1863	2,232,812,000	1,130,702,000	1,109,339,000.00
1964 to 1888	8,833,181,000	8,881,529,000	264,858,000.00
1889 to 1913	12,701,857,000	12,787,468,000	−191,584,000.00
1914 to 1938	124,883,429,000	89,393,932,000	35,971,693,000.00
1939 to 1952 [2]	638,131,389,000	419,494,298,000	260,193,628,740.39

[1] 1790 to 1813.

[2] To Mar. 13, 1952.

To say that the figures are startling is an understatement. It is significant to note that in the first period of the country's existence, when the Jeffersonian principle that the people who are least governed are best governed was in full bloom, and prior to the growth of the doctrine of paternalism that the poor young striving Republic actually had a substantial balance of more than $6,000,000 in the Treasury. Compare that figure with the national debt of more than $260,000,000,000 today and one is compelled to question the oft-repeated statement that the country today is more prosperous than ever before in its history. Moreover, I desire to again call the attention of my colleagues to the fact that the Government is no different in its fiscal affairs from the individual or a corporation. The management of Government is a business matter. The fact that Government is big business makes no difference. And I repeat what I have often stated on the floor of this House. "There is a bottom to the Government's meal barrel as well as to the individual's or the corporation's."

INCONCEIVABLE DEBT

Mr. Speaker, we have been lulled into complacency so long by the so-called liberal thinkers and have been so accustomed to appropriating the taxpayers' money in denominations of billions that it is impossible to comprehend what a billion really is. Some mathematician, in an effort to comprehend a billion dollar figure, has come up with this startling illustration:

"If a person had started in business in the year A.D. 1 with a billion dollars capital, and if he had managed his business so poorly that he lost $1,000 each day, in 1952 he still would have enough capital left out of his original billion to continue in business, losing $1,000 a day, for almost an additional 800 years, or until the year 2739."

Now in order to attempt to get some conception of how long it will take us to retire the present national debt of over $260,000,000,000 let us assume that we are frugal and prudent and start retiring that debt at the rate of $500,000,000 a year; 520 years would be required to retire the debt.

Moreover, Mr. Speaker, if further emphasis is desired on our financial status one needs only to refer to the fact that it now requires more than $6,000,000,000 per annum in the form of interest to service this enormous debt. The Treasury has now asked for and we appropriated last week an increase of $300,000,000 to take care of the increased interest on that debt over last year. In other words, the interest alone on our national debt is costing the taxpayers now about one and one-half times as much as the total expenditures for 1 year of the Federal Government in the period of 1914–38.

DARK BUT NOT HOPELESS

Mr. Speaker, that, sir, is the fiscal condition of the greatest business in the world, the United States of America. It is an unpleasant picture. It cannot be passed off lightly with the explanation that we are in a global warfare against communism, another crisis. Neither can we comfort ourselves into further complacency by adding to that the fact that we have recently

emerged victoriously from a global strife with Nazi Germany and totalitarian Japan. The fact is that the country has been victorious in other contests at arms and through other crises throughout its history without serious impairment of its financial structure. Those crises, prior to World War II and prior to the Soviet Russian menace, were serious too in their day. Can it be logically reasoned that the situation in this country for the past 6 years has been so grave as to require the extraction of more taxes from the American people than was taken from them in the first 156 years of the country's existence? I think not.

Permit me to again point out to my colleagues what I have repeatedly pointed out on the floor of this House during the past 6 years that so far as the masters of the Kremlin are concerned they want neither war nor peace. Their main purpose, in my humble judgment is to conquer this country, as they have conquered all others, by the simple procedure of bleeding us white in the destruction of our economy. They would accomplish this here as elsewhere through fear, infiltration, by prodding us into national bankruptcy, and taking over in the resultant confusion of chaos and hunger. No one realizes more than the Kremlin strategists that a hungry belly cares little about the type of government it lives under. In substantiation of this I call your attention to the well-known fact that more than 600,000,000 peoples have been drawn behind the iron curtain without the firing of a single gun by a Russian soldier.

CONGRESSIONAL RESPONSIBILITY

Mr. Speaker, the solution to our financial problem and the responsibility therefor are strictly up to the Congress. More than that it is up to this House to see that the dangerous trend is reversed. I need not remind you that the wise men who founded this Government provided that because we of the House must originate all taxes and appropriations we should be elected every 2 years. We cannot hide behind the Chief Executive or complain of the traditional policy of the other body to increase appropriations. Certainly, at best the responsibility is twofold, the President and the Congress. Furthermore, I should like to refresh your memories today by calling your attention to the fact that the people of America are tax conscious as never before. The income tax, originally designed and practiced as a soak-the-rich tax, has become so enlarged that it now digs into the pockets of the smallest businessman, the white-collar workers, and the day laborer. The policy, under the Fair Deal program, of everybody "touching" the Federal Government has likewise developed into the policy of the Federal Government "touching" everybody. Even the humblest citizen now realizes that the Federal Government is no Santa Claus. In fact, we have reached the saturation point in taxation. With the tax rate as high as 90 percent in the upper brackets, the incentive for businessmen to make money scarcely exists, while the day laborer and the middle class find it difficult to live under the high rate of their own taxes.

Yes, Mr. Speaker, the people, the overburdened taxpayers of this country, are looking to us, as their representatives, to at least balance the budget. In fairness to those who founded this Republic and to the generations of future Americans yet unborn, we can do no less.

SOLUTION

Mr. Speaker, I fear that I have been boresome, and that I may even be charged with pessimism, in this long recital in an effort to emphasize the seriousness of the situation. It is serious. America is at the cross-roads in its fiscal policy. If we do not change that policy we become a bankrupt people. If we destroy the faith and credit of the Government we lose everything, our economy, our standard of living, yes, even our cherished liberties.

If the Congress is to regain its constitutional control of the purse strings; if the budget is to be balanced; if we are ever to liquidate this enormous debt, I respectfully suggest and urge that the following formula be adopted:

First. Our legislative committees, as well as committees on appropriations, must cease reporting out bills except those which are absolutely essential to our economy and national defense.

Second. Every Member of this body must recognize that the objective of balancing the budget is his most important assignment.

Third. Sectionalism, partisan politics, responsiveness to highly organized minorities, must give way to the national need for a sound financial policy.

Fourth. Every dollar appropriated must be considered as carefully as if it were coming out of the pockets of the Members themselves, as indeed the Members' proportionate share is.

Fifth. Our congressional committees, particularly the appropriation committees, must be staffed with an adequate staff of experts equal in efficiency to the staffs of the various governmental agencies who appear before them seeking appropriations.

Sixth. The Congress and the country must recognize that financial solvency is as important as military might in preparing ourselves against any potential foreign aggressor, a fact which our military captains should be made to understand.

Seventh. Our foreign friends must be made to understand that there is a limit to the resources of America.

Eighth. The system of permitting the carry-over of unspent funds from the current fiscal year into the new year must be abandoned. A meticulous study of the 1,200 pages of the President's budget this year will show that the carry-over of unspent funds from the current fiscal year will exceed $60,000,000,000.

Ninth. The procurement of military requirements, which constitute more than 50 percent of our expenditures, must be placed in the hands of trained civilians who appreciate the value of the dollar.

Tenth. And finally, the citizens of the Republic, now conscious as never before of the burdens of taxation, must practice the doctrine of States' responsibility as well as States' rights. The practice of looking to Washington for Federal aid in civil responsibilities of their own must cease. They must realize that there is no State, county, or city whose financial statement is not sounder than that of the Federal Government.

Finally, Mr. Speaker and Members of the House, this budget can be balanced and must be balanced this year. Whatever it takes to balance it must be done. A $14,000,000,000 deficit under the President's budget recommendations is unthinkable. If this country, the last fortress and haven of a free people, is to survive our fiscal policy must be placed on a sound basis. The time is now. Next year may be too late. Now is the time to place the country above party.

In the name of the founding fathers who gave the country its birth, in the name of the untold thousands who have died to preserve it, in the name of free peoples everywhere, I beseech you to save the Nation from bankruptcy and thus perpetuate this, the most glorious form of free government ever conceived by the minds of men.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Appropriations Committee, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, in past years I have sponsored and supported expenditure ceilings. However, they were expenditure ceilings which did not abrogate the constitutional prerogative of Congress.

When this measure was before us last week, I offered a substitute to title II which would have preserved the traditional role of the Congress in regard to the purse, and yet would not have denied the Congress and the President the opportunity to make meaningful reductions in spending. Control of the purse strings is the most precious prerogative of Congress. Without control of the purse, Congress is little more than an impotent arm of the Government.

My substitute was not adopted, but I voted to send the bill to the other body hoping that an acceptable bill could be worked out in the conference between the House and Senate.

The conference report has not achieved this objective. Whether we are liberals or conservatives or middle-of-the-roaders, I think it must be said that the conference report surrenders to the Executive in very substantial ways the power and control of the purse.

The conference report in effect nullifies the 9 months of labor which Congress devoted to appropriations, authorizations, backdoor spending, and spending otherwise.

The adoption of the pending measure will in effect transfer the meaningful decisionmaking in regard to Government spending to the Executive, and this should not be done.

Mr. Speaker, I have strong convictions about the necessity for a course of restraint in the Federal Government but this does not permit me to support the conference report which tends to destroy the power of the legislative branch of Government, the preservation of which is more important than the pending measure.

Let us not lose perspective. Let us not panic in the face of difficulty and frustration. Let us anchor ourselves to the traditional strengths of this Government and do that which in the long run is right. In my judgment it is right to reduce spending. It is right to restructure priorities. It is right to do what is fiscally responsible, but it is also right that in the long run we do not seek to gain some temporary relief from our troubles and lose the soul of the legislative branch of the Government.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, I wonder if the gentleman's argument is going to the merits or demerits of the bill as passed by the House rather than the merits or demerits of the conference action, because we were limited in what we could do in conference, as the gentleman well knows. We could not touch the ceiling that was established by this House. It was a ceiling and we directed the President to live with it.

Mr. MAHON. I am not complaining that the $465 billion expenditure debt limitation was not modified.

Mr. BYRNES of Wisconsin. No, I am talking about the expenditure ceiling.

That was the ceiling of expenditures of $250 billion, which was not in conference. It had been agreed to by both Houses. The gentleman cannot blame the conference.

Mr. MAHON. The gentleman is correct, but if we turn to page 526 and following pages of the budget, and analyze the impact of the conference agreement, we discover that the broadest authority is given. This tends to nullify the action of the Congress on the various spending bills out of the various committees of the Congress.

Mr. BYRNES of Wisconsin. The only thing I want the gentleman to admit, if I can get him to do so, is that the conference report is the result of the action of the House when it passed the bill a few days ago.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I concur with the gentleman from Texas (Mr. MAHON).

The conference substitute is better than the House-passed version only in that it defines very succinctly five major programs from which the President cannot make reductions: Veterans' benefits; social security benefits; retirement annuities and pensions; medicaid; and public assistance grants. The persons who are affected by these kinds of benefits are the ones least able in our soceity to subsist on the status quo.

This is all well and good and the only positive aspect of the substitute. The substitute completely abdicates all discretion and authority to the President to eliminate almost any program he wants without any congressional oversight review, as long as his actions keep within the 20-percent broad range of reduction.

This means that he has the authority to cut health programs, such as programs already authorized by Congress for cancer research, sickle cell anemia, Cooley's anemia, and appropriations for the National Institutes of Health. He can reduce or eliminate many of the construction grants to build new hospitals or to renovate and remodel outdated hospitals in metropolitan areas.

In the field of education, he can eliminate programs under title I which affect the poor, impact-school-aid grants, loans and Federal grants such as the national education defense loans for students who are attending colleges and universities.

This year, the budget for education was a little more than $3 billion. A 20-percent reduction would allow the President to cut $720 million in any education area he chooses.

During the past year, the President has vetoed Health, Education, and Welfare appropriations, accelerated public works, Economic Opportunity Act, and the Appalachian Regional Development Act Amendments of 1971. These measures would have done much to improve general economic development. Through these vetoes, the President has already demonstrated his lack of concern for making a real commitment to improve the lot of low- and middle-income citizens. Under the broad authority given to him by Congress in this conference substitute, the President could reduce funding further in these areas.

Mr. Speaker, I stand exactly as I did the other day. I think the greatest danger in this measure is that we are abdicating to the President the authority to eliminate any program he wants without any oversight review by this Congress.

Mr. WILLIAM D. FORD. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Michigan (Mr. WILLIAM D. FORD).

Mr. WILLIAM D. FORD. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from Massachusetts.

Mr. Speaker, once again I stand in opposition to this act. Last week, when the debt ceiling limitation legislation first came before this body for consideration I opposed it because I feared that it would give the President authorization to cut back funds in vitally needed areas such as education, manpower, training, environmental protection, and health.

After reading the conference report now before us I see that my fears were justified. Under the measure now under consideration, the President would be able to cut back funds authorized and appropriated by the Congress not only in these areas, but in other areas as well.

Under the conference report the President would have the authority to cut back funds in areas such as vocational education. He could cut back funds for libraries, arts, and humanities. He could reduce funds for public broadcasting.

Mr. Speaker, this legislation is preposterous. Why should Congress abdicate its power and responsibility to one who has already proven by his past performance that he is totally irresponsible when it comes to human needs? Why should Congress give its power away to one who has demonstrated by both word and deed his total disregard for the will of Congress?

What makes anyone here today think that an employee of the Bureau of the Budget or a Nixon administration staff member is more intelligent or better able to make fiscal decisions than a Member of Congress? What makes us think that a President who cannot even control his own campaign staff and who evidently does not even know how his own campaign is being financed or how the funds are spent is better able to make fiscal decisions than a Member of Congress?

Mr. Speaker, the passage of legislation under which Congress abdicates its constitutionally derived powers to the executive branch at any time is unwise. The passage of legislation of this nature at a time when the executive branch is under the control of an administration which has already demonstrated its total lack of compassion and feelings for the average working man and woman of America is simply irresponsible.

The passage of this legislation today would negate all of my efforts during the past year to provide more badly needed funds to education programs. It would thwart my efforts to add additional funds to the President's miserly budget request for educational programs.

It would thwart our efforts in adopting the Hathaway amendment this year which added $1.2 billion to the Nixon administration's budget request for education, and it would thwart our efforts over the past years in overriding presidential vetoes of education appropriations bills.

The adoption of this measure today would completely undermine virtually all of this body's efforts to provide more Federal funds for human needs for badly needed Federal programs in fields such as health, education, and environment.

Mr. Speaker, I urge the defeat of this unwise and irresponsible legislation.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, I rise to associate myself with the remarks of the gentleman from Massachusetts against this giving the power to control spending to the President and I commend him for a very fine statement.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. EVINS).

Mr. EVINS of Tennessee. Mr. Speaker, I oppose the pending conference report to establish a rigid and inflexible ceiling on expenditures.

I opposed this bill in the House earlier and, although it passed under the appeal of economy in government as we are all concerned about restraint and economy in government, the fact remains that this is simply another effort by the Office of Management and Budget—the Bureau of the Budget—to induce Congress to surrender additional power to the executive branch. This amounts to an item veto and I oppose this—an item veto on appropriations.

I continue to oppose an item veto in any administration—whether Democratic or Republican. With the granting of the item veto to the Executive, we have gone down the road of erosion of the Congress a long way—the wrong way. Over the years we have legislated away many powers of the Congress. We have seen too much erosion of the Congress to the executive branch.

While some contend that the bill has been improved by the other body I still oppose it. Some state that this only provides for a temporary authority—a temporary dictatorship.

History shows that powers lost are seldom regained.

I cannot support a further abdication of the powers of the Congress—and giving to OMB the power to "pick and choose" at will the right to select "pet" projects for funding while denying others on priorities set by the Congress.

The conference report for these and many other reasons should be defeated in the public interest.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Will the gentleman agree that some years back the great pressure to turn power over to the

President came from the liberals? They wanted liberal programs which Congress would not pass, and they wanted the President to be able to get this liberal program through quickly.

The liberals have come to regret that with the war in Vietnam, as they realized that Congress by abdicating its power allowed the President to take us into Vietnam.

I say that the so-called conservatives are going to see the day when they rue this abdication of power by turning the power to spend over to the President.

Mr. EVINS of Tennessee. From whatever source the abdication of power has come, it is bad.

Two years ago, we saw a complete stopping of a project approved by the public works appropriation in toto. Already this year, they are frozen to the fourth quarter on the public works projects, utilizing this assumed authority which we now propose to give him on this legislation.

From whatever source, it is bad legislation.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. The conference report indicates what veterans' benefits, compensation, pension benefits, hospital benefits are exempt, but it is mute as far as education benefits, direct loan benefits, and service-connected benefits. I wonder if these are included.

Mr. BYRNES of Wisconsin. Veterans' compensation pension benefits and hospital care are excluded from any cut as, I believe, it is the general intention that any benefits administered by the Veterans' Administration in terms of cash benefits.

Mr. MILLS of Arkansas. That is my interpretation.

Mr. DUNCAN. I just wanted to ask.

Mr. BYRNES of Wisconsin. Now let me say, in all that category there never has been any intention, we have been told by the administration, certainly there was never any intention that these items would be cut in any way, but I suppose it gave the Senate some assurance to put it in.

Mr. DUNCAN. I thank the gentleman.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have no further requests for time.

Mr. MILLS of Arkansas. I yield to the gentleman from New York (Mr. REID).

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

Mr. REID. Mr. Speaker, I rise in opposition to the conference report on H.R. 16810, the public debt limitation, which includes a limitation on expenditures.

In my view, Mr. Speaker, by authorizing the Executive to make cuts in the budget that Congress has carefully and painstakingly prepared, with no congressional action or oversight over those cuts, we are abdicating our responsibilities as a separate branch of Government.

I supported the Mahon amendment to the original House version of this bill, but the bill as passed gave the President a blank check to cut any program he wished. I oppose the conference version as little more than a nod toward those of us in both bodies who refused to give the President this blanket power, with the substantive effect of the bill before us being one which would, again, authorize the President to slash numerous programs even when a majority in Congress supported them.

To be specific, as this conference agreement has been written, the President would be authorized to cut a number of programs by no more than 20 percent in order to reduce his total budget to a total of $250 billion. Certain programs, in addition, have been "lumped together" into categories, the total of which may not be cut by more than 20 percent. Finally, six certain areas specified by the conference are not to be cut at all.

What becomes clear, however, is that the President would be authorized, under this language, to cut 100 percent of a specific item within a category, provided the net reduction of the category were not reduced by over 20 percent.

For instance, in a program such as elementary and secondary education, for which Congress has appropriated a total of $2.34 billion, the President could cut a total of almost $500 million. However, if we wished, he could take all of the $500 million from, for instance, title I, aid to educationally deprived children, even though that would mean a cut of almost one-third in that vital program.

Similarly, the President is entitled to reduce the category of "other manpower aids"—a subcategory of education and manpower in the budget—by 20 percent. This entitlement would enable him to eliminate all funds for, for instance, the Equal Employment Opportunity Commission.

Clearly, the definition of "category" in the conference report is so broad as to permit a 100-percent reduction in specific programs, even though the "category" is cut by only 20 percent and even though Congress specifically voted the funds for that program.

Finally, as if the "category" definition were not already broad enough, the conference has "lumped together" certain categories. For instance, they have combined vocational education, library commission programs, and funds for the arts and humanities—three totally unrelated categories. This combination means that, as long as the President does not reduce the totals of their budgets by more than 20 percent, he can cut as much as he wishes from a specific program.

I cannot vote for this bill.

It seems clear to me that there is a fundamental constitutional question involved in these blanket grants of authority over what is and has always been a congressional prerogative: The "power of the purse." In a time when the imbalance between the Congress and the executive branch is growing wider, we in Congress must not broaden the gap.

I appeal to my colleagues to oppose this bill, and protect not only the Constitution but also the rights of the Congress.

Mr. ANDERSON of Illinois. Mr. Speaker, the Washington Post article has indicated that the fiscal year 1973 budget statement issued in January showed a total of $174 billion in uncontrollable or relatively uncontrollable items and an additional $55 billion in the defense budget that presumably would not be cut, leaving only $17 billion from which to make the necessary $7 billion reduction. It further assumed that most of this $17 billion is comprised of domestic social welfare, health, education, and pollution control programs and that to get down to the $250 billion ceiling would require an average cut of about 41 percent in all of these programs.

This argument is highly misleading because the categories specifically exempted from the expenditure ceiling do not overlap with the "uncontrollable" figure listed in the fiscal year 1973 budget. In fact, the specifically exempted programs total only $92.5 billion—37 percent of the budget—leaving $157.5 billion in programs which would be subject to cutback. It woud take an average cut of 4.4 percent in these programs to reduce total outlays by $7 billion. The outlays involved in the items specifically exempted are as follows:

Fiscal year 1973 outlays

Program:	*Billions*
Military retirement pay	$4.3
Veterans benefits	8.7
Social security	46.0
Unemployment compensation	6.1
Medicare and medicaid	14.0
Public assistance maintenance grants	7.3
Railroad and civil service retirement annuities	6.0
Judicial salaries	.12
Total	92.5

Mr. PICKLE. Mr. Speaker, I oppose the conference report on H.R. 16810. When this bill was before the House, I had voted for the Mahon amendment because I thought the House ought to know where the President intends to make his cuts. On final passage in the House I voted for the measure because I felt it should be sent to the other body and to hope that a satisfactory conference could be held. This report before us now does not satisfy my objections and I think it should be opposed.

A confluence of problems have beset Congress, but the so-called spending limit in its form before us is the most doubtful uncertainty of them all. The administration's proposal to set an arbitrary Federal spending ceiling for the remainder of the 1973 fiscal year is a hoax on the American taxpayers and it does great violence to the legislative branch of the Government. Whether you are a liberal or a conservative, a mossback, a moderate, or in between, a close examination of this proposal would label it a political hatchet job, and certainly a bookkeeping sham.

If we pass H.R. 16810, we allow the President to take our responsibilities and cut back some $7 or $8 billion from programs vital to America.

What kind of programs will be suffering? Let us list a few:

Food-for-peace.
State Department.
Rural housing.
Land management.
The Environmental Protection Agency.
Recreational programs.
High-speed ground transportation.
Area and regional economic development.
Community action programs.
Model cities.
Urban development and planning.
Low- and moderate-income housing aids.
Aid to education.
Headstart.
Manpower training.
Equal Employment Opportunities Commission.
Development of health programs.
Commission on Civil Rights.
Peace Corps.
And I could go on.

I hope these figures are correct. It is very difficult to hear the figures tossed out by the Ways and Means Committee and to try to interpret the statements of the Appropriations Committee and make the figures correspond. This is another very important reason why we should have more time to consider this important measure.

From these above-named programs, it is obvious that many of our domestic problems will suffer severely from these cuts. It has been contended by Speaker CARL ALBERT and other Members of Congress that the programs of the Great Society, initiated during the term of office of President Lyndon B. Johnson, will suffer the greatest cuts of all. These programs have proven to be worthwhile and beneficial programs and are the symbols of the progressive area of our times. If we allow them to be dismantled as this bill might do, we are actually destroying some of the greatest programs of the past decade.

It will be contended that the programs are being dismantled in the name of fighting inflation and the accusation will be that it is the only way a Republican President can control the spending of a Democratic Congress. It must be pointed out, however, that the Appropriations Committee this year has cut the President's budget nearly $5 billion. If we have cut this budget $5 billion it must be asked, therefore, why we are overspending—why we are facing a $7 billion spending cut. And it also must be asked where did these extra appropriations come from?

Well, the truth of the matter is that a good portion of this excess spending has emanated from the Ways and Means Committee—the very committee that is asking us to vote for this measure today. We have spent in excess of $3.3 billion on the revenue-sharing bill. In addition, the 20-percent social security increase and this present social security reform measure, which will cost the taxpayers some $6 billion, constitutes a very considerable sum of actual expenditures, because the social security rates are increased and because 100-percent funding is made available now to widows, and because the ceiling of earnings has been raised from $1,680 to $2,100. Just these items constitute under half of the excess spending that has occurred. But you will see that the President will attack the "Democratic Congress" when in truth the bills that have caused the greatest excess spending have been those demanded by this administration.

If the President wants to save money and if he is given the authority to keep spending at a $250 billion level, then he can choose to make the cuts in these categories or at least to make them a proportionate cut along with others. I daresay, though, that when the President goes to Philadelphia and sits in the shadow of the Liberty Bell, he will not meet his responsibilities to exercise cuts in these areas, but rather will proclaim a vow to keep us fiscally strong.

I also would like to recap the impact of H.R. 16810 on other programs. For example, in the Elementary and Secondady Education Act, title I is designed to aid educationally disadvantaged children. Currently the program's specific objective is to improve the achievement of about 8 million children. I do not want to slam the school door shut on millions of American children.

I do not want to be a messenger boy for the executive department in the rural areas of my district to tell the farmers that they should reduce their standard of living 20 percent because the President has decided to cut food for peace by 20 percent. Watch for heavy cuts in all the domestic programs while the favored programs will be kept intact. If we vote this spending limitation in its present form then those who vote that way will lose their right for legislative objections.

Mr. Speaker, we do need to cut back spending and under normal circumstances a spending limitation can be achieved. This has been done under other Presidents and I have supported those limitations. But the measure before us is in violation of constitutional restraints. It requires the President to spend in some areas and not in others and it gives him constitutional authority to eliminate a complete program if it happens to be one of a lumped-together program or in the same category. This is not a good privilege to give to the President and it certainly is not a wise thing for the Congress to impose on itself.

GENERAL LEAVE

Mr. MILLS 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 conference report under consideration.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. HALL

Mr. HALL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. HALL. I am, Mr. Speaker, in its present form.

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

The Clerk read as follows:

Mr. HALL of Missouri moves to recommit the conference report on the bill (H.R. 16810) to the committee of conference.

Mr. MILLS of Arkansas. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

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

The motion to recommit was rejected.

The SPEAKER. The question is on the conference report.

Mr. MILLS of Arkansas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 166, nays 137, not voting 128, as follows:

[Roll No. 456]

YEAS—166

Alexander	Goodling	Pettis
Anderson, Ill.	Grasso	Pike
Andrews, Ala.	Griffin	Pirnie
Belcher	Grover	Powell
Bennett	Halpern	Preyer, N.C.
Bergland	Hamilton	Price, Tex.
Betts	Hammer-schmidt	Quie
Biester	Hanley	Quillen
Boland	Hansen, Idaho	Randall
Bray	Harsha	Rhodes
Breaux	Heckler, Mass.	Robinson, Va.
Brotzman	Hillis	Robison, N.Y.
Brown, Mich.	Hogan	Roe
Broyhill, N.C.	Horton	Rogers
Broyhill, Va.	Hull	Rooney, Pa.
Buchanan	Hutchinson	Rostenkowski
Burke, Fla.	Jarman	Roy
Byrnes, Wis.	Johnson, Pa.	Ruth
Byron	Jonas	Sandman
Carey, N.Y.	Jones, Ala.	Satterfield
Carlson	Jones, N.C.	Saylor
Carter	Keating	Schneebeli
Cederberg	Kee	Scott
Chamberlain	Keith	Sebelius
Clancy	Kemp	Shriver
Clausen Don H.	King	Smith, Iowa
Cleveland	Kyl	Spence
Collier	Landrum	Springer
Colmer	Latta	Staggers
Conable	Lent	Stanton, J. William
Conover	Lujan	Steele
Coughlin	McClory	Stratton
Daniel, Va.	McCloskey	Stubblefield
Davis, Ga.	McCollister	Taylor
Davis, S.C.	McDade	Teague, Calif.
de la Garza	McEwen	Terry
Dennis	McKevitt	Thone
Devine	McKinney	Ullman
Downing	Mallary	Vander Jagt
Duncan	Mann	Veysey
du Pont	Mathias, Calif.	Vigorito
Edwards, Ala.	Mazzoli	Wampler
Esch	Miller, Ohio	Ware
Eshleman	Mills, Ark.	Whalley
Fascell	Mills, Md.	Whitehurst
Findley	Minshall	Wiggins
Fish	Mizell	Williams
Flood	Montgomery	Wydler
Ford, Gerald R.	Murphy, N.Y.	Wylie
Forsythe	Myers	Wyman
Fountain	Natcher	Yatron
Frelinghuysen	Nelsen	Young, Fla.
Frenzel	O'Konski	Zion
Fuqua	Patten	Zwach
Gaydos	Pelly	
Gibbons	Pepper	

NAYS—137

Abzug	Ashbrook	Blaggi
Adams	Ashley	Bingham
Addabbo	Aspinall	Blatnik
Annunzio	Barrett	Brademas

Brasco	Hays	Poage
Brinkley	Hechler, W. Va.	Price, Ill.
Burke, Mass.	Heinz	Rangel
Burton	Helstoski	Rarick
Camp	Hicks, Mass.	Rees
Carney	Hicks, Wash.	Reid
Casey, Tex.	Holifield	Reuss
Celler	Hungate	Riegle
Chisholm	Jacobs	Roberts
Clark	Johnson, Calif.	Rodino
Collins, Ill.	Karth	Rosenthal
Conte	Kastenmeier	Roush
Conyers	Kazen	Rousselot
Corman	Kluczynski	Roybal
Cotter	Kyros	St Germain
Culver	Landgrebe	Sarbanes
Daniels, N.J.	Leggett	Scherle
Dellenback	Lennon	Scheuer
Dellums	Long, Md.	Schmitz
Dent	McCulloch	Schwengel
Diggs	McFall	Seiberling
Dingell	Macdonald, Mass.	Sikes
Donohue	Madden	Skubitz
Drinan	Mahon	Slack
Dulski	Mathis, Ga.	Smith, Calif.
Eckhardt	Metcalfe	Stanton, James V.
Edwards, Calif.	Miller, Calif.	Steed
Eilberg	Minish	Stokes
Evins, Tenn.	Mink	Stuckey
Foley	Mitchell	Sullivan
Ford, William D.	Moorhead	Teague, Tex.
Fraser	Morgan	Tiernan
Fulton	Mosher	Vanik
Garmatz	Murphy, Ill.	Whalen
Gonzalez	Nedzi	White
Green, Pa.	Nix	Whitten
Gude	Obey	Wilson, Charles H.
Hagan	O'Hara	Wright
Hall	O'Neill	Yates
Harrington	Passman	Young, Tex.
Hathaway	Perkins	Zablocki
Hawkins	Pickle	

NOT VOTING—128

Abbitt	Dow	Martin
Abernethy	Dowdy	Matsunaga
Abourezk	Dwyer	Mayne
Anderson, Calif.	Edmondson	Meeds
Anderson, Tenn.	Erlenborn	Melcher
Andrews, N. Dak.	Evans, Colo.	Michel
Archer	Fisher	Mikva
Arends	Flowers	Mollohan
Aspin	Flynt	Monagan
Badillo	Frey	Moss
Baker	Galifianakis	Nichols
Baring	Gallagher	Patman
Begich	Gettys	Peyser
Bell	Giaimo	Podell
Bevill	Goldwater	Pryor, Ark.
Blackburn	Gray	Pucinski
Blanton	Green, Oreg.	Purcell
Boggs	Griffiths	Railsback
Bolling	Gross	Roncalio
Bow	Gubser	Rooney, N.Y.
Brooks	Haley	Runnels
Broomfield	Hanna	Ruppe
Brown, Ohio	Hansen, Wash.	Shipley
Burleson, Tex.	Harvey	Shoup
Burlison, Mo.	Hastings	Sisk
Byrne, Pa.	Hébert	Smith, N.Y.
Cabell	Henderson	Snyder
Caffery	Hosmer	Steiger, Ariz.
Chappell	Howard	Steiger, Wis.
Clawson, Del	Hunt	Stephens
Clay	Ichord	Symington
Collins, Tex.	Jones, Tenn.	Talcott
Crane	Koch	Thompson, Ga.
Curlin	Kuykendall	Thompson, N.J.
Danielson	Link	Thomson, Wis.
Davis, Wis.	Lloyd	Udall
Delaney	Long, La.	Van Deerlin
Denholm	McClure	Waggonner
Derwinski	McCormack	Waldie
Dickinson	McDonald, Mich.	Widnall
Dorn	McKay	Wilson, Bob
	McMillan	Winn
	Mailliard	Wolff
		Wyatt

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Melcher for, with Mr. Thompson of New Jersey against.

Mr. Bevill for, with Mr. Wolff against.

Mr. Nichols for, with Mr. Caffery against.

Mrs. Griffiths for, with Mr. Burlison of Missouri against.

Mr. Burleson of Texas for, with Mr. Waldie against.

Mr. Cabell for, with Mr. Badillo against.

Mr. Hunt for, with Mr. Moss against.

Mr. Hosmer for, with Mr. Monagan against.

Mr. Arends for, with Mr. Link against.

Mr. Bob Wilson for, with Mr. Matsunaga against.

Mr. Widnall for, with Mr. Hanna against.

Mr. Thomson of Wisconsin for, with Mr. Koch against.

Mr. Gubser for, with Mr. Blanton against.

Mr. Andrews of North Dakota for, with Mr. Chappell against.

Mr. Baker for, with Mr. Clay against.

Mr. Archer for, with Mr. Aspin against.

Mr. Broomfield for, with Mr. Brooks against.

Mr. Martin for, with Mr. Danielson against.

Mr. Railsback for, with Mr. Delaney against.

Mr. Peyser for, with Mr. Mikva against.

Mr. Davis of Wisconsin for, with Mr. Dow against.

Mr. Dickinson for, with Mr. Roncalio against.

Mr. Erlenborn for, with Mr. Henderson against.

Mr. Frey for, with Mr. McCormack against.

Mr. Goldwater for, with Mr. Rooney of New York against.

Mr. Harvey for, with Mr. Podell against.

Mr. Hastings for, with Mr. Pucinski against.

Mr. Kuykendall for, with Mr. Patman against.

Mr. Ichord for, with Mr. Pryor of Arkansas against.

Mr. Jones of Tennessee for, with Mr. Van Deerlin against.

Mr. Mailliard for, with Mr. Udall against.

Mr. Fisher for, with Mr. Symington against.

Mr. Brown of Ohio for, with Mr. Sisk against.

Mr. Ruppe for, with Mr. Shipley against.

Mr. Shoup for, with Mr. Edmondson against.

Mrs. Hansen of Washington for, with Mr. Denholm against.

Mr. Mayne for, with Mr. Baring against.

Mr. Michel for, with Mr. Abourezk against.

Mr. Dorn for, with Mr. Byrnes of Pennsylvania against.

Mr. Flowers for, with Mr. Gallagher against.

Mr. Flynt for, with Mr. Abernethy against.

Mr. Winn for, with Mr. Dowdy against.

Mr. Snyder for, with Mr. Blackburn against.

Mr. Smith of New York for, with Mr. Crane against.

Mr. Wyatt for, with Mr. Derwinski against.

Mr. Giaimo for, with Mr. Meeds of California against.

Mr. Curlin for, with Mr. Anderson of California against.

Until further notice

Mr. Gray with Mr. McDonald of Michigan.

Mr. Gettys with Mr. Bow.

Mrs. Green of Oregon with Mr. Bell.

Mr. Haley with Mr. Lloyd.

Mr. Evans of Colorado with Mrs. Dwyer.

Mr. Anderson of Tennessee with Mr. Collins of Texas.

Mr. Abbitt with Mr. McClure.

Mr. Hébert with Mr. Del Clawson.

Mr. Waggonner with Mr. Steiger of Arizona.

Mr. Purcell with Mr. Steiger of Wisconsin.

Mr. Mollohan with Mr. Talcott.

Mr. Stephens with Mr. Thompson of Georgia.

Mr. Howard with Mr. Long of Louisiana.

Mr. McKay with Mr. McMillan.

Mr. Runnels with Mr. Galifianakis.

Messrs. JONES of North Carolina and TERRY changed their vote from "nay" to "yea."

Mr. ASHLEY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: Page 5, after line 4, insert:

TITLE VI—MISCELLANEOUS PROVISIONS

AMENDMENT TO FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970

SEC. 601. Section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before July 1, 1973, and beginning after the date of the enactment of this sentence (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof and as if paragraph (1) of section 203(b) did not contain subparagraph (B) thereof.".

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

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

There was no objection.

MOTION OFFERED BY MR. MILLS OF ARKANSAS

Mr. MILLS of Arkansas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MILLS of Arkansas moves that the House recede from its disagreement to Senate amendment numbered 10 and agree to the same with the following amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

TITLE V—MISCELLANEOUS PROVISIONS

AMENDMENT TO FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970

SEC. 501. Secion 203 (e) (2) of the Federal-State Extended Unemployment Compensation Act of 1970, is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before July 1, 1973, and beginning after the date of the enactment of this sentence (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State "off" indicator ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD:

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, this is an amendment that was not germane to the subject matter of H.R.

16810 since it is an amendment to the Federal-State Extended Unemployment Compensation Act. Under the rules of the House, there was nothing the conference committee could do but bring this amendment back in disagreement. In the conference we discussed the Senate amendment and we discussed the motion that I have just submitted.

The Senate amendment provided for a temporary amendment to the Extended Unemployment Compensation Act which would have cost $350 to $450 million in State and Federal funds. The Federal cost alone would have been $175 to $225 million. The amendment contained in the motion I have made would cost approximately $160 to $202 million in total funds, including both Federal and State, or an estimated $80 to $101 million in Federal funds.

Let me take just a moment to explain the amendment. Under the Federal-State Extended Unemployment Compensation Act of 1970, extended benefits are paid to workers who have exhausted their benefits under a State program or one of the Federal programs which provide for the payment of unemployment compensation. These extended benefits may be paid, however, only during an "extended benefit period." An extended period can exist either on a national or a State level if certain conditions are met. A national extended benefit period begins in all States with the third week after the week in which insured unemployment for all States equals or exceeds 4.5 percent. A national extended benefit period remains in existence until the third week after there is a national "off" indicator; that is, the week the rate of insured unemployment nationally falls below 4.5 percent.

The extended benefits can be paid in a single State beginning with the third week after there is a State "on" indicator and ending with the third week after there is both a national and State "off" indicator.

There is a State "on" indicator for a week if the insured unemployment rate in the State for a moving 13-week period, first, equaled or exceeded 120 percent of the average of such rates for the corresponding 13-week periods in the preceding 2 calendar years, and second, equaled or exceeded 4 percent. There is a State "off" indicator for a week if either of these conditions was not satisfied.

The amendment contained in my motion would permit the States until July 1, 1973, to disregard the 120-percent requirement which I just mentioned in applying the State "off" indicator.

This 120-percent requirement was incorporated into the law to preserve the concept that extended benefits would be payable only in periods when unemployment rates were higher than normal. It was designed to prevent the program from becoming operative every year in a State where seasonal industries produce a high rate of unemployment for a relatively short period as a normal consequence of seasonality and to prevent the program from becoming operative on a permanent basis in a State where the normal unemployment rate exceeds 4 percent.

For the purposes of the State "on" indicator, the 120-percent factor has satisfactorily achieved its intended purpose. With respect to the State "off" indicator, however, its operation has proved to be defective when periods of high unemployment last for more than 2 years, as they have in some States since the extended benefits program was enacted into law. When this happens, the rate of insured unemployment, however high, must continue to get worse in order to meet the 120-percent requirement and keep the extended benefits program operating in a State. The program triggered "off" for example in the State of Washington and extended benefits ceased to be payable after April 1, 1972, in that State despite an insured unemployment rate of 12 percent at that time.

The anomalous results of the operation of the 120-percent requirement were not foreseen when the legislation was enacted. It was not expected that unemployment would remain as high as it has in certain States for as long as it has.

The amendment contained in my motion provides that a State may disregard the 120-percent requirement in determining whether there is a State "off" indicator during the period after enactment until the last week beginning before July 1, 1973. The Senate amendment would have permitted the States to disregard the 120-percent requirement in both the State "on" indicator and the State "off" indicator, and in addition would have suspended the application of a requirement of the law that there be a minimum 13-week hiatus between extended benefit periods.

According to information received by the U.S. Department of Labor from the States, there are 10 States which would be affected by the amendment. They are: Alaska, Maine, Massachusetts, Michigan, Nevada, New Jersey, Puerto Rico, Rhode Island, Vermont, and Washington. The cost estimate which I mentioned earlier, that is the total cost of $160 to $202 million with the Federal share $80 to $101 million, assumes that each of these States takes full advantage of the amendment and enacts legislation suspending the 120-percent requirement as of the effective date of the amendment. Since it is hardly likely that all of the States will act in this manner, the actual cost of the legislation is likely to be considerably less than these estimated amounts. The number of beneficiaries that would be affected if all of the States took full advantage of the authority provided them in the amendment would be approximately 300,000 to 380,000 unemployed persons.

This amendment is identical to a bill which the Committee on Ways and Means considered and ordered reported in August of this year—H.R. 15624. At the time the committee took action on this bill, the situation was somewhat different than it is today, and we were told then that it would have affected more States than are expected now to be affected by this amendment. According to the estimates that were made in August, there were three additional States that were expected to be affected by the legislation. These States are California, Connecticut, and New York. Since that time, the insured unemployment rate has declined in those three States more than it was expected to. We are now told that the insured unemployment rate dropped below 4 percent as of September 30 in California and New York and is expected to drop below 4 percent as of October 14 or October 21 when the final data for these weeks is compiled. These States would, therefore, not be affected by the amendment since a State is required to continue to have an insured unemployment rate of 4 percent or more to keep the extended benefits program in operation, and the legislation does not modify this requirement.

I urge the House to adopt this motion.

Mr. BYRNES of Wisconsin. Mr. Speaker, in the first instance it was my feeling that this amendment should be opposed. I still have very serious misgivings with respect to it, but quite frankly, it has to be acknowledged that there are some States where there has been a continuing level of high unemployment. In these instances, although the level of unemployment may remain relatively high, the extended benefits program triggers off because unemployment is not 120 percent higher than the corresponding period during the 2 preceding years. Due to this, the Federal-State extended benefits program is not available in those States.

Additionally, Mr. Speaker, this bill suspends the 120-percent trigger only through June 30 of this fiscal year. Also the suspension will require the States to adopt implementing legislation and they will pay one-half of the benefit costs. These factors lead me to a feeling that we should not oppose this amendment at this time.

It is probably the course of wisdom to recognize the plight of the unemployed in the States affected, and to go along with the Senate amendment. I would say, though, Mr. Chairman, that I thought we eliminated the practice of enacting ad hoc unemployment compensation legislation to take care of temporary emergencies when the Ways and Means Committee developed the Federal-States extended benefits program included in the Employment Security Amendments Act of 1970. I thought that that legislation was to take care of these kinds of situations.

Yet, since enacting that legislation, ad hoc amendments have been enacted on three separate occasions to deal with special circumstances. When next June 30 comes around, I hope we will develop and enact improvements on a permanent basis if changes are desirable, rather than eroding a sound system through a series of omnibus amendments to deal with temporary expedients.

Mr. MILLS of Arkansas. Mr. Speaker, I have no further requests for time.

Mr. GERALD R. FORD. Will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, when I first came to Congress one of the younger members of the powerful Committee on Ways and Means befriended me. Now that the gentleman from Wisconsin, the Honorable JOHN W. BYRNES, is about to retire after 28 years of distinguished service. I am consoled only

by the fact that we both feel as young and vigorous as ever.

The contributions of JOHN BYRNES to his country, through his skillful and extremely knowledgeable role as ranking minority member of the Committee on Ways and Means, simply defy my ability to repeat here. He has been one of the giant legislators of our time. Formidable in debate, unequalled in conference, and universally respected for his integrity and intelligence, JOHN BYRNES has left a lasting imprint on the fiscal policies of the postwar period. He has been a counsellor of Presidents but more importantly a great and good friend to all of us.

Personally, I know that old friends are the best friends and I know that I am only losing a colleague, not a friend. My wife Betty and I wish for JOHN and Bobbie every good fortune in the future.

Mr. MILLS of Arkansas. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas (Mr. MILLS).

The motion was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 724. Concurrent resolution directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 1.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1) entitled "An act to amend the Social Security Act to increase benefits and improve eligibility and computation methods under the OASDI program, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis on improvements in their operating effectiveness, to replace the existing Federal-State public assistance programs with a Federal program of adult assistance and a Federal program of benefits to low-income families with children with incentives and requirements for employment and training to improve the capacity for employment of members of such families, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 16925. An act to amend title 37, United States Code, to extend the authority for special pay for nuclear-qualified naval submarine officers, authorize special pay for nuclear-qualified naval surface officers, and provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes.

CONFERENCE REPORT ON H.R. 1467, PERSONAL EXEMPTIONS OF AMERICAN SAMOANS

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 1467) to amend the Internal Revenue Code of 1954 with respect to personal exemptions in the case of American Samoans.

The Clerk read the title of the bill.

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

Mr. VANIK. Mr. Speaker, reserving the right to object, I would appreciate it if the distinguished chairman of the Committee on Ways and Means would describe the various provisions of the conference report and also advise the House as to the loss of revenue, the effect on the Treasury.

Mr. MILLS. of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Arkansas.

Mr. MILLS of Arkansas. As my friend from Ohio knows, the American Samoan provision was contained in the bill of the gentlewoman from Hawaii (Mrs. MINK), which passed the House by unanimous consent. It involves a loss of less than $100,000 a year.

The bill, H.R. 1467, as passed by the House, extends the present law definition of a "dependent" for purposes of claiming an income tax personal exemption to include "nationals" of the United States who otherwise would qualify as dependents but for the fact that they are not citizens of the United States. In practice, these changes will have application only to American Samoans. The Senate accepted this House-passed provision changing only the effective date, making it apply to taxable years starting after 1971 rather than after 1970.

The Senate has also added five other amendments to the bill. The conferees accepted three of these amendments and rejected two.

The first amendment rejected by the conferees relates to guaranteed renewable life, health, and accident insurance contracts of life insurance companies. The second amendment which the conferees disagreed to relates to the effective date of the provision in the 1971 Revenue Act dealing with the minimum tax in the case of capital gains and stock option income attributable to foreign sources. In rejecting these amendments, it should be made clear that it was not because of any fundamental disagreement with the provisions but rather because there was not time for the House conferees to fully explore the technicalities involved in them.

The first amendment accepted by the conferees relates to the estate tax treatment of annuities in community property States. This amendment removes a discrimination in existing estate tax law against spouses of employees in community property States who die before the employee spouse. Generally, an estate tax exclusion is provided for the proportion of the value of a survivor annuity representing the contributions of the employer. In a common law State where the nonemployee—often the wife—dies first, no value representing the employer's contribution is included in her estate tax base. However, in a community property State, as a result of the operation of community property laws, half of the value of the annuity in such a case is included in the estate tax base of the nonemployee spouse, even though attributable to employer contributions. This amendment overcomes this discrimination against nonemployee spouses in community property States.

The second amendment agreed to by the conferees extends through the end of this year the provision of the Technical Amendments Act of 1958 which provides that a deduction for accrued vacation pay is not to be denied solely because the liability for it to a specific person has not been fixed or because the liability with respect to each individual cannot be computed with reasonable accuracy. This is a continuation for 2 more years of the treatment which has been available for taxable years ending before January 1, 1971. It is necessary if corporation which have been on an accrual basis for past years are not to be denied all deductions for vacation pay in the current year.

The third and final amendment, agreed to by the conferees, relates to the deduction of a portion of a State tax on motor vehicles in the case where the tax rate is higher than the general sales tax rate. Under present law, State taxes on motor vehicles are deductible where that tax is at the same rate as—or at a lower rate than—the State's general sales tax. However, where the State tax on motor vehicles is imposed at a higher rate than the general sales tax rate, the entire tax is nondeductible. The Senate amendment permits a deduction of the portion of the taxes on motor vehicles which is equal to the general sales tax rate. This amendment is applicable to the State tax on motor vehicles imposed by the States of West Virginia and Vermont.

Mr. VANIK. I should like to inquire of the distinguished chairman whether there is any plan to bring up any of the other bills on the Ways and Means Committee list for action?

Mr. MILLS of Arkansas. No, there is no plan. Two or three of them ought to pass. It is not a life and death matter.

Actually, there is a bill dealing with Guam, as to which I am pressed by certain members of the Committee on Interior and Insular Affairs. I wish the gentleman and others would look at it, because it is eminently fair for citizens of Guam. If there is no objection to it, I will call it up.

Beyond that, I do not believe there is any need to call the others up. I will have a request in a few minutes to take a bill from the Speaker's table, H.R. 7577, with a number of amendments. I understand my request to send the bill to conference will be objected to; and I do not care.

Mr. VANIK. Mr. Speaker, I withdraw my reservation.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of today.)

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, in view of the explanation given, I ask unanimous consent that the statement of the managers be considered as read.

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REQUEST FOR CONFERENCE ON H.R. 7577, INTERNAL REVENUE CODE AMENDMENT

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7577) to amend section 3306 of the Internal Revenue Code of 1954, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. ROUSSELOT. Mr. Speaker, I object to the conference report on this bill, H.R. 7577, because it contains an amendment to the Federal-State Extended Unemployment Compensation Act which is contrary to an amendment to that same legislation in the conference report on the debt ceiling bill, H.R. 16810, which the House just adopted.

The amendment contained in H.R. 7577 is too extreme a departure from the original concept of the Extended Unemployment Compensation Act. It is much broader than the amendment adopted as part of the conference report on the debt ceiling bill. If the House had approved the amendment contained in this bill, it would have been in the anomalous position of taking action to amend the same provisions of law in two contrary ways.

SPECIAL PAY FOR NUCLEAR-QUALIFIED NAVAL PERSONNEL

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 16925) to amend title 37, United States Code, to extend the authority for special pay for nuclear-qualified naval submarine officers, authorize special pay for nuclear-qualified naval surface officers, and provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 4, after the line following line 9, insert:

SEC. 2. The provisions of section 7545(c) of title 10, United States Code, shall not apply with respect to any gift made after the date of enactment of this Act and prior to January 1, 1973, by the Department of the Navy to the city of Clifton Forge, Virginia, of a Baldwin steam locomotive (No. 606) which is no longer needed by the Navy and which has certain historical significance for the city of Clifton Forge, Virginia.

Mr. PRICE of Illinois. Mr. Speaker, on October 11, 1972, the House passed H.R. 16925, a bill designed to continue for 2 additional years the special pay for nuclear qualified submarine officers who contractually agree to remain beyond their minimum obligated service, to authorize special pay for nuclear qualified naval surface officers who agree to continue service in that field beyond their obligated tour of duty, and to provide special pay to certain nuclear trained and qualified enlisted members of the naval service who agree to reenlist. The authority is provided to run through June 30, 1975.

The bill was approved by the House without objection.

The Senate today passed H.R. 16925 and agreed to all its provisions as approved by the House. However, because of the press of legislative business and the pending termination of the session, the Senate added a minor amendment.

The amendment does not affect the subject matter of the House passed bill but is concerned with a completely new subject matter. Briefly, the amendment simply waives the 30-day waiting period required under title 10, United States Code, section 7545, relating to the transfer of obsolete and surplus property.

Senator SPONG of Virginia has received a commitment from the Department of the Navy to transfer an obsolete locomotive to the city of Clifton Forge, Va. However, under the provisions of the statute which I have just cited, prior notice must be made to the Congress and such notice must remain before the Congress for 30 consecutive days before the transfer can be completed.

The amendment therefore simply waives this 30-day waiting period.

The amendment was offered in the other body and accepted without objection. I trust this body will do the same.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I ask the chairman of the Subcommittee No. 1 of the Committee on Armed Services on which I serve: Does the gentleman think that this amendment, as added on in the other body, is germane to the House-passed legislation?

Mr. PRICE of Illinois. Mr. Speaker, I do not know of any amendment that is more not germane than this particular amendment.

Mr. HALL, Oh, Mr. Speaker, I would wonder how that could be true.

Mr. PRICE of Illinois. There is basically no change from the previous intent of the bill as passed by the House.

Mr. HALL. Mr. Speaker, I know of nothing more important than the retention of personnel who have thousands upon thousands of dollars spent on their training in special weapons and in the handling and use thereof, and I know of nothing less important than whether Clifton Forge, Va., gets a little old used Navy surplus locomotive or not, but I'm glad they are going to get it.

So, Mr. Speaker, I am not going to make the point of order, and I withdraw my reservation of objection.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FREE ENTRY OF CARILLON FOR UNIVERSITY OF CALIFORNIA AT SANTA BARBARA

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4678) to provide for the free entry of a carillon for the use of the University of California at Santa Barbara, with Senate amendments thereto, and disagree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

(1) Page 1, line 7, strike out "bill" and insert: Act

(2) Page 1, after line 9, insert:

"SEC. 3. (a) Subpart B of part 1 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 907.45 the following new item:"

" 907.50	Caprolactam monomer in water solution (provided for in item 403.70, part 1B, schedule 4)	Free	No change	On or before June 30, 1973.

:,

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

(c) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of the enactment of this Act, the entry or withdrawal of any article—

(1) which was made after August 15, 1972, and before the date of the enactment of this Act, and

(2) with respect to which there would have been no duty if the amendment made by subsection (a) applied to such entry or withdrawal,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of enactment of this Act.

(3) Page 1, after line 3, insert:

SEC. 4. (a) Paragraph (a) of general headnote 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "Except as provided in headnote 6

of schedule 7, part 2, subpart E, except as provided in headnote 4 of schedule 7, part 7, subpart A," and inserting in lieu thereof "Except as provided in headnote 1 of schedule 3, part 3, subpart C, in headnote 6 of schedule 7, part 2, subpart E, and in headnote 4 of schedule 7, part 7, subpart A,".

(b) Schedule 3, part 3, subpart C of the Tariff Schedules of the United States is amended by inserting the following headnote after the subpart caption:

"Subpart C headnote:

"1. Products of Insular Possessions.—(a) Except as provided in subparagraph (b) of this headnote, any fabric of a kind provided for in item 336.50, 336.55, or 336.60, which is the product of an insular possession of the United States outside the customs territory of the United States and which was imported into such insular possession as a fabric for further processing, shall be subject to duty at the rate applicable thereto under item 336.50, 336.55, or 336.60 with respect to the country producing the fabric which was imported into the insular possession.

"(b) If the requirements for free entry set forth in general headnote 3(a) are complied with, fabrics, not exceeding 60 inches in width, provided for in items 336.50, 336.55, and 336.60, which are the product of an insular possession of the United States outside the customs territory of the United States and which were imported into such insular possessions as a fabric for further processing may be admitted free of duty, but the total quantity of such articles entered free of duty during each calendar year shall not exceed the quantities specified below:

"Calendar year:	Quantity (linear yards)
1972	2,500,000 (or, if greater, the quantity entered during 1972 before the effective date of this headnote).
1973	2,000,000.
1974	1,500,000.
1975 and each subsequent calendar year	1,000,000."

(c) The amendments made by this section shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

Amend the title so as to read: "An Act to provide for the free entry of a carillon for the use of the University of California at Santa Barbara, and for other purposes."

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the amendments, since I have asked that the House not agree to them, be dispensed with and that they be printed in the RECORD.

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

There was no objection.

The Senate amendments were disagreed to.

A motion to reconsider was laid on the table.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10751) to establish the Pennsylvania Avenue Development Corporation, to provide for the preparation and carrying out of a development plan for certain areas between the White House and the Capitol, to further the purposes for which the Pennsylvania Avenue National Historic Site was designated, and for other purposes, with Senate amendments thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

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

There was no objection.

The SPEAKER. The Clerk will report the first Senate amendment.

The Clerk read Senate amendment No. 1, as follows:

(1) Page 10, strike out all after line 21 over to and including "Representatives." in line 14 on page 11 and insert:

(c) After the proposed development plan has been completed and approved by the Board of Directors of the Corporation, it shall be submitted to the Secretary of the Interior and the Commissioner of the District of Columbia. The Secretary of the Interior, within ninety days, shall notify the Corporation of his approval or recommended modifications from the standpoint of the compatibility of the proposed plan with his responsibilities for the administration, protection, and development of the areas within the Pennsylvania Avenue National Historic Site. The Commissioner of the District of Columbia, within ninety days, shall consult with the National Capital Planning Commission, shall hold public hearings on the proposed plan, and shall notify the Corporation of his approval or recommended modifications: Provided, That in the event that the Secretary of the Interior or the Commissioner of the District of Columbia has not notified the Corporation of his approval or recommended modifications of the proposed plan within ninety days after the date of submission, he shall be deemed to have approved the proposed plan.

(d) In the event the Secretary of the Interior or the Commissioner of the District of Columbia has recommended modifications of the proposed plan, the Corporation within one hundred and twenty days of the original submission of the plan shall consult with them regarding such modifications and shall prepare a final development plan which shall be transmitted to the President of the Senate and the Speaker of the House of Representatives.

If the Secretary of the Interior or the Commissioner of the District of Columbia has not approved the final development plan, the transmittal shall include a specification of the areas of difference, the modifications suggested by the Secretary of the Interior or the Commissioner of the District of Columbia and the views of the Corporation thereon.

MOTION OFFERED BY MR. ASPINALL

Mr. ASPINALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ASPINALL moves that the House concur in Senate amendment No. 1 with an amendment as follows:

In lieu of the language of Senate amendment No. 1, insert the following:

(c) After the development plan has been completed and approved by the Board of Directors of the Corporation, it shall be submitted to the Secretary of the Interior and the Commissioner of the District of Columbia. The Secretary of the Interior, within ninety days, shall notify the Corporation of his approval or recommended modifications from the standpoint of the compatibility of the plan with his responsibilities for the administration, protection, and development of the areas within the Pennsylvania Avenue National Historic Site. The Commissioner of the District of Columbia, within ninety days, shall consult with the National Capital Planning Commission, shall hold public hearings on the plan, and shall notify the Corporation of his approval or recommended modifications: Provided, That in the event that the Secretary of the Interior or the Commissioner of the District of Columbia has not notified the Corporation of his approval or recommended modifications of the plan within ninety days after the date of submission, he shall be deemed to have approved the plan.

(d) In the event the Secretary of the Interior or the Commissioner of the District of Columbia has recommended modifications of the plan, the Corporation within one hundred and twenty days of the original submission of the plan shall consult with them regarding such modifications and shall prepare a development plan which shall be transmitted to the President of the Senate and the Speaker of the House of Representatives.

If the Secretary of the Interior or the Commissioner of the District of Columbia has not approved the development plan, the transmittal shall include a specification of the areas of difference, the modifications suggested by the Secretary of the Interior or the Commissioner of the District of Columbia and the views of the Corporation thereon.

Mr. SAYLOR. Mr. Speaker, if the gentleman will yield, I would like to ask the gentleman from Colorado to tell the Members of the House whether or not all of the amendments are germane and whether or not they increase the cost of the bill.

Mr. ASPINALL. I will say to the gentleman from Pennsylvania they are all germane. In fact, most of the amendments are similar to the House bill with the exception of one amendment, which my colleague understands, relative to the matter of borrowing from private sources. The language is different, but they are germane and in order.

Mr. SAYLOR. I thank the gentleman.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 2:

Page 11, lines 16 and 17, strike out [plans as authorized by the other provisions of this Act] and insert: plan

MOTION OFFERED BY MR. ASPINALL

Mr. ASPINALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ASPINALL moves that the House concur in Senate amendment No. 2.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 3:

Page 14, strike out all after line 20 over to and including line 5 on page 15.

MOTION OFFERED BY MR. ASPINALL

Mr. ASPINALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ASPINALL moves that the House concur in Senate amendment No. 3 with an amendment as follows:

In lieu of the House language deleted by the Senate, insert the following:

(9) shall seek authority from the Congress to borrow money by issuing marketable obligations, after obtaining proposals from at least three private financial analysts on the feasibility of private versus public financing of the Corporation, which proposals shall be transmitted to the Congress with the development plan as provided in Section 5 of this Act.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 4 through 7, and 9 through 17 be considered en bloc.

The SPEAKER. Is there objection to the request of the gentlemen from Colorado?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendments referred to.

The Clerk read as follows:

Senate amendments:

Page 15, line 6, strike out "(10)" and insert: "(9)".

Page 16, line 17, strike out "(11)" and insert: "(10)".

Page 17, line 1, strike out "(12)" and insert. "(11)".

Page 17, line 4, strike out "(13)" and insert: "(12)".

Page 17, line 11, strike out "(14)" and insert: "(13)".

Page 17, line 16, strike out "(15)" and insert: "(14)".

Page 17, line 22, strike out "(16)" and insert: "(15)".

Page 18, line 1, strike out "(17)" and insert: "(16)".

Page 18, line 5, strike out "(18)" and insert: "(17)".

Page 18, line 11, strike out "(19)" and insert: "(18)".

Page 18, line 17, strike out "(20)" and insert: "(19)".

Page 18, line 21, strike out "(21)" and insert: "(20)".

Page 19, line 3, strike out "(22)" and insert: "(21)".

MOTION OFFERED BY MR. ASPINALL

Mr. ASPINALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ASPINALL moves that the House disagree to Senate amendments numbered 4 through 7, and 9 through 17.

The motion was agreed to.

The SPEAKER. The Clerk will report the remaining Senate amendment.

The Clerk read as follows:

Senate amendment No. 8:

Page 17, line 5, strike out [of] and insert: *or*

MOTION OFFERED BY MR. ASPINALL

Mr. ASPINALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ASPINALL moves the House concur in Senate amendment No. 8.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

TO AMEND THE SECURITIES AND EXCHANGE ACT OF 1934

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 3876) to amend the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, to create a National Commission on Uniform Securities Laws, and for other purposes, with House amendments thereto, and insist upon the House amendments.

The Clerk read the title of the Senate bill.

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

There was no objection.

MENTAL HEALTH CENTERS ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 16676) to amend the Community Mental Health Centers Act to extend for 1 year the programs of assistance for community mental health centers, alcoholism facilities, drug abuse facilities, and facilities for the mental health of children, with Senate amendments thereto, and disagree to the Senate amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

That (a) section 201 of the Community Mental Health Centers Construction Act is amended to read as follows:

"SEC. 201. There are authorized to be appropriated for grants for facilities of public and other nonprofit community health centers under this title $100,000,000 for the fiscal year ending June 30, 1973, and $40,000,000 for the fiscal year ending June 30, 1974."

(b) Section 207 of such Act is amended to read as follows:

"SEC. 207. No grant may be made under any provision of the Public Health Service Act for any fiscal year, for construction of any facility described in this title unless the Secretary determines that funds are not available, under this title to make a grant for the construction of such facility.".

(c) Section 224(a) of such Act is amended to read as follows:

"(a) There are hereby authorized to be appropriated to enable the Secretary to make initial grants to community mental health centers, under the provisions of this part, $60,000,000 for the fiscal year ending June 30, 1973, and $90,000,000 for the fiscal year ending June 30, 1974. For the fiscal year ending June 30, 1973, and each of the twelve succeeding fiscal years there are hereby authorized to be appropriated such sums as may be necessary to make grants to such centers which have previously received a grant under this part and are eligible for such a grant by the year for which sums are being appropriated under this sentence.".

(d) Section 246 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(e) Section 247(d) of such Act is amended to read as follows:

"(d) To carry out the purposes of this section there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1973, and $60,000,000 for the fiscal year ending June 30, 1974."

(f) Section 252 of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(g) Section 253(d) of such Act is amended to read as follows:

"(d) To carry out the provisions of this section there are authorized to be appropriated $14,000,000 for the fiscal year ending June 30, 1973, and $14,000,000 for the fiscal year ending June 30, 1974.".

(h) (1) Section 261(a) of such Act is amended by inserting after "June 30, 1973," the following: "and $90,000,000 for the fiscal year ending June 30, 1974,".

(2) Section 261(a) of such Act as further amended by striking "construction and staffing of facilities" and inserting in lieu thereof "facility and operating costs of facilities".

(3) Section 261(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated for the fiscal year ending June 30, 1971, and each of the next fourteen fiscal years such sums as may be necessary to make grants for operating costs with respect to any project under part C or D for which an operating grant was made from approriations under subsection (a) of this section for any fiscal year ending before July 1, 1974."

(i) (1) Section 271(d) of such Act is amended to read as follows:

"(d) (1) There are authorized to be appropriated $30,000,000 for the fiscal year ending June 30, 1973, and $45,000,000 for the fiscal year ending June 30, 1974, for grants under this part for facilities and for initial grants under this part and for training and evaluation under section 272.

"(2) There are also authorized to be appropriated for the fiscal year ending June 30, 1974, and for each of the next eleven fiscal years such sums as may be necessary to continue to make grants with respect to any project under this part for which grants for operating costs were made from appropriations under paragraph (1) for any fiscal year ending before July 1, 1974."

(2) Section 271(a) of such Act is amended by striking the words "construction of" and "of compensation of professional and technical personnel".

(3) Section 271(b)(3) of such Act is amended by striking the words "construction of".

(4) Section 271(c) of such Act is amended by striking the words "costs of compensation of professional and technical personnel" and inserting in lieu thereof the words "operating costs".

(j) Section 256(e) of such Act is amended to read as follows:

"(e) There are authorized to be appropriated to carry out this section $60,000,000 for the fiscal year ending June 30, 1973, and $75,000,000 for the fiscal year ending June 30, 1974.".

(k) (1) Paragraph (1) of section 220(b) is amended by striking the word "eight" and inserting in lieu thereof "eleven" and by striking the word "four" and inserting in lieu thereof "seven".

(2) Paragraph (2) of such section is amended by striking the word "three" immediately after the word "next" and inserting in lieu thereof "six".

(3) Such subsection is further amended by adding at the end thereof the following new paragraph:

"(3) In any year where funds appropriated do not reach the level required to fully fund applications for assistance under paragraphs (1) and (2), the Secretary shall distribute the funds available as follows: 30 per centum for applicants under paragraph (1) and 70 per centum for applicants under paragraph (2)."

(l) (1) Section 200(a) of such Act is amended by striking the words "of professional and technical personnel" and inserting in lieu thereof the words "for operational costs".

(2) The caption for part B of such Act is amended to read as follows:

"PART B—GRANTS FOR INITIAL COSTS OF OPERATION OF CENTERS"

(m) Section 220 of such Act is further amended by adding at the end thereof the following:

"(d) Notwithstanding subsection (b) of this section, the Secretary may make additional grants to each center equal to 5 per centum of such costs, which maintains a bona fide program under parts C, D, F, and G, for each such program. In no case shall

grants exceed 100 per centum of such costs for any project."

(n)(1) Section 221(a) of such Act is amended by striking out "and" at the end of paragraph (4); by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and by adding after paragraph (5) the following new paragraphs:

"(6) the services to be provided by the center are made available to any health maintenance or health service organization if in the catchment area for such center;

"(7) such center has a program whereby it screens, and where practicable provides treatment for, persons within its catchment area, who may be admitted to a State mental health facility; and

"(8) such center has a program for the followup care of persons within its catchment area, who are discharged from a State mental health facility."

(2) Section 221(b) of such Act is amended by striking "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

(o) Part B of such Act is amended by adding at the end thereof the following new section:

"GRANTS FOR CONSULTATION SERVICES

"SEC. 225. (a) In the case of any community mental health center, alcoholism prevention and treatment facility, specialized facility for alcoholics, treatment facility for narcotics addicts, and other persons with drug abuse and drug dependence problems, or facility for mental health of children, or mental health of the elderly to which a grant under part B, C. D. F, or G, as the case may be, is made from appropriations for any fiscal year beginning after June 30, 1972, to assist it in meeting a portion of the operating costs the Secretary may, with respect to such center or facility, make a grant under this section for consultation services in addition to such other operating grants for such center or facility.

"(b) A grant under subsection (a) with respect to a center or facility referred to in that subsection may not exceed 100 percent of such costs.

"(c) For the purposes of making initial grants under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1973, and $5,000,000 for the fiscal year ending June 30, 1974."

(p)(1) Section 242(a) of such Act is amended by striking the words "costs (determined pursuant to regulations of the Secretary) of compensation of professional and technical personnel" and inserting in lieu thereof the words "operating costs (determined pursuant to regulations of the Secretary)";

(2) Section 242(b)(1) is amended by striking the word "three" and inserting in lieu thereof "six" and striking the word "eight" and inserting in lieu thereof "eleven";

(3) Section 242(b)(2) is amended by striking the word 'three" and inserting in lieu thereof "six".

(4) The section caption of section 242 of such Act is amended by striking the word "STAFFING" and inserting in lieu thereof "OPERATING".

(q) Section 243(a) of such Act is amended by striking the words "compensation of professional and technical personnel" and inserting in lieu thereof "operating expenses";

(r) Section 244 of such Act is amended by striking the words "a project for the construction or initial staffing" and inserting in lieu thereof the words "facility and operating costs".

(s)(1) Section 251(a) of such Act is amended by striking the words "of construction" and "of compensation of professional and technical personnel" and inserting in lieu of the latter the words "operating costs".

(2) Section 251(c) of such Act is amended by striking the words "costs of compensation of professional and technical personnel" and inserting in lieu thereof the words "operating costs".

(3)(A) Section 256(b)(1) of such Act is amended by striking the word "eight" and inserting in lieu thereof "eleven".

(B) Section 256(b)(2) of such Act is amended by striking the word "three" wherever it appears and inserting in lieu thereof the word "six".

(4) Section 254 of such Act is amended by striking the words "a project for the construction or initial staffing of a" and inserting after the word "facility" the words "operating costs".

Amend the title so as to read: "An Act to amend the Community Mental Health Centers Act to extend for one year the programs of assistance for community mental health centers, alcoholism facilities, drug abuse facilities, and facilities for the mental health of children, and for other purposes.".

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

There was no objection.

The Senate amendments were disagreed to.

A motion to reconsider was laid on the table.

ENVIRONMENTAL NOISE CONTROL ACT OF 1972

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11021) to control the emission of noise detrimental to the human environment, and for other purposes, with a Senate amendment thereto, and consider the Senate amendment.

The Clerk read the title of the bill.

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

Mr. HALL. Mr. Speaker, reserving the right to object. I have understood that there is considerable controversy about this bill, as amended, even with the present amendment, and that it has not been completely cleared.

Furthermore, Mr. Speaker, under the legislative situation, I do not understand the final effect of the amendment we are now adding to the other body's amendment to the House-passed bill.

I wonder if the gentleman from West Virginia would explain his intent, his conviction, and the stand that he will finally end up with.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I will be glad to yield to the gentleman for that purpose.

Mr. STAGGERS. I might explain first—this will finally complete action on the bill and there will be nothing further on it.

The House passed a bill which the Senate took and modified in many respects. One of the amendments would have transferred the basic jurisdiction over aircraft noise to the EPA—and I insisted that this could not be. Safety in the air is one of the things that must be given absolute priority.

The amendment that is proposed here to the House bill retains for the FAA the decisionmaking authority with regard to aircraft noise. But it says that the EPA, where there is anything that has to do with health or welfare, may suggest to the FAA regulation governing noise. The FAA then would hold hearings on these recommended regulations and after holding hearings, they can accept them or they can modify them or they can reject them.

This is a good amendment.

Second, the proposed amendment would incorporate provisions dealing with national regulations of railroad and trucking noises.

There was no comparable provision in the House bill, but it is a good provision and we think it ought to be incorporated in the bill.

The third addition to this bill involves provisions that we put into the Air Pollution Act and that should be made applicable to noise pollution as well.

There is a small change in the appropriations. In the House bill we had $3 million, $6 million and $12 million for 1972, 1973, and 1974.

The Senate amendments had $18 million, $36 million and $50 million for 1973, 1974, and 1975.

We finally agreed it would be $5 million, $10 million, and $15 million for 1973, 1974, and 1975—which is just slightly over what the House bill provided.

I think the bill as amended is a good bill and one that is needed. If we do not pass it now, we will create a lot of chaos not only for the aircraft and airline pilots, but for the car makers, railroads, truckers and others.

I think it is a bill that is needed at this time. I will say to the gentleman from Missouri, I think all of the subcommittee and the full committee will agree, who have studied the amendments.

Mr. HALL. I appreciate the gentleman's explanation.

I am glad that the gentleman brought up the question of authorization and appropriation. It seems to me that is quite a jump.

Do I understand that that increase in authorized appropriations is from the taxpayers' fund for the implementation of these noise abatement regulations that we are legislating?

Mr. STAGGERS. Let me say—instead of $3 million, we made it $5 million and instead of $6 million, we made it $10 million and instead of $12 million, we made it $15 million.

The Senate amendments had $18 million, $36 million, and $50 million.

Mr. HALL. Mr. Speaker, further reserving the right to object, do I understand the ranking minority Member agrees to these conclusions?

Mr. SPRINGER. Yes.

Mr. HALL. The gentleman agrees to the conclusions, and the motion?

Mr. SPRINGER. Yes, I do. Let me say this is a compromise with the Senate. There is no doubt about it. We could not agree to the Senate bill under any circumstances. We believe we had a good bill, but may I say that I very reluctantly came to the conclusion that we had to have a compromise. I personally have been against it up until this moment. But I am convinced that this bill is justified. There is no objector to the bill that I know of at this time. In other words, everybody including the EPA and the FAA and everybody that may be regulated has agreed to this bill.

I had serious reservations about it, but since everybody has said that they

wanted the bill, I am willing to yield to them.

Mr. HALL. I am not quite that willing to yield—and I do not believe that this is a matter of Federal or centralized control, plus my oftstated objection to this end-of-session technique of procedure, therefore, I do object.

The SPEAKER. Objection is heard.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Illinois.

Mr. SPRINGER. Could I ask my distinguished colleague, the gentleman from Missouri, if he would reconsider?

Mr. HALL. The gentleman can ask, of course.

Mr. SPRINGER. Or would the gentleman from Missouri give it some thought?

Mr. HALL. Surely, I will think about it.

The SPEAKER. Objection is heard.

Mr. STAGGERS. Mr. Speaker, do I have a right to speak for a moment on this?

The SPEAKER. The gentleman is recognized for 1 minute.

Mr. STAGGERS. Mr. Speaker, I should like to say to the gentleman from Missouri that if he does not withdraw his objection, I think that he is doing a great disservice to America.

I was not in favor of the bill as it came from the Senate, and every member of the committee will tell the gentleman I was so adamant against it that if they had not agreed to the things that I thought were good for this land, I would not have agreed to it. I do think this legislation is necessary now, and we should not wait until next year. If we wait until next year, we are going to have 41 to 50 different State laws regulating noise and causing so much inconvenience to so many people that I think it would just create chaos in America.

Mr. SPRINGER. I think the real crux of the matter here today is that if we do not have a bill of this kind extending this matter, we are going to have every municipality, city, State, and local subdivision setting up their own standards. That is the real difficulty. That is one of the reasons why I came around to the decision that this bill ought to have my support, and I do think it is a perfectly valid reason, and I think we all can see what chaos we could get into if every subdivision in the country took some action.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Speaker, the point just made by our ranking Member is a very compelling one. The understanding I have is if we do not move in this way, the total national picture will be just a jigsaw puzzle of many, many States moving in this area, and this was the reason I felt that the bill had merit and should be passed.

Mr. STAGGERS. We are already moving in that area right now.

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

Mr. STAGGERS. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I have reservations about this bill, but I have been convinced that the circumstances, coupled with the amendments, made it far more palatable. For that reason I was willing to be convinced that the legislation should go through.

Mr. STAGGERS. Mr. Speaker, the administration has pointed out the urgency of this bill now. I was dead set against it the way it was, until we did correct the inequities that were in the bill.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I, too, should like to join in appealing to the gentleman from Missouri to reconsider, if he would. This is a bill that has been gone over quite thoroughly. I think people are in complete agreement now. It is a bill upon which, once this amendment is taken, the only action that the Senate can take is to accept this bill as it is now and has been explained.

I would hope the gentleman from Missouri would reconsider.

COORDINATION OF UNITED STATES AND GUAM INCOME TAXES

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 14628) to amend the Internal Revenue Code of 1954 with respect to the tax laws applicable to Guam, and for other purposes.

The Clerk read the title of the bill.

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

Mr. VANIK. Mr. Speaker, reserving the right to object, will the distinguished gentleman describe the bill and provide the House with the revenue loss as a result of this proposed legislation?

Mr. MILLS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Arkansas.

Mr. MILLS of Arkansas. Mr. Speaker, H.R. 14628, deals with the taxation of income earned by U.S. citizens or corporations residing in, or obtaining income from, Guam. The bill makes two changes of major significance. The first one provides that passive income, such as dividends, interest, and rent, derived from Guam by U.S. corporations, is not to be subject to the special 30-percent tax withheld at source, which generally applies only in the case of income received by a foreign corporation. The second significant change made by the bill sets up a special tax system under which U.S. citizens are to file their income tax returns with the United States or Guam, but not both, generally based upon their residency at the end of the year.

Mr. Speaker, this bill is necessary in the case of the 30-percent tax U.S. corporations have to pay on the passive income they derive from Guam, because this tax has had the effect of seriously retarding investments in Guam by U.S. corporations. This has occurred because this tax is a gross tax, that is, no deductions are allowed under it, with the result that it usually results in a higher effective rate of tax than is true of the regular corporate tax which would otherwise apply.

This bill provides that U.S. corporations are not to be subject to the 30-percent Guam tax on their Guam-source passive income. However, a U.S. corporation which carries on a business in Guam will remain subject to the regular corporate tax in Guam.

Mr. Speaker, this bill is also necessary to eliminate the dual filing and tax requirements in both Guam and the United States for U.S. citizens who are residents of Guam, whose citizenship status does not derive from birth or naturalization in Guam. Under the present system, these individuals must file tax returns with both jurisdictions, even though the foreign tax credit usually operates to eliminate the tax liability of one of the jurisdictions. This requirement has proved to be burdensome both to the taxpayers and the two governments.

As a result, the bill provides special filing requirements which generally eliminate the dual filing and dual tax liability requirements by providing for filing only with the jurisdiction where they are a resident at the end of the year. However, in the case of citizens with $50,000 or more of adjusted gross income and with at least $5,000, of gross income from the jurisdiction other than that in which they reside, their taxes are to be allocated between the United States and Guam generally on the basis of the source of their income.

Mr. Speaker, the revenue effect of this bill is expected to be minimal. It has been reported unanimously by the Ways and Means Committee and the Treasury Department has recommended its enactment. I urge the approval of this bill.

Mr. VANIK. Mr. Speaker, then the right of the taxpaper to elect is based on what his residence is?

Mr. MILLS of Arkansas. It is not an election. It is based on an actual factual situation: where he is residing at the end of the year.

Mr. VANIK. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 14628

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

Section 1. Coordination of United States and Guam individual income taxes.

(a) IN GENERAL.—Subpart D of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1954 (relating to possessions of the United States) is amended by adding at the end thereof the following new section:

"Sec. 935. Coordination of United States and Guam individual income taxes.

"(a) APPLICATION OF SECTION.—This section shall apply to any individual for the taxable year who—

"(1) is a resident of Guam,

"(2) is a citizen of Guam but not otherwise a citizen of the United States,

"(3) has income derived from Guam for the taxable year and is a citizen or resident of the United States, or

"(4) files a joint return for the taxable year with an individual who satisfies paragraph (1), (2), or (3) for the taxable year.

"(b) FILING REQUIREMENT.—

"(1) IN GENERAL.—Each individual to whom this section applies for the taxable year shall file his income tax return for the taxable year—

"(A) with the United States, if he is a resident of the United States,

"(B) with Guam, if he is a resident of Guam, and

"(C) if neither subparagraph (A) nor subparagraph (B) applies—

"(i) with Guam, if he is a citizen of Guam but not otherwise a citizen of the United States, or

"(ii) with the United States, if clause (i) does not apply.

"(2) DETERMINATION DATE.—For purposes of this section, determinations of residence and citizenship for the taxable year shall be made as of the close of the taxable year.

"(3) SPECIAL RULE FOR JOINT RETURNS.—In the case of a joint return, this subsection shall be applied on the basis of the residence and citizenship of the spouse who has the greater adjusted gross income (determined without regard to community property laws) for the taxable year.

"(c) EXTENT OF INCOME TAX LIABILITY.—In the case of any individual to whom this section applies for the taxable year—

"(1) for purposes of so much of this title (other than this section and section 7654) as relates to the taxes imposed by this chaper, the United States shall be treated as including Guam,

"(2) for purposes of the Guam territorial income tax, Guam shall be treated as including the United States, and

"(3) such individual is hereby relieved of liability for income tax for such year to the jurisdiction (the United States or Gaum) other than the jurisdiction with which he is required to file under subsection (b).

"(d) SPECIAL RULES FOR ESTIMATED INCOME TAX.—If there is reason to believe that this section will apply to an individual for the taxable year, then—

"(1) he shall file any declaration of estimated income tax (and all amendments thereto) with the jurisdiction with which he would be required to file a return for such year under subsection (b) if his taxable year closed on the date he is required to file such declaration,

"(2) he is hereby relieved of any liability to file a declaration of estimated income tax (or amendments thereto) for such taxable year to the other jurisdiction, and

"(3) his liability for underpayments of estimated income tax shall be to the jurisdiction with which he is required to file his return for the taxable year (determined under subsection (b))."

(b) ADMINISTRATION.—Section 7654 of the Internal Revenue Code of 1954 (relating to payment to Guam and American Samoa of proceeds of tax on coconut and other vegetable oils) is amended to read as follows:

"Sec. 7654. Coordination of United States and Guam individual income taxes.

"(a) GENERAL RULE.—The net collections of the income taxes imposed for each taxable year with respect to any individual to whom section 935 applies for such year shall be divided between the United States and Guam according to the following rules if such individual for such year has gross income of more than $5,000 derived from sources within the jurisdiction (either the United States or Guam) with which such individual is not required under section 935 (b) to file his return and adjusted gross income in excess of $50,000;

"(1) net collections attributable to United States source income shall be covered into the Treasury of the United States;

"(2) net collections attributable to Guam source income shall be covered into the treasury of Guam; and

"(3) all other net collections of such taxes shall be covered into the treasury of the jurisdiction (either the United States or Guam) with which such individual is required by section 935(b) to file his return for such year.

"(b) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) NET COLLECTIONS.—In determining net collections for a taxable year, appropriate adjustment shall be made for credits allowed against the tax liability for such year and refunds made of income taxes for such year.

"(2) INCOME TAXES.—The term 'income taxes' means—

"(A) with respect to taxes imposed by the United States, the taxes imposed by chapter 1, and

"(B) with respect to Guam, the Guam territorial income tax.

"(3) SOURCE.—The determination of the source of income shall be based on the principles contained in part I of subchapter N of chapter 1 (section 861 and following).

"(c) TRANSFERS.—The transfers of funds between the United States and Guam required by this section shall be made not less frequently than annually.

"(d) MILITARY PERSONNEL IN GUAM.—In addition to any amount determined under subsection (a), the United States shall pay to Guam at such times and in such manner as determined by the Secretary or his delegate the amount of the taxes deducted and withheld by the United States under chapter 24 with respect to compensation paid to members of the Armed Forces who are stationed in Guam but who have no income tax liability to Guam with respect to such compensation by reason of the Soldiers and Sailors Civil Relief Act.

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section and section 935, including (but not limited to)—

"(1) such regulations as are necessary to insure that the provisions of this title, as made applicable in Guam by section 31 of the Organic Act of Guam, apply in a manner which is consistent with this section and section 935, and

"(2) regulations prescribing the information which the individuals to whom section 935 may apply, and payors of amounts to such individuals, shall furnish to the Secretary or his delegate."

(c) CIVIL PENALTY FOR FAILURE TO FURNISH INFORMATION.—Subchapter B of chapter 68 of the Internal Revenue Code of 1954 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"Sec. 6686. Assessable penalties with respect to information required to be furnished under section 7654.

"In addition to any criminal penalty provided by law, any person described in section 7654(a) who is required by regulations prescribed under section 7654 to furnish information and who fails to comply with such requirement at the time prescribed by such regulations unless it is shown that such failure is due to reasonable cause and not to willful neglect, shall pay (upon notice and demand by the Secretary or his delegate and in the same manner as tax), in addition to the amount required to be shown as tax on the return of such person for the taxable year for which such information was required to be furnished, 10 percent of the amount of such tax."

(d) AMENDMENT OF SECTION 31(d) OF THE ORGANIC ACT OF GUAM.—The second sentence of section 31(d)(2) of the Organic Act of Guam (48 U.S.C. 1421i) is amended by inserting "not inconsistent with the regulations prescribed under section 7654(e) of the Internal Revenue Code of 1954" and "Needful rules and regulations".

(e) CORPORATE INCOME TAXES.—

(1) Section 881 of the Internal Revenue Code of 1954 (relating to tax on income of foreign corporations not connected with United States business) is amended by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following new subsection:

"(b) EXCEPTION FOR GUAM CORPORATIONS.—For purposes of this section, the term 'foreign corporation' does not include a corporation created or organized in Guam or under the law of Guam."

(2) Section 1442 of such Code (relating to the withholding of tax on foreign corporations) is amended by adding at the end thereof the following new subsection:

"(c) EXCEPTION FOR GUAM CORPORATIONS.—For purposes of this section, the term 'foreign corporation' does not include a corporation created or organized in Guam or under the law of Guam."

(f) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 931(c) of the Internal Revenue Code of 1954 (relating to income from sources within possessions of the United States) is amended by inserting "or Guam" after "Puerto Rico".

(2) The second sentence of section 932(a) of such Code (relating to citizens of possessions of the United States) is amended by inserting "or Guam" after "Puerto Rico".

(3) Subsection (c) of section 932 of such Code is amended to read as follows:

"(c) GUAM.—

"For provisions relating to the individual income tax in the case of Guam, see sections 935 and 7654; see also sections 30 and 31 of the Act of August 1, 1950 (48 U.S.C., secs. 1421h and 1421i)."

(4) Section 7701(a)(12)(B) of such Code (relating to performance of certain functions in Guam or American Samoa) is amended by striking out "chapters 2" and inserting in lieu thereof "chapters 1, 2,".

(5) The table of sections for subpart D of part III of subchapter N of chapter 1 of such Code is amended by adding at the end thereof the following:

"Sec. 935. Coordination of United States and Guam individual income taxes.".

(6) The table of sections for subchapter D of chapter 78 of such Code is amended by striking out the item relating to section 7654 and inserting in lieu thereof:

"Sec. 7654. Coordination of United States and Guam individual income taxes.".

(7) The table of sections for subchapter B of chapter 68 of such Code is amended by adding at the end thereof the following:

"Sec. 6686. Assessable penalties with respect to information required to be furnished under section 7654.".

Sec. 2. Effective date.

The amendments made by section 1 (other than section 1(e)) shall apply with respect to taxable years beginning after December 31, 1972. The amendments made by section 1(e)(1) shall apply with respect to taxable years beginning after December 31, 1971. The amendment made by section 1(e)(2) shall take effect on the date of the enactment of this Act.

With the following committee amendments:

Page 4, line 8, strike out "or amendments" and insert "and amendments".

Page 4, line 23, strike out "section 935" and insert "this subsection".

Page 4, strike out line 25 and all that

follows down through line 5 on page 5 and insert "to the following rules:".

Page 5, after line 15, insert:

"This subsection applies to an individual for a taxable year if section 935 applies to such individual for such year and if such individual has (or, in the case of a joint return such individual and his spouse have) (A) adjusted gross income of $50,000 or more, and (B) gross income of $5,000 or more derived from sources within the jurisdiction (either the United States or Guam) with which the individual is not required under section 935 (b) to file his return for the year."

Page 6, line 21, after "Act" insert "(50 App. U.S.C., sec. 501 et seq.)".

Page 7, beginning in line 7, strike out ", and payors of amounts to such individuals,".

Page 7, line 15, strike out "6686 and insert "6687".

Page 7, beginning in line 25, strike out "no tax), in" and all that follows down through line 4 on page 8 and insert "no tax) a penalty of $100 for each such failure.".

Page 10, in the matter appearing after line 10, strike out "6686" and insert "6687".

Page 10, line 17, strike out "on the date" and insert on the day after the date".

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

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

There was no objection.

The committee amendments were agreed to.

(Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BYRNES of Wisconsin. Mr. Speaker, I rise in support of this legislation which deals with certain taxation problems of U.S. citizens residing in or obtaining income from Guam. H.R. 14628, among other things, makes two significant changes in the tax law. Both are occasioned by what is known as the "mirror image" tax system of Guam.

An understanding of the "mirror image" concept is necessary to appreciate the significance of this bill. Under existing law, the tax laws of Guam are the income tax laws in force in the United States. The taxes applicable in Guam are determined by applying the U.S. tax laws, but by substituting the word "Guam" for the words "United States" wherever the latter appears in the Internal Revenue Code. As a result, whenever the Internal Revenue Code is amended, so also are Guam's tax laws. This situation has produced certain problems with which this legislation deals.

H.R. 14628 is concerned with the taxation of income earned by U.S. citizens or corporations residing in, or obtaining income from Guam. Two changes made by this bill are of particular importance.

The first provides that passive income, such as interest, dividends and rent, derived from U.S. corporations from Guam, is not to be subject to the special 30-percent tax withheld at source, which usually applies only in the case of income received by a foreign corporation. Under existing law, as a result of the "mirror image" system, an additional 30-percent Guam tax is imposed on certain U.S. corporate income because these corporations which were neither created or organized in Guam are treated as foreign corporations by Guam's tax laws. Similarly, a Guam corporation is treated as a foreign corporation under U.S. tax laws. Consequently, income of U.S. corporations now can be taxed at a higher rate than similar income earned in the United States. This has had the effect of seriously retarding investments by U.S. corporations in Guam. The committee bill effectively eliminates this disincentive.

In the second instance, the committee bill deals with another situation arising out of the "mirror image" tax system. Here, this system requires most individual taxpayers, who derive income from both Guam and the United States to file tax returns with both jurisdictions. This requirement, despite the fact that the foreign tax credit eliminates the tax liability owed to one of the jurisdictions, has proved to be burdensome to both the taxpayers and the two governments.

As a result, the committee bill provides that U.S. citizens are to file returns with either the United States or Guam based upon their residency at the end of the year. Where a citizen has $50,000 or more adjusted gross income and, at least $5,000 of gross income from the jurisdiction other than that in which he resides, his taxes are to be allocated between the United States and Guam generally on the basis of the source of the income. This change should simplify the filing requirements for many of those who previously have had to file two tax returns per year, one with the United States and another with Guam, while, at the same time, insuring a fair distribution of tax to both jurisdictions.

Although the committee bill contains some other provisions relating to changes occasioned by the "mirror image" system, the two previously mentioned are paramount. The bill was unanimously reported by the committee and has the support of the Treasury Department. I urge its approval.

Mrs. MINK. Mr. Speaker, I rise in support of H.R. 14628, legislation to provide coordination of U.S. and Guam income taxes.

The basic purpose of this legislation is quite simple. It is to correct inequities in taxation which are the unintended result of the existing "mirror image" system of Guam tax law.

The income tax law of Guam is identical to the income tax law of the United States, except that the word "Guam" is inserted for the words "United States" wherever they appear in the Internal Revenue Code. Under this system, U.S. citizens and corporations deriving income from Guam—but who are not Guam citizens or corporations—must file both a U.S. and Guamanian tax return.

As a result of the "mirror image" approach, non-Guamanian citizens are taxed by Guam as foreign nationals and non-Guamanian corporations are taxed as foreign corporations. In both instances, additional taxes must, therefore, be paid to Guam. Individuals cannot claim full tax advantages as far as family exemptions and deductions are concerned. Corporations must pay a 30-percent special Guam tax on certain income. While a foreign tax credit is allowed both individual taxpayers and corporations, frequently it is not sufficient to recoup the actual tax loss.

H.R. 14628 would correct both situations by providing that an individual would pay taxes only to the jurisdiction—Guam or the United States—in which he resides at the end of the year. Corporations' income now subject to the special 30-percent withholding tax applicable to income received from a foreign corporation would not be so taxed.

A number of other conforming and technical changes are made in the tax code to accomplish the purposes of these two basic reforms. Overall, the bill is simply designed to provide tax equity, and remove current disincentives for U.S. citizens and corporations to work or do business in Guam.

I have been introducing legislation for some time to achieve this objective. My bill was reported by the House Committee on Interior and Insular Affairs in the 91st Congress. In the current Congress, I am cosponsoring H.R. 5336 which has also been approved by the committee, which has jurisdiction over U.S. territories and possessions. Since the Internal Revenue Code is involved, the approval of the House Committee on Ways and Means is also required; and I am happy to see that this bill has been approved by that committee.

I urge the adoption of H.R. 14628.

Mr. JOHNSON of California. Mr. Speaker, as a supporter of H.R. 14628, I rise to urge favorable consideration of this legislation which is vitally needed to clarify certain aspects of the tax relationships between Guam and the United States.

The purpose of H.R. 14628 is solely to correct an inequity resulting from legislative oversight when the Congress made the entire U.S. Internal Revenue Code of 1954 applicable in Guam as the Guam Tax Code.

Since 1968, the administration of this code by Guam for its own territorial income tax purposes has resulted in U.S. mainland citizens temporarily working on Guam being taxed as "nonresident aliens" and the U.S. corporations doing business on Guam being taxed as "foreign" companies. The effect is to impose penalty taxes on income earned on Guam by these taxpayers which are substantially in excess of the normal tax rate. The urgent need for action on H.R. 14628 during this session of Congress is to correct this inequity at the earliest possible date so that all U.S. citizens, whether located on the U.S. mainland or on Guam, will be afforded equal tax treatment.

Similar legislative proposals antedating H.R. 14628, which was introduced by Mr. WILBUR MILLS on April 26, 1972, have been pending in one form or another before the Congress of the United States since March of 1970. The present version of the bill is the final product

of the combined drafting efforts of the Joint Committee on Internal Revenue and Taxation, the U.S. Treasury Department, Internal Revenue Service, as well as the government of Guam.

I wish to point out that there is unanimous support for this bill, both here in the United States and on Guam, from all levels of Government as well as the private sector and the business community.

Before the House Subcommittee on Territorial and Insular Affairs, the testimony was unanimously in support of the objective of this legislation.

As far as the U.S. Treasury is concerned, the effect of passage of this legislation will be minimal and likely to result in a slight gain of revenues.

I respectfully urge your support for enactment of H.R. 14628.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may be permitted to revise and extend their remarks on the bill just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. MACDONALD of Massachusetts. Mr. Speaker, on the rollcall vote on the conference report on H.R. 1, I was inadvertently delayed due to the fact that the aircraft did not arrive on time.

I wish the RECORD to reflect the fact that had I been present, I would have voted in the affirmative.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 1331, CONTINUING APPROPRIATIONS, 1973

Mr. MAHON submitted the following conference report and statement on the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year 1973 and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92–1611)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the resolution (H.J. Res. 1331) "making further continuing appropriations for the fiscal year 1973, and for other purposes" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "subsection and sections, after further amending clause (c) of section 102 by striking "or the sine die adjournment of the second session of the Ninety-second Congress:":" ; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

Obligations may be incurred hereunder for the activities hereinafter specified and shall, in addition to other funds available for such purposes, not exceed the annual rates specified herein during the period beginning October 15, 1972, and ending February 28, 1973:

"TITLE I—FOREIGN ASSISTANCE ACT ACTIVITIES

"FUNDS APPROPRIATED TO THE PRESIDENT

Economic assistance

Worldwide, technical assistance	$155,000,000
Alliance for Progress, technical assistance	77,500,000
International organizations and programs	105,000,000
Programs relating to population growth	100,000,000
American schools and hospitals abroad	25,500,000
American schools and hospitals abroad (special foreign currency program)	None
Indus Basin Development Fund, grants	10,000,000
Indus Basin Development Fund, loans	12,000,000
Contingency fund	25,000,000
International narcotics control	None
Refugee relief assistance (Bangladesh)	100,000,000
Alliance for Progress, development loans	150,000,000
Development loans	250,000,000
Administrative expenses:	
AID	50,000,000
State	4,221,000
Subtotal, economic, assistance	1,064,221,000

"Military assistance

Military assistance	550,600,000
Regional naval training	2,500,000

"Security supporting assistance

Security supporting assistance	600,000,000

"OVERSEAS PRIVATE INVESTMENT CORPORATION

Overseas Private Investment Corporation, reserves	12,500,000

"INTER-AMERICAN FOUNDATION

Inter-American Foundation (limitation on obligations)	(5,000,000)
Total, title I, new budget (obligational) authority, Foreign Assistance Act Activities	2,229,821,000

"TITLE II—FOREIGN MILITARY CREDIT SALES

Foreign military credit sales	400,000,000
Total, titles I and II, new budget (obligational) authority	2,629,821,000

"TITLE III—FOREIGN ASSISTANCE (OTHER)

"INDEPENDENT AGENCY

"Action

Peace Corps, operating expenses	$81,000,000

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Assistance to refugees in the United States (Cuban program)	145,000,000

"DEPARTMENT OF STATE

Migration and refugee assistance	8,500,000
Assistance to refugees from the Soviet Union	50,000,000

"FUNDS APPROPRIATED TO THE PRESIDENT

"International financial institutions

Asian Development Bank (special fund)	None
Inter-American Development Bank:	
Paid-in capital	25,000,000
Callable capital	168,380,000
Fund for special operations	225,000,000
Subtotal, IDB	418,380,000
International Development Association	320,000,000
Total, title III, new budget (obligational) authority, Foreign Assistance (other)	1,022,880,000

"TITLE IV—EXPORT-IMPORT BANK OF THE UNITED STATES

Limitation on program activity	(7,323,675,000)
Limitation on administrative expenses	(8,438,000)
Grand total, new budget (obligational) authority, titles I, II, and III	3,652,701,000

Provided, That no restrictive provision which is included in the Foreign Assistance and Related Programs Appropriation Act, 1973 (H.R. 16705), as passed during the second session, Ninety-second Congress, but which was not included in the applicable appropriation Act for the fiscal year 1972 shall be applicable to any appropriation fund or authority provided for in this section unless such provision shall have been included in identical form in such Act as passed by both the House and the Senate: *Provided further*, That any provision which is included in such Act as passed by one House and was included in the applicable appropriation Act for the fiscal year 1972 shall be applicable to the appropriations, funds, or authorities provided in this section.

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 109. Notwithstanding the provisions of this joint resolution or any other Act, the President is authorized to provide, on such terms and conditions as he may determine, relief, rehabilitation, and reconstruction assistance in connection with damage caused by floods in the Philippines during 1972. Of the funds provided herein for 'security supporting assistance', $50,000,000

shall be available only to carry out this section."

And the Senate agree to the same.

GEO. MAHON,
ROBERT L. F. SIKES,
OTTO E. PASSMAN,
JOE L. EVINS,
EDWARD P. BOLAND,
CHARLES R. JONAS,
E. A. CEDERBERG,
JOHN J. RHODES,
GARNER E. SHRIVER,
Managers on the Part of the House.

DANIEL K. INOUYE,
WARREN G. MAGNUSON,
ROBERT C. BYRD,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year ending June 30, 1973, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: Inserts perfecting language instead of language as proposed by the House and as proposed by the Senate.

Amendment No. 2: Inserts language for continuing benefits for special benefits for disabled coal miners but at an annual rate for operations not to exceed $1,526,500,000 as proposed by the Senate.

Amendment No. 3: Provides an annual rate for operations of not to exceed $3,652,701,000 instead of $4,010,155,000 as proposed by the House and $3,494,701,000 as proposed by the Senate for foreign aid, and amends language proposed by the Senate to make available certain reflows that become available during the interim period.

By adopting this language, the managers intend to make available, during the interim period, development loan reflows as well as carryovers of unobligated balances and other so-called "bridge" items.

The amounts listed for each activity are stated on a new obligational authority basis, and certain activities have been adjusted by the conferees.

Amendment No. 4: Amends language proposed by the Senate to allow $50,000,000 to be used for Philippine disaster relief from funds provided in the continuing resolution for security supporting assistance.

It is the intent of the managers that $50,000,000 shall be available only to carry out Philippine disaster relief assistance. In recognition of the urgent need for these funds, it is expected they be obligated in a timely manner.

GEO. MAHON,
ROBERT L. F. SIKES,
OTTO E. PASSMAN,
JOE L. EVINS,
EDWARD P. BOLAND,
CHARLES R. JONAS,
E. A. CEDERBERG,
JOHN J. RHODES,
GARNER E. SHRIVER,
Managers on the Part of the House.

DANIEL K. INOUYE,
WARREN MAGNUSON,
ROBERT C. BYRD,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

Mr. MAHON. Mr. Speaker, pursuant to unanimous consent previously granted, I call up the conference report on the joint resolution (H.J. Res. 1331) making further continuing appropriations for the fiscal year 1973, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see prior proceedings of the House today.)

Mr. MAHON. Mr. Speaker, I believe a recitation of a few facts would be of interest to the Members at this point.

There are only four amendments involved in this conference report. No amendments were reported in disagreement. It is a straightforward conference report, which is fully understandable.

It continues various Government programs for which there are not yet appropriations until February 28, 1973, the date when this resolution will expire.

It allows for payments under the black lung program of sums which have been provided by Congress, about $1.5 billion on an annual basis. This provision was not in the House version of the continuing resolution.

The continuing resolution also provides for the continued orderly operation of the foreign aid program and contains a provision contained in the Senate version of the resolution making $50 million available only for disaster relief in the Philippine Islands. This is in recognition of the urgent need growing out of the disastrous flood conditions there.

The conference agreement on the foreign aid portion of the measure is $461 million above last year's level. This needs explanation, because actually for the traditional foreign aid activities, such as economic assistance and military assistance, it is slightly below last year. The reason why we are above the level of last year in total is because of the international financial institutions. There are several in the measure and they have been funded at a higher level than last year.

Last year certain funds were postponed until the current fiscal year, so the fiscal year 1972 appropriation was $3.2 billion. The budget for 1973 was $5.2 billion. The House appropriation bill was $4.2 billion. The Senate appropriation which deferred action on several major activities due to lack of authorization was $2.8 billion.

The continuing resolution which passed the House a short time ago provided $4 billion. The Senate reduced that by about a half billion dollars.

The conference report on this continuing resolution provides for foreign aid at the level of $3.6 billion, until February 28, 1973. This is $357 million below the figure in the continuing resolution as passed by the House late last week. It is $158 million above the Senate continuing resolution which was passed by the other body yesterday.

That generally covers the basic facts, but I should advise Members that copies of the conference report are available as well as other details on the subject. Under leave to extend, I include at this point a table reflecting the levels of foreign assistance provided for under the House, Senate, and conference versions of the continuing resolution.

CONFERENCE ACTION ON CONTINUING RESOLUTION, H.J. RES. 1331

Item	House continuing resolution rate	Senate continuing resolution rate	Conference agreement
TITLE I—FOREIGN ASSISTANCE ACT ACTIVITIES			
Funds appropriated to the President			
Economic assistance			
Worldwide, technical assistance	$155,000,000	$155,000,000	$155,000,000
Alliance for Progress, technical assistance	77,500,000	77,500,000	77,500,000
International organizations and programs	105,000,000	105,000,000	105,000,000
Programs relating to population growth	100,000,000	100,000,000	100,000,000
American schools and hospitals abroad	25,500,000	20,000,000	25,500,000
American schools and hospitals abroad (special foreign currency program)	(5,350,000)	----------	----------
Indus Basin Development Fund, grants	10,000,000	10,000,000	10,000,000
Indus Basin Development Fund, loans	12,000,000	12,000,000	12,000,000
Contingency fund	25,000,000	25,000,000	25,000,000
International narcotics control	42,500,000	----------	----------
Refugee relief assistance (Bangladesh)	100,000,000	100,000,000	100,000,000
Alliance for Progress, development loans	165,000,000	150,000,000	150,000,000
Development loans	350,000,000	200,000,000	250,000,000
Administrative expenses:			
AID	50,000,000	50,000,000	50,000,000
State	4,775,000	4,221,000	4,221,000
Subtotal, economic assistance	1,222,275,000	1,008,721,000	1,064,221,000
Military assistance			
Military assistance	$600,000,000	$500,600,000	$550,600,000
Regional naval training	2,500,000	----------	2,500,000
Security supporting assistance			
Security supporting assistance	685,000,000	550,000,000	600,000,000
Subtotal	2,509,775,000	2,059,321,000	2,217,321,000
Overseas Private Investment Corp.			
Overseas Private Investment Corp., reserves	42,500,000	12,500,000	12,500,000
Inter-American Foundation			
Inter-American Foundation (limitation on obligations)	(5,000,000)	(5,000,000)	(5,000,000)
Total, title I, budget (obligational) authority, Foreign Assistance Act activities	2,552,275,000	2,071,821,000	2,229,821,000
TITLE II—FOREIGN MILITARY CREDIT SALES			
Foreign military credit sales	435,000,000	400,000,000	400,000,000
Total, titles I and II, new budget (obligational) authority	2,987,275,000	2,471,821,000	2,629,821,000

Item	House continuing resolution rate	Senate continuing resolution rate	Conference agreement
TITLE III—FOREIGN ASSISTANCE (OTHER)			
Total, title III, new budget (obligational) authority, Foreign Assistance (other)	$1,022,880,000	$1,022,880,000	$1,022,880,000
TITLE IV—EXPORT-IMPORT BANK OF THE UNITED STATES			
Limitation on program activity	(7,323,675,000)	(7,323,675,000)	(7,323,675,000)
Limitation on administrative expenses	($8,438,000)	($8,438,000)	($8,438,000)
Total, title IV, Export-Import Bank of the United States, limitations on use of corporate funds	(7,332,113,000)	(7,332,113,000)	(7,332,113,000)
Grand total, new budget (obligational) authority, titles I, II, and III	4,010,155,000	3,494,701,000	3,652,701,000

Mr. MAHON. I would like to yield at this time for further explanation to the gentleman from Louisiana (Mr. PASSMAN), the chairman of the subcommittee that deals directly with foreign assistance programs.

Mr. PASSMAN. Mr. Speaker, I want to thank the distinguished chairman for yielding.

Mr. Speaker, we are below the appropriations for the fiscal year 1972 in titles I and II. We are $1,510,000,000 below the total budget requests. It is one of the largest reductions made in foreign aid.

Mr. Speaker, title III contains the international financial institutions such as the Inter-American Development Bank and the International Development Association. The Members may recall we had no request for the International Development Association last year. The request is for $320 million this year. You may also recall, the appropriation request was for $836.7 million for the Inter-American Development Bank.

Mr. Speaker, we cut that request in half, but even so it is approximately $200 million above what we appropriated the previous year. So the increases in the Inter-American Development Bank and the International Development Association are not in the AID portion of the bill.

We bring the bill back, as the distinguished chairman just mentioned, at a figure $357 million below what we approved last Saturday night.

Mr. Speaker, I would like to inform the Members where we made the increases.

There is $50 million in the military assistance program; $50 million in emergency aid for the Philippines disaster covered under the supporting assistance item; and $50 million in the development loan fund.

Mr. Speaker, we yielded to the other body in all items except these three, and, in addition, we did get the Senate to yield on $5.5 million for hospitals and schools abroad, and another $2.5 million for regional naval training.

So, Mr. Speaker, this beyond any doubt is one of the tightest foreign aid bills presented to this House for consideration.

I would like to place in the RECORD at this point a table showing the comparisons of the continuing resolution figures for foreign aid:

Fiscal year 1972 appropriation	$3,190,896,000
Fiscal year 1973 budget estimates	5,163,024,000
Fiscal year 1973 House appropriation bill	4,195,155,000
Fiscal year 1973 Senate appropriation bill	$2,823,897,000
House continuing resolution	4,010,155,000
Senate continuing resolution	3,494,701,000
Conference agreement on continuing resolution	3,652,701,000
Conference agreement compared to—	
Fiscal year 1972 appropriation	+461,805,000
Fiscal year 1973 budget estimate	−1,510,323,000
Fiscal year 1973 House appropriation bill	−542,454,000
Fiscal year 1973 Senate appropriation bill	+828,804,000
House continuing resolution	−357,454,000
Senate continuing resolution	+158,000,000

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman from Louisiana yield?

Mr. PASSMAN. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman indicate the figures that were in the House bill, in the Senate version, and in the bill according to the conference report, as we have it today, on military assistance and on supporting assistance?

Mr. PASSMAN. Mr. Speaker, on military assistance the House bill was $600 million, the Senate bill was $500.6 million, and the compromise is $550,600,000. So it is below the House bill.

Now, Mr. Speaker, on supporting assistance the House bill was $685 million, the Senate bill was $550 million, and in the conference report the continuing resolution is $600 million.

Mr. Speaker, the House figure on development loans was $350 million; the Senate figure was $200 million; and the compromise figure was $250 million.

Mr. GERALD R. FORD. Mr. Speaker, let me say to my friend from Louisiana that, under very difficult circumstances, I believe that the House conferees did as well as they possibly could. I do not, however, want the Members of this body to believe that I think that this conference report provides adequately for military assistance or supporting assistance. I think the conference report is inadequate in these instances.

Mr. Speaker, I am only registering an individual protest. I do not think it is wise for us to make these reductions, but I must realize, on the other hand, the object and the practicality at this time.

Therefore, Mr. Speaker, I do endorse the conference report as much as I disapprove of certain provisions of certain dollar amounts in the conference report.

Mr. PASSMAN. In response to what the distinguished minority leader has said, I certainly concur in his views. I think the bill is entirely too low in the military assistance area, and I think it is entirely too low in the supporting assistance area, because in Vietnam alone they say they will require $585 million for supporting assistance, but this was the very best compromise we could work out.

I repeat that I certainly concur that we have underfunded supporting assistance and underfunded military assistance.

Mr. JONAS. Will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from North Carolina.

Mr. JONAS. I think the distinguished minority leader will recall—and I know I do not have to remind him—the other body killed this whole program at one time this year, so we were in the position of starting off with zero.

Mr. GERALD R. FORD. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. GERALD R. FORD. I am cognizant of that practical problem and of the lack of judgment and wise action on the part of the other body. That is why I predicated my remarks by saying these conferees were bringing this conference report back to us under very adverse and difficult circumstances.

Mr. JONAS. That is true.

I will add one other thing: The primary reason why we are here with a continuing resolution for this program is that we could not get the foreign aid authorization bill enacted.

Mr. PASSMAN. If I might say, before yielding to the distinguished gentleman from Kansas; we have a House authorization bill, a Senate authorization bill, a House appropriation bill, a Senate appropriation bill, a House continuing resolution, and a Senate continuing resolution. So you have six pieces of legislation with each one containing a different figure. It made it most difficult for us to work out an agreement in conference and we will be considering this program again in January or February.

I now yield to the distinguished gentleman from New York, a member of the committee.

Mr. MCEWEN. Mr. Speaker, I would like to associate myself with the remarks of the distinguished gentleman from Michigan (Mr. GERALD R. FORD), and my chairman, Mr. PASSMAN, and the others on this.

I would like to ask this question of the

gentleman from Louisiana. Is it not true these are the funds with which we carry out our commitment, for example, to Korea, where we have reduced the number of U.S. troops and in return for that we have pledged our assistance to them in modernizing their forces?

Mr. PASSMAN. I might say for the record that Secretary of Defense Laird stated the $780 million request made for military assistance for fiscal year 1973 was inadequate and they possibly would have to ask for a supplemental to offset the cancellations we made last year against this positive commitment.

It is inadequate, I believe, and when we come back in January we will hopefully have a little different atmosphere. We will get an authorization bill then and we can move to modify the situation.

I now yield to the distinguished gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Speaker, I thank the gentleman for yielding to me.

I want to remind the Members that this is stopgap legislation. At the end of February the authority in this act will cease. By that time we will probably have a working of the will of the House again on this legislation.

This is a matter that relates to a report adopted by the conference committee, which expires February 28 of next year. So we will be back again with this bill then.

We are satisfied, as stated before by the minority leader and others who have spoken before me, that it does not supply sufficient funds to carry out the many programs which are important to Vietnamization, to the Nixon doctrine, to winding down the war, and to the conclusion of hostilities in Southeast Asia. However, it is the best we can do at this late hour in this session, and we did the best we could under these difficult circumstances.

Mr. FRELINGHUYSEN. Will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman who is a member of the authorizing committee.

Mr. FRELINGHUYSEN. Mr. Speaker, I would like to agree with the gentleman from Louisiana that the amount you have provided under this continuing resolution for military assistance and supporting assistance is not sufficient.

I would like to reiterate what I said the other day when we had the continuing resolution before us, that it is a reflection on the authorizing committee that we do not have a normal process to provide funds. I do not think the finger should be pointed at Members of the House. I am sure the House conferees have done their best to provide adequate funds and to reach agreement. I am not at all sure that the problem is going to be resolved next year. Of course, this is a stopgap expedient, but what worries me, if the other body should be as stiff-necked and as arbitrary as they have been in this session, we are going to have the same kind of problem and perhaps even a more serious problem next year. I can see a lot of trouble as a result of the situation which was allowed to develop this year.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

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

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman yielding. I know that the gentleman from Louisiana has been extremely interested in the foreign aid program and has talked long and hard on reducing this program.

May I ask the gentleman from Louisiana what has happened to all the dollars that the gentleman has been talking about many times that are in the pipeline? Where are these dollars now?

Mr. PASSMAN. May I say to the distinguished gentleman from California that the money that is in the pipeline is obligated for ongoing projects.

Mr. ROUSSELOT. I understand that, but I am asking what the total amount is.

Mr. PASSMAN. The pipeline is being drained and, of course, it has been going on for many years and, believe it or not, we have actually contained it in this bill. If the gentleman will permit me to say that going back about 10 years ago we had a larger foreign aid program than you have now when you consider only what we thought of foreign aid back in those days.

So we have contained this bill, as I say.

I am not a foreign aid enthusiast, as I am sure the gentleman knows, but nevertheless we have made certain commitments and we are going to have to honor those commitments. If we are going to do that, then we must provide the necessary amount of money to meet those commitments.

Mr. ROUSSELOT. The point I was trying to make is what has actually happened to the money in the pipeline, because I know the gentleman has kept track of the total amount that is in the pipeline.

Mr. PASSMAN. I would say that possibly it is down in the neighborhood of $2 billion for economic assistance.

Mr. ROUSSELOT. $2 billion, did the gentleman say?

Mr. PASSMAN. Approximately in the area.

Mr. ROUSSELOT. So actually this foreign-aid program is not exactly on a starvation basis.

Mr. PASSMAN. May I point out to the gentleman from California that the $2 billion is to finance ongoing projects, for equipment that has been requested, and is to be delivered. The same is true with the Department of Defense and other agencies. These funds are to meet commitments that have been made.

Mr. ROUSSELOT. My point is that program really is not on a starvation basis.

Mr. PASSMAN. Let me say to the gentleman from California that this bill is not very high when you have considered the savings resulting from the Nixon doctrine and you have studied the mechanics and the items.

Mr. ROUSSELOT. I have.

Mr. PASSMAN. Then I am sure that the gentleman will concur with his own distinguished minority leader that we have reduced these items too much, and we might have to consider this later on.

I thank the gentleman for his contribution.

Mr. ROUSSELOT. I thank the gentleman for yielding.

(Mr. PASSMAN asked and was given permission to revise and extend his remarks, and to include certain tables.)

Mr. MAHON. Mr. Speaker, I yield to the distinguished gentleman from Missouri (Mr. HALL).

Mr. HALL. Mr. Speaker, I appreciate the chairman of the Committee on Appropriations yielding.

I would like to change the tenor and the direction of the continuing resolution for just a minute and address myself to amendment No. 2.

This is the one that inserts the language for continuing benefits for disabled coal miners at an annual rate not to exceed $1.5 billion plus. Was this added on in the other body as a surprise to everyone? Or is it up over any appropriation that we are carrying in any other House bill or what is the situation that suddenly brings this before us?

Mr. MAHON. The other body included this additional language to insure financing for the black lung program for this current fiscal year at the increased level. It is the amended budget estimate of the sum that will be required.

I was astounded at the size of the request, but this is a figure that has been presented. The Congress has passed this legislation and we are required to fund it.

There was a black lung program in existence before action was taken earlier this year to liberalize the program, and we are confronted with the necessity to meet these new requirements. These funds are included in the new HEW appropriation bill which has been cleared through both bodies, but which has not yet been enacted into law. This assures the availability of these funds at the level provided by the Congress earlier this year.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, I am familiar with the basic authorizing legislation.

Like the gentleman from Texas, I was astounded at the total amount.

Is this full funding of the entire authorization?

Mr. MAHON. It is the program level for the current fiscal year which reflects the increases provided by Congress.

Mr. HALL. It was my understanding at the time that authorizing legislation passed that we were amalgamating bituminous type of discoloration of the lung along with the dangerous inner-city type—the difference between anthracosis and pneumoconiosis.

Of course we were aware of the sacredness of the disabled miners who have been treated so shabbily in the past. Many of us knew that this was excessive, especially when the radiographic evidence was ruled out in the determination of what constituted disability for those who have black lungs, whether it be from coal mines or other untimely black lung discoloration of the lympth node of the lungs situation.

I doubt if many of us thought it would be fully funded by an appropriation, especially by a continuing resolution in any one given year.

I question the wisdom of the entire amount. I would hope that it would not

all be used, if it is not necessary just because it has been appropriated.

Mr. MAHON. Certainly, I too would hope that it would not all be used unless it is absolutely required.

The amount for black lung benefits under the present continuing resolution for the fiscal year 1972 is $591 million. The committee is advised that these funds would be exhausted by December.

This continuing resolution runs until the 28th of February and authority is provided to make payments at the higher rate until that date.

In the event the second HEW appropriation bill should not be enacted into law this will provide spending authority until further action can be taken.

Mr. HALL. May I just say that I just do not believe it can be equitably used in even the highest quality care to anyone who even sniffs the smoke—let alone the disabled and deserving coal miners.

Mr. Speaker, I agree with the gentleman.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from North Carolina (Mr. JONAS).

Mr. JONAS. Mr. Speaker, I just want to point out to the gentleman from Missouri that this is not an appropriation of $1,526,500,000. The provision is the continuing resolution provides authority, if it should be necessary, to make benefit payments at the higher rate until February 28. The actual appropriation is contained in the second appropriation bill for the Department of Health, Education, and Welfare which has been sent to the President but which has not yet been signed.

Mr. PICKLE. Mr. Speaker, if I understand the explanation of this continuing resolution, it is difficult for me to believe that Members would vote for it. Perhaps the desire to help foreign assistance will be strong enough with some Members to cast an "aye" vote, but there is a great deal more to this measure than foreign assistance.

As I understand it, this continuing resolution provides the appropriations for the black-lung program. I voted for that program, and I am surprised to learn that at this late hour no appropriations have been made to handle this authorization, except in the HEW bill. It is beyond me why we have to handle this kind of measure on a continuing resolution. With respect to the foreign aid program, the Appropriations Committee has actually appropriated a new sum by brute force rather than continue spending at the level of last year's expenditures. That is normally what a continuing resolution is supposed to do. Last year we funded foreign assistance at a $3.2 billion level. This year the House funded foreign assistance at a $4.2 billion level and the Senate only at a $2.8 billion level. Actually, the measure has not been authorized in the other body. So even though last year's appropriation was only the $3.2 billion level, the conference committee comes in here and asks us to approve the sum of $3.7 billion for the fiscal year 1973 or at least until early next year. We therefore are not continuing at last year's level—the conference committee just looked at the two levels that the House and Senate tried to agree upon and decided on the cozy sum of $3.7 billion. To me, this is not a continuing resolution but rather a strong-armed submission to the committee which gives us a new and higher sum.

Worst of all, however, is what I understand this bill will also do, and that is that it would extend expenditures for the HEW programs through the rest of the year at the 1972 level and it would do the same thing to programs affecting water pollution control, except for grant programs. Why in the world do we want to pass a continuing resolution tonight to continue our present programs is beyond belief. This is an open invitation to the President to veto the water pollution bill; and even though it may discourage the President from vetoing the HEW bill, it still seems to me that passing the continuing resolution for the appropriations of these two programs would be more appropriate at a later date—possibly Wednesday.

Indeed, one would think that there is collusion between the Appropriations Committee and the White House on the water pollution bill to set up this continuing funding level because someone has been told that the President might or would veto this program. I cannot believe that that is the development; but passage of this continuing resolution in its present form is an absolute abdication of our responsibilities. I do not know if the President is going to veto the Federal water pollution bill or the HEW bill. I hope he does not. But surely, the Congress will be embarrassed if he does veto them to learn that 24 hours in advance the Congress extended the handle of the veto hammer to him. If all this takes place, we have cut our own throats.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. PRICE of Illinois). The question is on the conference report.

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

Mr. DELLENBACK. 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 pro tempore. 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 188, nays 80, not voting 183, as follows:

[Roll No. 457]

YEAS—188

Abzug	Blatnik	Carlson
Adams	Boland	Carney
Addabbo	Brademas	Carter
Alexander	Brasco	Casey, Tex.
Anderson, Ill.	Breaux	Cederberg
Andrews, Ala.	Brotzman	Celler
Aspinall	Brown, Mich.	Chamberlain
Barrett	Buchanan	Chisholm
Belcher	Burke, Mass.	Clancy
Bergland	Burton	Clausen,
Biaggi	Byrnes, Wis.	Don H.
Biester	Carey, N.Y.	Collins, Ill.
Conable	Heinz	Pirnie
Conte	Helstoski	Poage
Conyers	Hicks, Mass.	Preyer, N.C.
Corman	Hicks, Wash.	Price, Ill.
Coughlin	Hogan	Quie
Culver	Holifield	Randall
Daniel, Va.	Horton	Rangel
Daniels, N.J.	Johnson, Calif.	Rees
Davis, S.C.	Johnson, Pa.	Rhodes
de la Garza	Jonas	Riegle
Dellenback	Jones, Ala.	Roberts
Dellums	Karth	Robinson, Va.
Dennis	Keating	Rodino
Dent	Kee	Roe
Devine	Keith	Rooney, Pa.
Diggs	Kemp	Rosenthal
Dingell	King	Roybal
Donohue	Kluczynski	Sarbanes
Dorn	Kyl	Scherle
Downing	Kyros	Scheuer
Drinan	Landrum	Schneebeli
Eckhardt	Leggett	Seiberling
Edwards, Ala.	Lent	Shriver
Edwards, Calif.	Long, Md.	Sikes
Eilberg	McCloskey	Slack
Esch	McDade	Smith, Iowa
Eshleman	McEwen	Staggers
Evins, Tenn.	McFall	Stanton,
Fascell	McKevitt	J. William
Fish	McKinney	Stanton,
Flood	Macdonald,	James V.
Foley	Mass.	Steele
Ford, Gerald R.	Madden	Stokes
Ford,	Mahon	Sullivan
William D.	Mallary	Teague, Calif.
Forsythe	Mann	Ullman
Fraser	Mathias, Calif.	Vanik
Frelinghuysen	Mazzoli	Vigorito
Frenzel	Metcalfe	Wampler
Fulton	Minish	Ware
Fuqua	Mink	Whalen
Garmatz	Morgan	Whalley
Gonzalez	Murphy, Ill.	Whitehurst
Green, Pa.	Nedzi	Wiggins
Grover	Nelsen	Wilson,
Gude	Nix	Charles H.
Halpern	O'Hara	Wright
Hamilton	O'Neill	Wydler
Hansen, Idaho	Passman	Wylie
Harrington	Patten	Yates
Hathaway	Pepper	Young, Tex.
Hays	Perkins	Zablocki
Hechler, W. Va.	Pike	

NAYS—80

Ashbrook	Jarman	Roush
Bennett	Jones, N.C.	Rousselot
Bray	Kastenmeier	Roy
Brinkley	Kazen	Ruth
Burke, Fla.	Landgrebe	St Germain
Byron	Latta	Sandman
Camp	Lennon	Satterfield
Cleveland	Lujan	Saylor
Colmer	McCollister	Schmitz
Conover	Mathis, Ga.	Scott
Davis, Ga.	Miller, Ohio	Smith, Calif.
Dulski	Mills, Ark.	Spence
Duncan	Minshall	Steed
Fountain	Mitchell	Stubblefield
Gaydos	Mizell	Stuckey
Gibbons	Montgomery	Taylor
Goodling	Myers	Teague, Tex.
Griffin	Natcher	Terry
Hagan	Obey	Thone
Hall	O'Konski	Tiernan
Hammer-	Pettis	Veysey
schmidt	Pickle	White
Harsha	Powell	Whitten
Hillis	Price, Tex.	Wyman
Hull	Quillen	Young, Fla.
Hungate	Rarick	Zion
Hutchinson	Rogers	Zwach

NOT VOTING—163—

Abbitt	Bingham	Collins, Tex.
Abernethy	Blackburn	Cotter
Abourezk	Blanton	Crane
Anderson,	Boggs	Curlin
Calif.	Bolling	Danielson
Anderson,	Bow	Davis, Wis.
Tenn.	Brooks	Delaney
Andrews,	Broomfield	Denholm
N. Dak.	Brown, Ohio	Derwinski
Annunzio	Broyhill, N.C.	Dickinson
Archer	Broyhill, Va.	Dow
Arends	Burleson, Tex.	Dowdy
Ashley	Burlison, Mo.	du Pont
Aspin	Byrne, Pa.	Dwyer
Badillo	Cabell	Edmondson
Baker	Caffery	Erlenborn
Baring	Chappell	Evans, Colo.
Begich	Clark	Findley
Bell	Clawson, Del	Fisher
Betts	Clay	Flowers
Bevill	Collier	Flynt

Frey	McCormack	Rooney, N.Y.
Galifianakis	McCulloch	Rostenkowski
Gallagher	McDonald, Mich.	Runnels
Gettys	McKay	Ruppe
Giaimo	McMillan	Schwengel
Goldwater	Mailliard	Sebelius
Grasso	Martin	Shipley
Gray	Matsunaga	Shoup
Green, Oreg.	Mayne	Sisk
Griffiths	Meeds	Skubitz
Gross	Melcher	Smith, N.Y.
Gubser	Michel	Snyder
Haley	Mikva	Springer
Hanley	Miller, Calif.	Steiger, Ariz.
Hanna	Mills, Md.	Steiger, Wis.
Hansen, Wash.	Mollohan	Stephens
Harvey	Monagan	Stratton
Hastings	Moorhead	Symington
Hawkins	Mosher	Talcott
Hébert	Moss	Thompson, Ga.
Heckler, Mass.	Murphy, N.Y.	Thompson, N.J.
Henderson	Nichols	Thomson, Wis.
Hosmer	Patman	Udall
Howard	Pelly	Van Deerlin
Hunt	Peyser	Vander Jagt
Ichord	Podell	Waggonner
Jacobs	Pryor, Ark.	Waldie
Jones, Tenn.	Pucinski	Widnall
Koch	Purcell	Williams
Kuykendall	Railsback	Wilson, Bob
Link	Reid	Winn
Lloyd	Reuss	Wolff
Long, La.	Robison, N.Y.	Wyatt
McClory	Roncalio	Yatron
McClure		

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Arends.
Mr. Thompson of New Jersey with Mr. Hosmer.
Mr. Hébert with Mr. Davis of Wisconsin.
Mr. Rooney of New York with Mr. Martin.
Mr. Bingham with Mr. Clay.
Mrs. Griffiths with Mr. Andrews of North Dakota.
Mr. Delaney with Mr. Findley.
Mr. Podell with Mr. Peyser.
Mr. Reid with Mr. Kuykendall.
Mr. Mikva with Mr. Erlenborn.
Mr. Howard with Mr. Lloyd.
Mr. Stratton with Mr. Broomfield.
Mr. Sisk with Mr. Railsback.
Mr. Wolff with Mr. du Pont.
Mr. Waldie with Mr. Del Clawson.
Mr. Badillo with Mr. Gallagher.
Mr. Shipley with Mr. Crane.
Mr. Melcher with Mr. Shoup.
Mr. Monagan with Mr. Derwinski.
Mr. Danielson with Mr. Talcott.
Mr. Cotter with Mr. Brown of Ohio.
Mr. Flowers with Mr. Baker.
Mr. Flynt with Mr. Archer.
Mrs. Grasso with Mr. Hunt.
Mr. Rostenkowski with Mr. Collier.
Mr. Reuss with Mr. Gubser.
Mr. Murphy of New York with Mr. Wyatt.
Mr. Moorhead with Mr. Snyder.
Mrs. Hansen of Washington with Mr. Dickinson.
Mr. Moss with Mr. Goldwater.
Mr. Bevill with Mr. Broyhill of Virginia.
Mr. Nichols with Mr. Blackburn.
Mr. Roncalio with Mr. Collins of Texas.
Mr. Giaimo with Mr. Smith of New York.
Mr. Denholm with Mr. Frey.
Mr. Clark with Mr. Williams.
Mr. Chappell with Mr. Broyhill of North Carolina.
Mr. Anderson of California with Mrs. Heckler of Massachusetts.
Mr. Ashley with Mr. Mosher.
Mr. Brooks with Mr. Michel.
Mr. Burleson of Texas with Mr. Ruth.
Mr. Burlison of Missouri with Mr. Schwengel.
Mr. Cabell with Mr. Winn.
Mr. Evans of Colorado with Mr. Mayne.
Mr. Fisher with Mr. Vander Jagt.
Mr. Gettys with Mr. Sebelius.
Mr. Gray with Mr. Pelly.
Mr. Haley with Mr. McClure.
Mr. Runnels with Mr. Hastings.
Mr. Purcell with Mr. Skubitz.
Mr. Mollohan with Mr. Harvey.
Mr. Matsunaga with Mr. Mailliard.
Mr. Meeds with Mr. Thompson of Georgia.
Mr. Koch with Mr. Steiger of Wisconsin.
Mr. Ichord with Mr. Robison of New York.
Mr. Jacobs with Mr. Thomson of Wisconsin.
Mr. Henderson with Mr. Steiger of Arizona.
Mr. Hawkins with Mr. Dow.
Mr. Hanna with Mr. Bob Wilson.
Mr. Hanley with Mr. Widnall.
Mr. Link with Mr. Bell.
Mr. Jones of Tennessee with Mr. Betts.
Mrs. Green of Oregon with Mrs. Dwyer.
Mr. Yatron with Mr. Williams.
Mr. Symington with Mr. Bow.
Mr. McCormack with Mr. McClory.
Mr. Anderson of Tennessee with Mr. McCulloch.
Mr. Abernethy with Mr. Springer.
Mr. Udall with Mr. Mills of Maryland.
Mr. Waggonner with Mr. Pryor of Arkansas.
Mr. Van Deerlin with Mr. Patman.
Mr. Stephens with Mr. Curlin.
Mr. Edmondson with Mr. Abbitt.
Mr. Aspin with Mr. Baring.
Mr. Abourezk with Mr. Blanton.
Mr. Byrne of Pennsylvania with Mr. Caffery.
Mr. McKay with Mr. McMillan.
Mr. Long of Louisiana with Mr. Miller of California.
Mr. Pucinski with Mr. Galifianakis.

Messrs. ROUSH and ROY 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.

GENERAL LEAVE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the conference report just agreed to, and to include extraneous material.

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

There was no objection.

CONFERENCE REPORT ON S. 2087, OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

Mr. RODINO submitted the following conference report and statement on the Senate bill (S. 2087) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal minimum death and dismemberment benefit to public safety officers or their surviving dependents:

CONFERENCE REPORT (H. REPT. No. 92-1612)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2087) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal minimum death and dismemberment benefit to public safety officers or their surviving dependents, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Public Safety Officers' Benefits Act of 1972."

SEC. 2. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by—

(1) redesignating sections 451 through 455 respectively as sections 421 through 425;

(2) redesignating sections 501 through 522 respectively as sections 550 through 571;

(3) redesignating parts F, G, H, and I of title I respectively as parts G, H, I, and J of title I; and

(4) adding at the end of part E of title I of this Act, the following new part:

PART F—DEATH BENEFITS FOR PUBLIC SAFETY OFFICERS

DEFINITIONS

SEC. 525. As used in this part—

(1) "child" means any natural, adopted, or posthumous child of a deceased public safety officer who is—

(A) under eighteen years of age; or

(B) over eighteen years of age and incapable of self-support because of physical or mental disability; or

(C) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

(2) "criminal act" means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government, which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime;

(3) "dependent" means a person who was wholly or substantially reliant for support upon the income of a deceased public safety officer;

(4) "intoxication" means a disturbance of mental or physical faculties resulting from the introduction of alcohol, drugs or other substances into the body;

(5) "line of duty" means within the scope of employment or service;

(6) "public safety officer" means a person serving a public agency, with or without compensation, as—

(A) a law enforcement officer, including a corrections or a court officer, engaged in—

(i) the apprehension or attempted apprehension of any person—

(a) for the commission of a criminal act, or

(b) who at the time was sought as a material witness in a criminal proceeding; or

(ii) protecting or guarding a person held for the commission of a criminal act or held as a material witness in connection with a criminal act; or

(iii) the lawful prevention of, or lawful attempt to prevent the commission of a criminal act or an apparent criminal act or in the performance of h.s official duty; or

(B) a firefighter; and

(7) "separated spouse" means a spouse, without regard to dependency, who is living apart for reasonable cause or because of desertion by the deceased public safety officer.

AWARDS

SEC. 526. (a) Upon a finding made in accordance with section 527 of this part the Administration shall provide a gratuity of $50,000.

(b) (1) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under section 527 of this part.

(2) The amount of any interim benefit paid under paragraph (1) of this subsection shall be deducted from the amount of any final benefit paid to such person or dependent.

(3) Where there is no final benefit paid, the recipient of any interim benefit paid under paragraph (1) of this subsection shall be liable for repayment of such amount. The Administration may waive all or part of such repayment.

(c) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by payments authorized by section 12(k) of the Act of September 1, 1916, as amended, (4–531(1) of the District of Columbia Code.

(d) No benefit paid under this part shall be subject to execution or attachment.

RECIPIENTS

SEC. 527. When a public safety officer has been killed in the line of duty and the direct and proximate cause of such death was a criminal act or an apparent criminal act, the Administration shall pay a benefit as provided in section 526 of this part as follows:

(1) if there is no surviving dependent child of such officer to the surviving dependent spouse or separated spouse of such officer;

(2) if there is a surviving dependent child or children and a surviving dependent spouse or separated spouse of such officer, one-half to the surviving dependent child or children of such officer in equal shares and one-half to the surviving dependent spouse or separated spouse of such officer;

(3) if there is no such surviving dependent spouse or separated spouse, to the dependent child or children of such officer, in equal shares; or

(4) if none of the above, to the dependent parent or parents of the decedent, in equal shares.

(5) if none of the above, to the dependent person or persons who are blood relatives of the deceased public safety officer or who were living in his household and who are specifically designated in the public safety officer's duly executed authorization to receive the benefit provided for in this part.

LIMITATIONS

SEC. 528. No benefit shall be paid under this part—

(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer.

MISCELLANEOUS PROVISIONS

SEC. 3. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated such sums as are necessary for the fiscal year ending June 30, 1973, for the purposes of part F."

SEC. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 5. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstance be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 6. This Act shall become effective and apply to acts and deaths occurring on or after the date of enactment of this Act.

And the Senate agree to the same.

PETER W. RODINO,
JOHN F. SEIBERLING,
DAVID W. DENNIS,
Managers on the Part of the House.

JOHN MCCLELLAN,
SAM J. ERVIN, Jr.,
P. A. HART,
ROMAN HRUSKA,
HUGH SCOTT,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2087) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal minimum death and dismemberment benefit to public safety officers or their surviving dependents, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate passed S. 2087 and the House substituted the provisions which it had adopted by striking out all after the enacting clause and inserting its own provision. The Senate insisted upon its version and requested a conference; the House then agreed to the conference. The Conference Report recommends that the Senate recede from its disagreement to the House version and agree to the same with an amendment. The amendment being to insert, in lieu of the matter inserted by the House amendment, the matter agreed to by the conferees and that the Senate agree thereto. The Conference Report contains substantially the language of the House version with certain exceptions which are explained below.

(1) As passed by the Senate the bill provided that the Law Enforcement Assistance Administration shall pay a $50,000 lump sum to the defined eligible dependents of a federal, state, or local public safety officer killed in the line of duty as a result of a criminal act or an apparent criminal act. The bill furthermore provided a dismemberment payment for a public safety officer who suffered dismemberment in the line of duty and the proximate cause of such dismemberment was a criminal act or an apparent criminal act. As amended by the House, the bill directed the Law Enforcement Assistance Administration to pay a $50,000 lump sum to defined eligible dependents of a public safety officer who died as the direct and proximate result of a personal injury sustained in the performance of duty. The House measure covered only state or local officers. The conferees agreed to the deletion of the dismemberment provision and to adopt the Senate version which provided that the $50,000 would be payable only to eligible dependents of the public safety officer who was killed in the line of duty and the proximate cause of such death was a criminal act or an apparent criminal act. The conference agreed to cover only state and local officers. It was agreed, however, that if further study indicated that the exclusion of Federal officer worked inequity, consideration would be given to amending the provision of the Act.

(2) The Senate bill contained a provision to make the lump sum payments retroactive to January 1, 1967. The House amendment contained no such provision. The conferees agreed to the deletion of the retroactive feature and agreed that provisions of the bill would become effective as to acts and deaths on the date of enactment.

(3) The Senate bill provided that the lump sum payment would not be subject to attachment or execution. Furthermore, the Senate bill provided that no benefit shall be paid if the death of the public safety officer was caused by the intentional misconduct of the public safety officer, by his intention to bring about his death, by his voluntary intoxication, or if the public safety officer was killed by any person who would otherwise be entitled to a benefit under the bill if such person's action was a contributing factor to the death of the public safety officer. The House version contained no such provision. The conferees agreed to adopt the Senate provisions.

PETER RODINO,
JOHN F. SEIBERLING,
DAVID W. DENNIS,
Managers on the Part of the House.

JOHN MCCLELLAN,
SAM J. ERVIN, Jr.,
P. A. HART,
ROMAN HRUSKA,
HUGH SCOTT,
Managers on the Part of the Senate.

Mr. RODINO. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the Senate bill (S. 2087) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal minimum death and dismemberment benefit to public safety officers or their surviving dependents.

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

Mr. WIGGINS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New Jersey if this is not the bill that provides for a $50,000 gratuity to widows of State policemen and firemen who may be killed in the line of duty?

Mr. RODINO. This is a $50,000 lump sum gratuity to police and firemen and other law enforcement officers who are killed in the line of duty as a result of their involvement in trying to stop some criminal act.

Mr. WIGGINS. If the gentleman will respond further under my reservation of objection, Mr. Speaker, is it not so that the conferees met this afternoon and that the conference report had just been agreed to today?

Mr. RODINO. That is correct.

Mr. WIGGINS. So that copies therefor of the conference report are not now available on the floor for the inspection of the Members?

Mr. RODINO. No; because the conferees only met this afternoon and the conference report was just filed.

Mr. WIGGINS. Mr. Speaker, believing that there is no real Federal justification for involvement in this program, and believing further that it is not supportable to pay to the wives of police officers more than we pay to our surviving widows of veterans killed in Vietnam, I object.

The SPEAKER. Objection is heard.

TOXIC SUBSTANCES CONTROL REGULATING USE AND DISTRIBUTION OF CHEMICAL SUBSTANCES

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1478) "to reg-

ulate interstate commerce by requiring premarket testing of new chemical substances and to provide for screening of the result of such testing prior to commercial production, to require testing of certain existing chemical substances, to authorize the regulation of the use and distribution of chemical substances, and for other purposes", with Senate amendments to the House amendments thereto, and disagree to the Senate amendments to the House amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Page 13, after line 15, of the House engrossed amendments, insert:

"The Administrator may, by rule, prescribe procedures for the purpose of insuring that manufacturers, processors, or importers of chemical substances which were not produced or distributed in commerce for commercial purpose prior to the date of enactment of this Act, furnish notice, a description of such chemical substance, and technical data relating to the environmental or public health effects of the substance to the Administrator before its distribution in commerce.".

Page 22, line 19, of the House engrossed amendments, strike out "or".

Page 23, line 4, of the House engrossed amendments, strike out "Act)." and insert: "Act); or".

Page 23, after line 4, of the House engrossed amendments, insert:

"(3) pesticides as defined in the Federal Insecticide, Fungicide, and Rodenticide Act and chemical substance used in such pesticides except that if a chemical substance which constitutes such pesticide or such ingredient is used for any purpose other than such pesticide, this Act shall apply to such use.".

Page 23, line 5, of the House engrossed amendments, strike out "The" and insert: "Except for sections 4, 5, or 8, the".

Page 23, line 10, of the House engrossed amendments, after "extent" insert: "in a reasonable time and in a reasonable manner".

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

Mr. HALL. Mr. Speaker, reserving the right to object, am I properly identifying this bill by its call number, as Senate 1478 the toxic substances act or bill that we worked on and sent to the other body on Saturday last?

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

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

Mr. STAGGERS. Mr. Speaker, last Friday the House passed by rollcall vote of 240 to 61 a House substitute amendment to the bill S. 1478—a bill to protect health and the environment against hazards associated with toxic chemical substances. During the debate on this legislation I repeatedly emphasized that we would not accept a conference with the Senate on this bill. It was the committee's opinion that we have gone as far as we could go in this area. The Senate has returned the bill to us with further amendments. One of these proposes that we give the Environmental Protection Agency additional rulemaking authority to require prior notice and the submission of test data before marketing for all new chemical substances. This authority may well lead to a system which requires premarket clearance of all new chemical substances. The committee considered that approach but was unwilling to go that far.

I regret that the press of business in the close of the legislative session does not allow sufficient time for the House and Senate to meet in careful deliberation of its differences. However, I believe that the House bill is a good bill which presents a most workable means of providing necessary protection for health and the environment without stifling technological innovation.

As I noted earlier, the committee met for over 3 weeks in executive session on this bill. This legislation has been given very careful consideration. It is my hope that the Senate—on reconsideration of this matter—will find the House version of this bill acceptable. Accordingly I recommend that we disagree with the Senate amendments and return the bill to the Senate.

Mr. HALL. Mr. Speaker, based on the colloquy as recorded in the CONGRESSIONAL RECORD at page 36064 on S. 1478, and the gentleman's motion at this time, I object.

The SPEAKER. Objection is heard.

FORTY CONSECUTIVE YEARS OF PUBLIC SERVICE IN THE U.S. HOUSE OF REPRESENTATIVES

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

Mr. KEE. Mr. Speaker, it is with a feeling of sadness that my public service in the U.S. House of Representatives will come to an end at the close of the 92d Congress.

I well remember the election of my late father, Representative John Kee, to the House of Representatives in 1932. I clearly remember his full and complete devotion to public service until his death while presiding as chairman of the House Committee on Foreign Affairs in May 1951.

Then—I remember with gratitude the election of my mother—the Honorable Elizabeth Kee—to succeed my father—finish his term—and to be returned to the House each consecutive Congress until she voluntarily retired at the close of the 88th Congress. This association gave me an insight into the Congress and a deep respect for the Members who served during this period.

It was with humility that I was elected in 1964 to serve in my own right—starting with the 89th Congress. It has been—and still is—with heartfelt satisfaction that I have had the privilege to work closely with the Members of the House—especially the Committee on Public Works and the Committee on Interior and Insular Affairs.

I respect the views of all Members and shall carry close to my heart—as long as I may live—those wonderful memories covering a period of 40 consecutive years.

Experience has taught me the jealous demands upon the time of each and every Member of both political parties. Experience has taught me the complete devotion to public service so clearly demonstrated by the men and women who serve with such dedication—those who go that extra step to measure up to and exceed that sacred obligation which each sought and won.

Mr. Speaker, I commend my colleagues and wish for the Members of the House every success as they approach the serious problems that must be solved in the days ahead. It is an unquestioned fact that the Members of the House are responsive—responsible—and the closest public officials to the residents of their respective congressional districts.

Our Founding Fathers determined that our country was originated with the understanding that the future of our Nation depends upon the succses or failure of the U.S. House of Representatives. We do have unusually capable representatives in both political parties who deserve the respect and the gratitude of every concerned citizen of our Nation. I am most honored to have served with all of you. May you be richly rewarded for your statesmanship in future elections and may you be blessed with happiness and the satisfaction that you have done your part for the benefit of those yet to come.

Mr. Speaker, I am equally gratified with the great public record established by my late father and mother—and hope that in some small way I have added to their splendid records.

THE 1972 HOUSING AND URBAN DEVELOPMENT BILL

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

Mr. BARRETT. Mr. Speaker, as the Members know, the House Rules Committee on September 27 declined to grant a rule for the consideration of H.R. 16704, the Housing and Urban Development Act of 1972. Prior to the House Rules Committee action and subsequent to the Committee on Banking and Currency's reporting the bill, a number of articles have appeared in the press concerning the proceedings in the Committee on Banking and Currency and its Housing Subcommittee on the markup of this legislation. On September 20, 1972, the New York Times carried a front page story entitled "Federal Housing Reform Unlikely Despite Scandal" by John Herbers. This article contains numerous misstatements of fact and several serious charges against the House Committee on Banking and Currency and the Housing Subcommittee. On September 22, I wrote a detailed rebuttal to Mr. Herbers' story. I was informed by the Times staff that the letter was too long to be printed in the "letters to the editor" section of the newspaper. I subsequently sent a much shorter version of this letter to the Times, and it was published October 3. Since a number of other articles have been writ-

ten on the housing bill based on Mr. Herbers' New York Times story, I believe that it is important that I clarify for the benefit of the Members of the House some of the charges that are contained in this article and the subsequent articles that have been written based on Mr. Herbers' story.

Mr. Speaker, I would like to include in the RECORD at this point the article in the New York Times on Wednesday, September 20, 1972, entitled "Federal Housing Reform Unlikely Despite Scandal" as well as my detailed reply to the editor of the New York Times, and the shortened version of the letter that appeared in the Times on October 3:

[From the New York Times, Sept. 20, 1972]

FEDERAL HOUSING REFORM UNLIKELY DESPITE SCANDAL

(By John Herbers)

WASHINGTON, Sept. 19.—Despite widespread scandals and failures in Federal housing programs, Congress appears to be on the verge of enacting voluminous new legislation that would continue the controversial programs for another two years without major reform.

The House Banking and Currency Committee reported out today, 19 to 3, an omnibus bill that would leave undisturbed the basic thrust of the subsidy and other housing programs that have burgeoned in the last three years.

The bill also contains authorization for Federal operating subsidies for mass transit systems and a consolidation of community development grants that would increase funding to cities.

Although there is strong opposition to the housing aspects of the bill, sponsors said they expected it to pass before Congress adjourns in October. The Senate passed a similar bill last month.

In the view of a number of critics and Congressional investigators, Congress, during months of review and struggle, has been unable to effect change because of the following factors:

Unusually close ties between the commercial interests, which want to see the programs continue essentially unchanged, and members of Congress responsible for drafting legislation.

Failure of the Administration to promote and work for new housing projects.

The common background of many of the housing experts on the legislative committee staffs, in the Department of Housing and Urban Development and in the industry. The move from one job to another so that they form a closed circle of expertise.

CLASSIC FAILURE SEEN

What has happened in housing is viewed by many as a classic failure of the Federal Government to make a complex social program work for the general public while serving rather well the special interests involved in delivering it.

"It is a system failure going back to 20 years of legislating and Government practices," said a member of one of the Congressional investigating committees.

Millions of people are affected by the Federal housing laws, and in some cities—New York, Detroit, Philadelphia, St. Louis, Miami and others—there have been disclosures of major fraud against consumers and the Government.

A series of audits and nonpartisan studies have shown that the housing subsidy programs are filled with inequities, that they encourage inefficiencies and bad construction, that they are extremely costly to the Government, that they provide more help for moderate income families than for the poor and that they frequently harm rather than help the troubled central cities.

Yet there appears to be little understanding or public scrutiny of the legislative processes involved. The situation is seldom mentioned in the political campaigns. Neither President Nixon nor Senator George McGovern has any detailed position on the issue.

INSIDER'S GAME

Housing has become, as John W. Gardner, chairman of Common Cause, a peoples' lobby, has said, "an insider's game." How it works can be seen in the Senate Banking Committee, headed by John J. Sparkman of Alabama.

A few weeks ago, an official of Housing and Urban Development, discussing the housing picture at an informed conference, said, "That section of the law is just like Carl Junior wrote it." The remark did not raise an eyebrow in the room.

Carl A. S. Coan Jr. is a lobbyist for the National Association of Home Builders, which has one of the largest and most effective lobbies here. Carl A. S. Coan Sr. is staff director for housing on the Sparkman committee.

Both Coans have reputations as able men who have more of a sense of the public interest than most operatives on Capitol Hill. Carl Coan Sr. also has considerable influence on legislation.

Senator Sparkman, who is 72 years old, frequently sleeps during hearings. He delegates much authority to Carl Coan Sr.

Whenever Senator Sparkman runs for reelection, the interests his committee regulates pours thousands of dollars into his campaign coffers.

Early this year, banking interests put on a special fund-raising drive for three Senate committee members up for reelection. Mr. Sparkman; John G. Tower, Republican of Texas, and Thomas J. McIntyre, Democrat of New Hampshire.

Bankers were asked to write a series of checks in amounts of $99 each. The campaign law governing campaign funds provided that any donation of $100 or more had to be recorded with the clerk of the House.

The amount collected was not disclosed, but during an eight-week period last spring, reports filed with the clerk of the House showed that Senator Sparkman had $33,000 on hand, and $16,580 more in itemized receipts was reported.

Of the $16,580, about $10,000 had come from persons with a direct interest in housing. They included builders, mortgage and real estate agents and persons associated with banks and savings and loan associations. Some donors were not identified as to occupation.

In 1971, Senator Sparkman reported receiving more than $16,000 in speaking fees, $14,000 of it for 12 appearances before bank, savings and loan, mortgage and building groups.

His top fee was $3,000 for a Nov. 22 speech before the United States Savings and Loan Convention. He received $2,000 from the National Association of Real Estate Boards and $1,500 each from the Mortgage Bankers Association and the National Association of Home Builders.

A number of other committee members have received large contributions from the housing interests.

For example, Senator Edward W. Brooke, Republican of Massachusetts, reported itemized receipts of $101,446 between April 7 and May 31 for his re-election campaign. The interests of many donors listed were not identified in the report, but of those who were there were 21 separate contributions totaling about $1,000 from builders, bankers and mortgage organization and real estate operators.

Although the omnibus housing bills put together by the Senate Banking Committee contain enormous outlays of money and other Government commitments, ideological differences dissolve when the bills start to roll.

Conservatives who regularly condemn welfare expenditures rarely speak up against the housing outlays. Liberals who take a populist stance seldom say anything about the large bite that the commercial interests take in housing programs.

PROCESS SIMILAR IN HOUSE

A similar but more complicated process is seen in the House.

There the Banking Committee is composed of 37 members, and housing legislation is written by a 15-member subcommittee headed by a jovial Pennsylvanian, William A. Barrett, a former real estate agent who is a product of Philadelphia's once powerful Democratic organization.

Mr. Barrett, who is little known outside his district, is often described as quaint and parochial. He is short and rotund and has owlish eyes and an alert expression. He wears bright clothing and a pasted-down wig.

For years, Mr. Barrett has commuted every working day between his district in southwest Philadelphia and Washington, a distance of 125 miles. He is in his Philadelphia office every evening, he says, to meet constituents.

Under Mr. Barrett, the forces that shape legislation are diffuse. The special interest lobbies are regarded as particularly strong.

CAMPAIGN REPORTS

Records for the current campaigns are far from complete, but a sampling of the April-7-through-May-31 reporting gives an indication of what is involved.

William B. Widnall of New Jersey, ranking Republican on the subcommittee, reported $1,100 in itemized contributions during that period, all but $100 of it from Warren Hill, president of the New Jersey Savings and Loan League.

Of $1,570 reported by Thomas L. Ashley, Democrat of Ohio, $500 was from the Mortgage Bankers Political Action Committee and $500 from two Ohio housing consultants.

Of $1,689 reported by William S. Moorhead, Democrat of Pennsylvania, $1,200 was from the Public Affairs Committee of the Savings Association.

Those three members are known as among the more able, articulate and public-minded members of the housing subcommittee.

Wright Patman of Texas, chairman of the full House committee, is well known for his wars with the banking interests, but before this year he had rarely questioned the work of the housing subcommittee. As the housing scandals were breaking this year, Mr. Patman indicated that he might step in and seek a change of direction.

PROFIT MARGIN ADDED

"Many of these programs start out with high-sounding purposes; then someone comes along and insists that we add in the profit margin for each real estate interest," he said. "There's a little bit for the land speculator, the builder, the lender, the closing attorney, the title company, the insurance company and on down the line. By the time the project reaches the end of the line, it is so topheavy you can't be sure just who did get the subsidy."

The full committee subsequently took under consideration the subcommittee's bill, and Mr. Patman delayed action on it for several months, partly in a power dispute with Mr. Barrett. The revised bill that emerged last week was, according to staff members, more than ever a "Christmas tree," the Congressional words for legislation that has something for everyone.

Some of the interests did not get all they wanted. The home builders, for example, objected to provisions, retained in the bill, that would further restrict housing construction in the suburbs. But they were able to have knocked out a provision requiring homebuilders to guarantee their construction for three weeks.

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., September 22, 1972.

The EDITOR,
New York Times,
New York, N.Y.

DEAR SIR: The September 20 article by John Herbers, entitled "Federal Housing Reform Unlikely Despite Scandal", makes several serious charges against the House Banking and Currency Committee and its Housing Subcommittee on their handling of the 1972 housing and urban development bill, which deserve a full and serious reply.

Mr. Herbers asserts that despite the widespread scandals in the housing subsidy programs, the recently-approved Committee bill would "leave undisturbed the basic thrust" of these controversial programs, and that the Committee is unable to bring about major changes in these programs because of three factors: (1) the "unusual close ties" between commercial interests (such as homebuilders and lending institutions) and the Committee Members responsible for drafting housing legislation; (2) the failure of the Administration to promote and work for new housing policies; and (3) the "common background" of housing experts on the Committee and Subcommittee legislative staffs, in the Department of Housing and Urban Development, and in the industry.

Before taking up these charges, it should be noted that in my nearly three decades in the Congress as a participant in the development of housing legislation, no bill has been so vigorously opposed in whole or in part by the "special interests" that Mr. Herbers implies virtually write housing legislation as the Housing Subcommittee bill, which was reported favorably by a vote of 15–0. In fact, the extraordinary opposition of these "special interests" to the bill resulted in the Chairman of the full Banking and Currency Committee, Mr. Patman, calling for additional public hearings on the Subcommittee bill, a step unprecedented in the history of housing legislation. At these hearings the homebuilding industry, the mortgage bankers and savings and loan associations, real estate attorneys, and the title insurance industries strongly objected to nearly every major aspect of the Subcommittee bill that affected their business operations.

In addition, Mr. Herbers mistakes the urgent need to deal with admitted abuses in the housing subsidy programs for a strong drive to change the "basic thrust" to those programs. Both the Housing Subcommittee and full Committee bills attempt to deal directly with the abuses that have plagued these programs—inflated appraisals, lack of inspection and control by HUD of the quality of units, and the location of units in areas not served by adequate community facilities and services. Mr. Herbers' article is seriously deficient in not pointing out the provisions of the bill that deal with these abuses.

Furthermore, it is to the great credit of Committee Members that the existence of abuses in these programs was not met by a wholesale and hastily-considered revamping of housing programs. There is a great need for a total and comprehensive reappraisal of the basic thrust of these programs—in terms of the income groups to be served, the emphasis on new or existing housing, and the essentially private nature of decisionmaking in the housing field. Mr. Herbers' previous articles in this area have called to the attention of your readers the rethinking concerning these aspects of our programs that Housing Subcommittee Members are increasingly undertaking. However, neither Committee Members nor other Members of the House are willing to suspend the considerable benefits existing programs bring to hundreds of thousands of poorly housed families prior to their development of a more satisfactory and workable substitute.

A huge and complex system of Federal assistance for housing cannot be discarded because of a series of disgraceful abuses which result more from faulty administration than inherent weaknesses in the programs. The efforts of Housing Subcommittee Members in the development of the metropolitan housing agency proposal was an initial step in framing the important issues Congress must address in constructing new approaches. It is certainly asking too much of the Congress to enact fundamental changes in recently-enacted programs during an election year and against the background of the need to deal with specific and relatively narrow, although widespread, program abuses.

In fact, during nearly eight weeks of Housing Subcommittee executive sessions and six weeks of full Committee executive sessions, not a single Member—Democratic or Republican, liberal or conservative—attempted to repeal these programs, to reduce substantially their funding levels, or to change their basic elements. The benefits provided by the programs are simply too great to abandon, without careful consideration of the nature and workability of an alternative system. Mr. Herbers should also have noted that the Congress, both in this bill and in the 1970 Housing Act, provided for demonstrations of alternative housing subsidy systems—the housing allowance and direct loan approaches. I am certain Mr. Herbers would not recommend the immediate implementation of either of these alternatives without additional study.

The "unusually close ties" between commercial interests and Members of Congress and the "common background" of Committee legislative staff members, HUD, and the industry cannot be denied; yet together they represent mere truisms, which are not helpful in evaluating their impact on legislation. The banking and savings and loan industries, for example, have virtually no impact on legislation dealing with the housing subsidy programs: they simply do not participate to any important extent in the FHA housing programs and usually do not even request an opportunity to testify on housing bills. Consequently, the "close ties" between these industries and the Members of the Banking Committee cannot be said to be responsible for the Committee's actions with respect to the housing subsidy programs. Similarly, if the "common background" of legislative staff members, the Department, and the industry were a crucial element in the development of legislation, it is unlikely that these "special interest" groups would have so roundly and vigorously criticized the Subcommittee bill, and, to a great extent, many of the provisions of the Committee bill itself. Mr. Herbers' article is deficient in its failure to specify those provisions of the bill that appear to him to be a result of the "unusually close ties" and "common backgrounds."

Mr. Herbers' charge that the Administration has failed to "promote and work for new housing policies" is, unfortunately, accurate. The Administration has given extremely low-priority to these programs, to the extent that HUD Secretary Romney has been forced to appeal Office of Management and Budget manpower cuts in his Department directly to the President. The Department's record of administering these programs is a truly dismal one and documented as such by his own Department's auditors, the Banking and Currency Committee, and other Congressional committees. It is equally dismal in pointing the way toward alternative program approaches, although it is quick to condemn the Congress for enacting "ill-conceived programs" without sufficient testing and evaluation. The Administration cannot take credit, after nearly four years, for the development of any new housing approach or even for initiating the discussion and leadership that might ultimately lead to one; yet at the same time it has repeatedly urged the Congress to remedy the existing program defects, without offering solutions of its own.

I would add only that Mr. Herber's reference to me as a "former realtor", while accurate, is, standing alone, certainly misleading. I have not engaged in the real estate business since my election to Congress in 1944. Surely twenty-eight years is adequate time to place a reasonable distance between the real estate industry and my responsibilities as a national legislator.

Sincerely yours,

WILLIAM A. BARRETT,
Chairman, Housing Subcommittee.

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., September 26, 1972.

The EDITOR,
New York Times,
New York, N.Y.

DEAR SIR: John Herbers' recent article, entitled "Federal Housing Reform Unlikely Despite Scandal", makes several serious charges against the House Banking and Currency Committee and its Housing Subcommittee on their handling of the 1972 housing and urban development bill, which deserve a full and serious reply.

Mr. Herbers asserts that despite the widespread scandals in the housing subsidy programs, the pending housing bill would "leave undisturbed the basic thrust" of these controversial programs; he blames this primarily on the "unusually close ties" between commercial interests and Committee Members; and the "common background" of the Committee's staff and representatives of the industry.

Mr. Herbers mistakes the urgency of dealing with abuses in housing programs for a strong drive to change the "basic thrust" of those programs. The bill deals directly with these abuses and the article should have pointed out the relevant provisions.

The Committee, in fact, should be commended for not hastily scrapping present programs in order to get rid of narrow, though widespread, abuses. Neither Committee Members nor other Members of the House wish to suspend the considerable benefits that existing programs bring to hundreds of thousands of poorly housed families *prior to* the development of a more satisfactory and workable substitute.

The "unusually close ties" between commercial interests and Members of Congress and the "common background" of Committee staff members and industry representatives cannot be denied; but they are simply not significant without an evaluation of their impact on specific legislation. The banking and savings and loan industries, for example, have virtually no impact on legislation dealing with the housing subsidy programs; since they simply do not participate to any important extent in the FHA housing programs. Similarly, if the "common backgrounds" to which the article refers were a crucial element in the legislation, it is highly unlikely that these "special interest" groups would have so vigorously opposed and criticized the pending bill. Mr. Herbers' conclusions do not stand up, since they do not specify the provisions of the bill that appear to him to be a result of the "unusually close ties" and "common backgrounds."

I would add only that Mr. Herbers' refer-

ence to me as a "former realtor", while accurate, is, standing alone, certainly misleading. I have not engaged in the real estate business since my election to Congress in 1944. Surely twenty-eight years is adequate time to place a reasonable distance between the real estate industry and my responsibilities as a national legislator.

Sincerely yours,

WILLIAM A. BARRETT,
Chairman, Housing Subcommittee.

EDUCATION ON POPULATION GROWTH

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

Mr. SCHEUER. Mr. Speaker, I rise today to present on behalf of a half-dozen colleagues on the Education Committee an amendment to the Environmental Education Act of 1970. The purpose of this amendment is to insure that the Office of Education, in carrying out its mandate under the Environmental Education Act, gives adequate emphasis to the funding of programs focusing on the dynamics of population growth and their implications for our society. In the 2 years since the Congress enacted this landmark piece of environmental legislation, the intimate linkage between environmental quality, population growth, and population distribution has become highly visible and evident to those involved in formulating environmental policy.

The head of the Environmental Protection Agency, M. William Ruckelshaus, has repeatedly testified that on the basis of "foreseeable technology" his Agency will be unable to carry out its mandate to combat air and water pollution on the basis of continued population growth. And just this past summer the Honorable Russell Train, Chairman of the Council on Environmental Quality, repeated this warning that preservation of environmental quality demands the stabilization of U.S. population.

These opinions are buttressed by a 2-year study conducted by the Commission on Population Growth and the American Future on which I had the privilege of serving, which found that population was a critical factor in long-term environmental quality, and that a number of environmental problems such as water shortages, adequate recreational facilities, and land use planning, were seriously exacerbated by population growth even in the short run.

These warnings, I am heartened to note, have not been ignored by the American people. The Census Bureau has recently reported that for the first time in our history, this Nation has reduced its fertility over a 6-month period to the "replacement level," an average family size of 2.1 children per family. There are those, I am aware, who have trumpeted that this means the population problem has been solved—just as there are those drivers who, having successfully avoided their first near accident on a long trip on our overcrowded and congested highways, relax on the assumption that all will be well for the rest of their journey. The fallacy in both cases is the same—for at replacement rates of fertility we are compelled by the demographer's calculus to maintain a constant fertility rate for the next 70 years in order to reach stabilization. And a look at the changes in fertility rates for this country in the 20th century shows us that such rates have never remained constant for even a decade, to say nothing of 70 years.

What are the chances that we shall achieve such stable birth rates? Not very good, if we continue on our way as a nation of demographic ignoramuses. The Population Commission found that only 40 percent of the American people were able to make an intelligent guess about the total population of the United States, and that only one-sixth could make such a guess for the world. An earlier Gallup poll found that two-thirds of the American people believed that the poor were the largest single factor in U.S. population growth, although the Census statistics show that it is the middle class which contributes the overwhelming bulk of U.S. growth.

This population illiteracy, of course, is not an isolated anomaly in environmental matters. It was the general environmental illiteracy of the American people which led the Congress to enact the Environmental Education Act. As President Nixon has said:

> It is vital that our entire society develop a new understanding and a new awareness of man's relationship to his environment—what might be called "environmental literacy."

And population literacy needs to be a significant part of such environmental literacy.

Indeed, the legislative history makes it clear that in enacting the Environmental Education Act, the Congress believed that it was dealing with population as a part of the entire environmental problem. The definition of environmental education in the act specifically includes "the relation of population" to other environmental factors. This very broad mandate was affirmed by then Commissioner of Education James Allen, who told the Senate Education Subcommittee during its hearings on the bill that he expected that most of the grants funded under the act would include significant population components. Both Commissioner Marland and Assistant Commissioner Don Davies have assured the Congress within the last year that they were aware of our concern on this matter, and that they would act to see that population was fully incorporated within the environment education programs funded under the act.

But alas, promising our young people that we will educate them about the population realities of the world they will inherit is an inadequate substitute for actually educating them. And performance to date has come nowhere close to the promises. The guidelines issued by OEE for grant proposals do not even encourage the inclusion of population components. Friends of the Earth conducted a survey of 1971 grant recipients which found that only 6 percent of the average grant was devoted to population education, whereas 20 percent of the grants were for subject matter not even covered by the act's definition of environmental education. In fiscal 1972, 5 out of 162 grants were aimed at population education. The bureaucracy may be beginning to comprehend congressional intent, but they show no signs of feeling any sense of urgency about responding to it.

The Population Commission considered this problem, and called for passage of a separate Population Education Act. I concede that at some future date, if we are finally unable to develop effective programs of population education as part of our overall environmental education effort, this may be necessary. But I would prefer to see the two programs integrated, both because I believe there is a danger of excessive proliferation of specific grant programs, and because the subjects covered are intimately interwoven and connected. I believe that the Office of Education has demonstrated that, with the present wording of the Environmental Education Act, such integration will not take place.

For this reason my amendment would change the act in three ways. First, it would provide a more explicit definition of the way in which population education relates to environmental education, so that there can be no future misunderstanding of congressional intent on this matter. Second, the amendment would require that at least one-fourth of the grant money appropriated under the act in each year should be expended on programs related to population growth and distribution. This is in line with the promise made by Commissioner Allen before the bill was enacted, but which has never been carried out. Finally, the amendment would increase authorizations under the act to $35 million in each of the next 3 fiscal years. Such a level of expenditure would insure an adequate overall program in environmental education, and that the Population Commission's goal of spending at least $7 million for population education each year would be achieved.

Mr. Speaker, I believe that this amendment would provide a sound legislative framework for effective Federal programs in environmental and population education. But a framework is of little value unless it is built upon. In the first 3 years of the Environmental Education Act we have seen total appropriations of approximately $8.3 million, where the Congress had anticipated the appropriation of approximately $45 million. Unless the Appropriations Committee and the entire Congress make clear to the Office of Management and Budget that environmental education is, in OE's own words, "Education that cannot wait," we are going to see our best efforts to clean up the environment undone by our inadequate national understanding of what we must do.

HON. DURWARD G. HALL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 60 minutes.

Mr. MILLER of Ohio. Mr. Speaker, in the closing moments of this Congress, I

wish to pay tribute to a Member who, by his boundless energy, personal integrity, and dedication to purpose, has earned the respect of all Members of this body. When the gavel raps the adjournment of this 92d Congress, it will signify the closing of the illustrious career of my dear friend and colleague, DURWARD HALL. First elected to the 87th Congress, November 8, 1960, "Doc" HALL has served the people of Missouri's Seventh District with great distinction and they are justifiably proud of his excellent record in the Congress.

Often his skillful, meticulous work in the House Chamber has gone unnoticed by the press but if they had paid more attention, they would have reported a stalwart, first-class legislator at work. Holding close rein on the business conducted on the House floor, "Doc" has earned the reputation of "House watchdog." Little escaped his close, analytical scrutiny. Under his watchful and probing eye, deadwood legislation was weeded out, the rules of the House were followed to the letter, and the taxpayers were saved millions of dollars. Because of his omnipresence, we all have had to do our homework and be a little better prepared in debate to answer his probing inquiries.

At no time have Doc's commentaries been so poignant as over the past several weeks during our rush to adjournment. His constant cautioning about the "squeeze play" and legislating in haste have given us cause to reflect longer and deeper about the bills we consider.

Doc HALL is what every schoolboy envisions a legislator to be—a debater, a prober, a man of great courage and conviction. Yes, he has become an institution within an institution. This body is losing a talented legislator and the American taxpayer is losing a true friend. All of us will miss him.

One of the most enjoyable experiences in my 6 years in the Congress has been by association with Doc. I wish him and his wonderful wife Betty much happiness in their retirement.

DEPARTMENT OF AGRICULTURE ORDERED TO STOP PAYING SUGAR SUBSIDIES TO LOUISIANA SUGAR GROWERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. O'HARA) is recognized for 20 minutes.

Mr. O'HARA. Mr. Speaker, in my capacity as chairman of the Subcommittee on Farm Labor, I was delighted to note that U.S. District Judge John H. Pratt has ordered the Department of Agriculture to stop paying sugar subsidies to Louisiana sugar growers until the Secretary of Agriculture pays sugar workers in Louisiana back wages which were wrongfully withheld from them by a Department of Agriculture order in 1971.

I was particularly pleased at this order because I believe that the hearings held by my subcommittee in March of this year may have been of some assistance in getting the facts on the record, so that the courts could take action on USDA's contemptuous disregard for the law and the economics of the sugar industry.

Let us look at the facts. The Sugar Act requires, as a condition of the payment of subsidies, that growers pay their workers no less than an amount determined every year by the USDA. Every year during the history of the present act, there has been a hearing, every year USDA has made some kind of determination, and almost every year they have ordered the wages—which are minute even now—raised a few pennies an hour. Sometimes the USDA determination has been that no raise was called for. But they have made some determination and put it into effect for the sugar workers.

In 1971, the Department held its customary hearings. And it made its customary determination, which it announced in glowing prose, calling attention to USDA's generosity to the sugar worker. But there was a small technical difference between 1971 and the previous years. In 1971, Mr. Speaker, the wage increases were carefully made effective after the harvest season was over—so in Louisiana no one got any of the "new wage," and in Florida, the other area covered by the "new rates," most of the workers had also departed before the effective date.

The Subcommittee on Farm Labor held hearings on this shocking abuse of discretion by the Secretary of Agriculture, and we were, to put it mildly, not impressed by the arguments offered by USDA witnesses.

We were not impressed by the arguments of USDA's Sugar Division that production had been so badly cut by a September hurricane that they just could not pay improved wages—and whatever weight that argument might have carried was undercut subsequently when the growers were granted more acreage to make up for their lost production.

We were not impressed by the argument that the President's wage freeze required the delay in increased sugar wages until December 22—especially when one contemplates the fact that the wage freeze expired on November 13.

Nor were we impressed by the letter from then Assistant Secretary of Agriculture Palmby explaining why the Department refused to order growers to pay wage rates even though the growers had been recompensed for some of the losses by being granted additional acreage. Mr. Palmby's viewpoint was summarized in a sentence in his letter to Mr. Peter Schuck, in which he said:

> We do not believe that a producer, in order to become eligible for a Sugar Act payment, should be required to meet minimum wage requirements that were not known to him or in existence when the work was performed.

As Members of this body well know, Mr. Speaker, it little matters to the bureaucrats in the executive branch whether or not we Members of the Congress are "impressed" or not by their arguments. Once they decide to do something, they do it, and our protests are usually ignored.

The courts, however, also have a role to play—sometimes a good one, sometimes not. In this case, they played a very useful role.

Armed with the record of our hearing, and with their own research and their correspondence with the USDA, the sugar workers went to court, and on Wednesday last, they prevailed.

Secretary Butz has been ordered to withhold the payment of further sugar subsidies until the sugar growers pay back to the sugar workers the wages they should have been paid if the USDA had done its duty a year ago.

So, the friends of the sugar worker are dancing in the streets because everything is all right. Right? No, Mr. Speaker, wrong, dead wrong.

The sugar worker is only just beginning to get the barest glimpse of a shadow of a hint that things may come right.

And his Government is continuing to manage the labor supply for the sugar grower as though the grower alone were important to that government, and the workers were only so many domestic animals.

Let me explain.

The 1972 harvest has already begun, in Florida and in Louisiana. The 1973 wage rates have been announced for Louisiana—though not for Florida, as yet. But they are effective October 23—in some places as much as a month after the harvest has begun.

In Florida, rates for this year have not been announced. So, the U.S. Department of Labor—whose Rural Manpower Service was this year the subject of severe criticism by the Department's own special review staff for its laxity in doing just this—has gone out in its annual charade to see "if there are domestic workers available" for the sugar harvest at last year's rate.

Naturally, there are few if any sugar workers available at last year's rates, especially when they know that there will soon be an increase—or there is supposed to be one, anyway. So, the Department of Labor announces that "there are no domestic workers available," and the growers proceed to import workers from the British West Indies. In spite of massive unemployment in Florida, as elsewhere, the Department of Labor, which is supposed to concern itself with the interests of American workers, baldly announces that there are no workers available, and permits sugar growers to import workers from outside the United States—workers who, incidentally, are unable to complain against mistreatment, against short wages, or to show the slightest interest in unionization because the minute they do, they lose their jobs, and are deported back to the British West Indies.

It is a neat arrangement, Mr. Speaker. The USDA carefully delays the setting of wages as late as it can. Now that it cannot get away with delaying them until after the harvest, it simply delays them until after the Department of Labor has "looked for domestic workers" on the basis of last year's wages. The grower gets his license to import offshore workers, who constitute a massive and effective barrier against the efforts by domestic workers to improve their own lot.

Mr. Speaker, if this is not a conspiracy

against sugar workers, I do not know what it is. That the U.S. Government should even permit such a conspiracy is a shame and a disgrace. That it should be a party to it is even worse.

The district court has spoken, Mr. Speaker. Secretary Butz has been ordered to withhold sugar subsidies from his friends until they start paying their workers what they should have been paying. I intend, if necessary, to call my subcommittee into session as soon as possible to see if he has done it.

Mr. Speaker, I include Judge Pratt's October 11 decision, and a fact sheet on the Florida situation at this point in the RECORD:

INFORMATION ON FARM LABOR IN FLORIDA SUGAR CANE HARVEST

The following information was compiled by the United Farm Workers Union, AFL–CIO to support the contention that laborers are being imported to work in Florida sugar cane fields at the cost of jobs to domestic workers. Further, the importation is being handled illegally.

I. Legal requirements for certification of temporary foreign labor (according to Immigration and Naturalization Service Regulations, summarized in Dept. of Labor Publication "Certification and Use of Temporary Foreign Labor for Agricultural and Logging Employment".)

The two major requirements which have been, and continue to be violated are as follows:

A. Prospective agricultural employers must file offers of employment for U.S. workers at the local office of the State Employment Service (in this case, Belle Glade, Florida). This must be done early enough for Manpower Administration to determine availability of domestic workers. According to law, these requests must be forwarded to other state employment offices where "reaonable efforts" must be made to secure American farm workers to fill these openings.

"Reasonable efforts" is explicitly defined in the document as including ". . . full use of workers who commute on a daily basis between their residence and the place of enployment, the use of the interstate clearance system, full participation in special youth recruitment programs, and the use of other recruitment measures which have produced or are expected to produce effective results." (602.10(d)(2)).

B. It must be determined by the regional Manpower Administrator (in this case, Mr. William U. Norwood, Jr.) of the U.S. Dept. of Labor that Employment OF TEMPORARY FOREIGN LABOR IN THESE JOBS ". . . WILL NOT ADVERSELY AFFECT THE WAGES AND WORKING CONDITIONS OF DOMESTIC WORKERS." (602.10(d)(1)).

II. Proof of persistent and blatant violation of both these legal requirements. (Data comes from U.S. Dept. of Labor and other governmental agencies)

Following statistics (from Farm Labor and Rural Manpower Services of the Florida Dept. of Commerce report) show that merely a "reasonable effort" in southern Florida would have discovered more than enough unemployed farm workers available for work in sugar. In this area (Belle Glade, Dade County, Delray Beach and Immokalee), the following data were recorded:

Date of observation	Employed domestic farm workers	Unemployed domestic farm workers	Certified foreign workers
Sept. 30, 1970	13,529	17,395	552
Oct. 15,1970	14,731	16,193	1,206
Oct. 31, 1970	20,025	10,899	1,516
Nov. 15, 1970	22,654	8,270	4,596
Nov. 30, 1970	25,892	5,032	7,709
Dec. 15, 1970	28,652	2,272	7,960

Note that this data shows clearly that, in their rush to find employable domestic workers, the Manpower Administration overlooked up to 17,395 possibilities.

Domestic workers are in the sugar cane area during the harvest time. Migration of Florida workers to other states ceases to be practical during the Falls months because of weather and completed harvests in Northern states. The official State of Florida estimate of the number of Florida-based migratory farm workers who pick food crops in the East and East-Central regions of the U.S. during the summer months is placed conservatively at 87,000 workers. These people are then available to work in the sugar or other Fall and Winter Florida crops.

In addition, there are, according to the state farm labor report, 29,044 domestic farm workers (July 31, 1971 report). This number increases as mechanization decreases the number of jobs outside Florida and as more permanent year-round jobs are created in Florida.

Taking the 87,000 migrant workers in Florida during the sugar cane harvest, and adding the 29,044 permanent workers, the total number of farm workers in Florida available for work during the November to March sugar season comes to something around 116,000.

III. Proof of failure of regional Manpower Administration to determine that the employment of temporary foreign labor ". . . will not adversely affect the wages and working conditions of domestic workers."

How could trained professional labor economists in the Manpower Administration honestly believe that the wages and working conditions of south Florida farm workers would not be adversely affected by reducing their available employment by approximately 10,000 jobs or 25%? During the depths of the Great Depression there was a 25% reduction in employment in the U.S. It is generally agreed that incomes, working conditions and wages were seriously impaired at this time. In those years, unemployment meant middle and upper income people were out of work as well as the "traditionally poor". Now, when only the "traditionally poor" are involved, the outcry has all but ceased.

Whenever there is a large supply of unemployed workers seeking employment, working conditions deteriorate simply because a farmer will discharge any worker who complains about eroding working conditions. The supply of hungry, desperate unemployed workers is there to fill the gap. This situation accounts for the USDA statistics which show a continued decline in the average number of days worked per farm worker in our country. With a rising surplus of labor, each man works fewer days with a resulting fall in real income. The plight of this, the poorest segment of our work force, is severe enough without the Manpower Administration's illegal certification of foreign workers accelerating the hardships of our citizens.

IV. Proof that continued certification of foreign workers by the Manpower Administration is not simply a product of faulty economic reasoning or an inadequate effort to locate the large number of unemployed farm workers in the immediate area of Florida sugar production.

During the seasons of 1970 and 1971, there were agricultural disasters (a flood and a drought) in the Immokalee area of south Florida which induced the Secretary of Agriculture to declare an agricultural emergency for growers. While the farmers received governmental emergency relief for lost crops, farm workers who now had nothing to pick received nothing. Migrants marched to President Nixon's Key Biscayne home and were successful in getting an increase in food stamps for unemployed farm workers.

The Dept. of Labor also promised to increase jobs in the public sector for farm workers at this time. However, even though the President, the Secretary of Agriculture, and the Secretary of Labor admitted there was a crisis in agricultural employment and production, the Manpower Administration continued to permit foreign workers to hold approximately 9,000 agricultural jobs scarcely 100 miles away from the massive unemployment. It is to be remembered that such certification of foreigners to be legal requires that "reasonable effort" be taken to locate domestic workers. The blatant disregard for the law in these cases can be seen only as the Manpower Administration being the servant of large and politically powerful agribusinesses which control sugar production.

The 1972 written report, "Review of the Rural Manpower Service" (conducted by special review staff of the Dept. of Labor) has the following criticisms of the certification procedure for foreign workers (pp 32–41):

"Problems with this system became evident in the course of this review. In spite of the oversupply of labor and the increase in the unemployment rate over the last several years, intra-state and interstate orders for domestic workers have gone unfilled and the number of foreign workers being admitted has been moving upward. The number has increased from 13,323 in 1968, to 15,830 in 1969, to 17,474 in 1970.

Wages or earnings of foreign workers have been a particular problem. While the adverse wage requirements have provided a minimum hourly earning level, they have been difficult to administer in reference to piece rates. Wage surveys normally do not translate piece rates into hourly earnings. Since most foreign workers are paid piece rates, it is difficult to determine whether minimum hourly rate is being maintained. There is evidence that indicates that foreign workers do depress earnings.

In addition to the wage issue, employers also do not find it necessary, according to RMS staff, to give as much attention to the supervision of foreign workers as to domestic workers. The tendency is to use the threat of repatriation as a substitute for good supervisory practices.

The effect of foreign workers on the earnings in sugar cane is difficult to ascertain because of the method of computing pay which is on a non-uniform task rate basis. The system operates as follows: A "Scratch Boss" unilaterally decides what the rate will be for cutting a particular row of sugar cane. He determines the rate by sizing up a row of cane and estimating the time it would take to complete the row based on its length, width, density, and other factors. Pay is not based on a uniform rate per foot, or per ton cut, and may vary between rows a short distance removed from one another. This method allows for variations in average hourly earnings. . . . Regional Office and National Office Rural Manpower Service staff both expressed concern over this situation in that there have been complaints about earnings in sugar cane while the present pay system does not allow for verification of the earnings on any comparable basis.

Efforts at recruiting domestic workers appear to be largely pro forma. The State Farm Labor Director of one supply state said that interstate "criteria orders" (orders which must be filed before foreign workers can be certified) were routinely refused by his agency and were returned to the state where they originated. The reasons given for returning the orders, he said, were not the real reasons. While it might be indicated that the employment period was too short, the distance to the job was too far, wages or living conditions were unsuitable, or no workers were available, the more compelling reason was that the *orders were made to satisfy criteria for certification of foreign workers, and were never intended to be filled in the first place. He indicated that in the past when such orders were filled, employers would call his agency and ask why referrals were made on the orders when obviously they were only*

criteria orders. (italic ours). He added that in some cases when workers were referred they would be laid off or would quit because of low wages or poor working conditions, and then would return to his state where their complaints and bitterness at being referred became an embarrassment to the State agency.

In the same vein, a farm labor contractor interviewed in the same state said he was reluctant to take crews to areas where foreign workers traditionally have been employed, because he has found working conditions to be particularly bad in those areas and he has trouble keeping a crew together. It was reported to the review team that workers who have been in those areas before will not respond to recruitment efforts because they know they are not wanted.

Foreign workers can be attracted by an employer, however, in spite of wages and working conditions that are refused by domestic workers. This is true because the wages and working conditions in the foreign areas where the workers come from are even less desirable by comparison than those in the U.S. The U.S. currency is desired by foreign workers because of the relatively greater purchasing power it has in the workers' home country. Hence, foreign workers, once they are here and working, tend to avoid complaining or agitating about conditions on the job, as they fear repatriation. A self-reinforcing cycle is thus created: foreign workers tend to depress wages; depressed wages discourage domestic workers from taking the jobs; and inability to recruit domestic workers is used to justify the use of foreign workers. The result is the continuation and expansion of the use of foreign workers despite an oversupply of domestic workers.

Nationally, the unemployment rate is 5.8% (September 1971) for all workers and 8.1% for agricultural wage and salary workers. Among the ten states in which temporary foreign agricultural workers were employed in 1971, September rates of unemployment for all workers ranged from 3.2% for Virginia up to 8.3% for Connecticut. The total unemployed in 1971 for these ten states was over one million persons, while the total number of foreign workers in 1970 was only 17,500. Florida, largest user of foreign workers under the program (approximately 9,000) is now faced with the problem of oversupply, and has discontinued any interstate recruitment to meet peak season labor needs for this year."

The first contingent of Jamaicans arrived on August 12, 1972, to work in seed cane. United Farm Workers has in its possession affidavits from workers who want to work there, but who were not contacted 30 days beforehand about availability of work. Employment office directors from other areas also testify that they were not contacted about availability of sugar cane jobs. In recent weeks, employers were encouraged by farm worker organizations to try harder at making the "reasonable effort" to get domestic help, and so ads were run in English-speaking newspapers and on English-language radio programs. Not only is there a low incidence of newspaper reading among the poor in general, but Cuban Americans and Mexican-Americans rarely read the English language press. Those farm workers with the highest incidence of unemployment for the sugar harvest season are now working outside the state. When the 87,000 Florida-based migrants return to look for work, foreigners will already be certified for the jobs in sugar. Rural Manpower Service, had they done their job of checking through interstate clearance programs for workers, would have been in touch with the migrants and known that they would return in time to work in the Florida sugar crops. Rural Manpower Service acknowledged that it no longer uses the interstate checkup because of the oversupply of farm workers in Florida. Yet the government continues to certify the foreign workers for these scarce jobs.

[In the U.S. District Court for the District of Columbia—Civil Action No. 1490–72]

RULING OF THE COURT

Huey Freeman et al., Plaintiffs v. U.S. Department of Agriculture, et al., Defendants.

Washington, D.C., Wednesday, October 11, 1972.

Before: The Honorable John H. Pratt, U.S. District Judge.

Appearances: John M. Ferren, Esq., and Philip C. Larson, Esq., Counsel for the Plaintiffs.

Michael A. Katz, Esq., Assistant U.S. Attorney, Counsel for the Defendants.

PROCEEDINGS

* * * * *

The Court: As one might gather from the questions we've asked, we think that the plaintiffs are entitled to a preliminary injunction.

First, it is our judgment that the Secretary had an obligation under the statute and the regulations not only to hold an annual hearing as to the wage scale applicable to sugarcane workers but also to issue an annual determination. Under the language of the regulations, after a reasonable time, the proposed annual determination is to be issued for immediate approval by the Secretary.

Taking into account past practice running over a period of 20-some years, this would mean that the annual wage determination should be made on or about the time of the start of the harvest season. So I think there was an abuse of discretion, if the Secretary had any discretion, not to have issued the annual determination prior to the time that he acted effective 7 January 1972. I think the announcement made, namely, that because of the Economic Stabilization Act he would make no wage change, did not amount, in effect, to an annual wage determination. It was not published in the Federal Register, and was nothing more than a statement by him that 1970 wage rates would remain in effect until further notice.

With respect to the second part of the complaint filed by the plaintiffs, it seems to the Court that the Secretary, in addition to being very late in issuing the annual determination, when he finally acted should have made it retroactive from the time of the harvest season.

Furthermore, in so doing he took into account factors that were other than those suggested by the four criteria in the Agriculture Adjustment Act; he should have considered the four criteria and then determined whether or not they were more or less than the 5.5% increase permitted by the end of the wage freeze on November 13, 1971.

Accordingly, because of the Secretary's unlawful conduct as described, I am going to issue the preliminary injunction and direct that the plaintiffs submit findings of fact and conclusions of law and a form of an order.

I assume, Mr. Katz, that you would like this order stayed until you have a chance to take an appeal?

Mr. KATZ. Yes, Your Honor. Do I understand that Your Honor is granting all aspects of their motion for a preliminary injunction?

The COURT. Do you have a form of order in here?

Mr. LARSON. Yes, I do, Your Honor, at the back of our motion for a preliminary injunction a form of order has been drafted. I have a copy here. Your Honor, that can be used.

The COURT. Let me see it. Oh, yes, that is part of your motion and you have also included that in your memorandum of points and authorities, but you don't have a separate order form.

Mr. KATZ. You submitted an order. I've got a copy of it.

Mr. LARSON. Here's a separate order, Your Honor. Excuse me. That is just to deny the defendants' motion to dismiss in connection with our motion for a preliminary injunction. I think we have an appropriate——

The COURT. I've seen that, but that doesn't do anything more than deny the government's motion to dismiss.

Mr. LARSON. Yes, this is it. Mr. Katz has a copy here.

Mr. KATZ. I haven't seen the other order.

The COURT. In your motion, Mr. Larson, you request that the Court issue a preliminary injunction:

(a) restraining defendants and their agents, employees, successors in office, and all persons acting in concert with them from making any further subsidy payments under the Sugar Act of 1948 for the 1971 Louisiana sugarcane crop or any future sugarcane crop until final disposition of this cause on the merits; and

(b) ordering defendants and their agents, employees, successors in office, and all persons acting in concert with them to issue, within 30 days from the date of the Court's order, an amended 1971 Louisiana wage determination (establishing fair and reasonable wage rates for Louisiana sugarcane workers) which (i) shall be based solely upon consideration of appropriate factors prescribed by the Sugar Act of 1948 and (ii) shall apply to all labor performed on or after October 1, 1971, in the harvest of the 1971 Louisiana sugarcane crop and the planting and cultivation of the 1972 Louisiana sugarcane crop.

Mr. KATZ. Your Honor, may I just reiterate with respect to that second prayer that it seems to me that if that were part of the preliminary injunction, that would grant all that plaintiffs desired from this action and would be tantamount to granting final judgment.

The COURT. Well, I said at the outset of the hearing on the preliminary injunctions that I thought it would conclude this case. Usually it does. If I had granted your motion to dismiss, that would have ended it, too.

Mr. KATZ. Well, we might be entitled to further proceedings in terms of a motion for summary judgment, and we might be entitled to submit further material.

The COURT. I am going to grant the relief requested in both parts.

And as a further finding, I would hold that the criteria of A Quaker Action v. Hickel and Virginia Petroleum Jobbers have been met.

First of all, it is our opinion that there is a substantial likelihood that the plaintiffs will prevail on the merits. Our reasons for this opinion have already been spelled out.

Second, the Court believes that the plaintiffs do not have an adequate remedy at law, and because of that will suffer irreparable injury unless relief is granted.

Third, as far as the public interest is concerned, it seems to us that the public interest is represented by the expressions of Congress and the instant statute favors granting the injunction.

And, finally, balancing the equities between the plaintiffs on the one side and the producers on the other, it seems to us that, on balance, the equities clearly favor the plaintiffs.

Mr. Larson, you submit findings of fact and conclusions of law and an order consistent with those.

Mr. LARSON. Thank you, Your Honor.

The COURT. Thank you, Mr. Katz and Mr. Larson.

Mr. Katz, I am dismissing your motion on the form submitted by Mr. Larson.

We will stand recessed until tomorrow morning at 9.30.

COMMENDING THE HONORABLE PAGE BELCHER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TEAGUE) is recognized for 5 minutes.

Mr. TEAGUE of California. Mr. Speaker, I am anxious to call to the attention of my colleagues the following excellent remarks made by Mr. Bryce Harlow regarding our good friend, the Honorable PAGE BELCHER:

Dear hearts and gentle people. What has risen before you is the eroded remnant of a giant of a man—one who has had the distinction and delight—yea, even the obligation—to labor well nigh a quarter of a century tete-a-tete with the incredible, peerless, formidable, lovably cantankerous Congressman Page Belcher of Oklahoma.

Well I recall our first encounter when I loomed over him when he first came to Congress. In that very first session, when I imprudently rendered a judgment counter to his, I discovered I quickly lost three inches in height due to his remarkably acerbic, rapier and scalpel-like tongue.

From that day forward I followed that old piece of doggerel in my relations with Page:

Those who fight and run away
Live to fight another day.

Only by careful adherence to that doctrine have I survived to be here this evening, joining in tribute to one who has become a pillar in Congress, one who has been a mainstay of the Republican Party for all the years I have known him.

Now let's be perfectly frank about Page. After all, he would expect that of us. The simple truth is, it would probably be easier now and then to live with Gloria Steinem than with Page Belcher when you get right down to it.

My observation has been that there are two ways to get along with Page. One is his way. The other is his way. There's just no other way.

And that is precisely why he is what he has come to be—Page the Incredible.

I have seen this man, during my ten years in the White House, overcome not one, not two, not five, but a whole procession of obstacles before which lesser men would have quailed. Why, Page, even Ezra Taft Benson at the zenith of his imperturbable inflexibility never once even approximated your doggedness, your tenacity, your automatic, absolute insistence on achieving your purpose once your mind is made up.

Now in some people that kind of an attribute is not necessarily a handsome one. You know such a fellow can come to be viewed as dogmatic, or intolerant of others' views, or just plain bullheaded.

Well, to be honest about it my friends, there have been times that I have thought Page was coming just a bit close to some of those things when, no matter what I tried to say, and no matter what the President or anyone else tried to say, he went cheerily careening down the highway of his choice, forcing the rest of us to dodge away for fear of our lives.

But there is a difference here—a really noteworthy difference. Let me put it this way.

Did you ever see a lovable cocklebur? Now some of you would say you haven't—but you lie in your teeth when you say that because that's precisely what is with us this evening.

Yes, Page is tough and Page is rough, and Page is demanding, and he will push around the biggest people in the entire United States without the slightest hesitancy, and virtually always with complete success in what he is trying to do.

But—and here's the big difference—always we have known, we who have been so lucky as to have worked with this gifted man, that his motives always have been gold undefiled. It is party loyalty that motivates Page. It is loyalty to our country that motivates Page. It is that grand concept of the long-term interest of the American people, the avoidance of the tawdry, the expedient the short-sighted solution that control Page. And so, a soft-hearted, a good-hearted thistle—a tough man, an able man, a driving man—but, oh, such a good man—that's our Page.

I, for one, am so mightily proud to have been able to work with him on many of his major achievements in his Congressional years, and as a fellow Oklahoman I glow like a firefly because he is a product of my state.

I guess one of the most enjoyable parts of what I am saying to you is to convey my understanding that he has decided to remain in these environs in which he has been so dominant and so constructive and so admired for so long. I frankly say Washington would be a far lesser place if he and Gladys should leave, and thank God they are staying, for their counsel, judgment and friendship will continue to be sorely needed by us all.

Let me close off with a sidebar comment—Gladys.

I have talked of Page being so big and so rough and tough, but, friends, everyone of us has seen him hunker down like the proverbial dog in the hailstorm when Gladys, irresistible Gladys, has turned and said, "Now, Page." So in saluting you, Page, we know full well we are saluting as well your wonderful lady, who I have reason to believe has been your anchor as well as your rudder, and I rather suspect also your engine, all of these years.

I suppose I am the right one to say one thing more, in light of the way this program has shaped out—a simple parting thought.

May the sun be in your face, may the winds be to your back, may all your breezes be fair and balmy, and may the Lord's hand be on your shoulder as you move down the street a piece but carry forward your devotion to this greatest country on earth.

THE MILITARY-INDUSTRIAL COMPLEX—A LOOK AT THE OTHER SIDE OF THE COIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GUBSER) is recognized for 15 minutes.

Mr. GUBSER. Mr. Speaker, for a number of years now a vocal minority has bombarded both the Congress and the American people with accounts of the sinster nature of the military-industrial complex. It has cited instances of gross mismanagement of military and space programs, and has emphasized horror stories of cost overruns to the point where the true situation has become completely distorted. There have indeed been a number of spectacular overruns, plus on a few occasions some well publicized difficulties in meeting very advanced specifications.

But for every overrun and every missed target date which you read about in glaring headlines there are dozens of success stories which go unnoticed. There is another side of the coin which is drastically different than the sensationalistic condemnation of the military-industrial complex which you read about so regularly. One of these examples is the fantastically successful Titan III program carride on by United Technology in Santa Clara County, Calif.

On the whole, the groups in the military services and the industrial concerns who carry out the Nation's aerospace programs are among the most dedicated, honest, and hardworking organizations in our country today. It must also be stated that they have been successful in providing the advanced systems which are necessary for our national security in the face of substantially decreased funds for research and development. As you may know, since 1963, in terms of actual purchasing power, our rate of annual funding for the nonmanpower elements of defense, including research and development, has actually decreased nearly 25 percent. This, incidentally has occurred in the face of an increase of about 15 percent per year in the rate of funding for military-related research and development by the Soviet Union.

Unfortunately, it is generally only the few cases where difficulties are experienced that receive intense public exposure with the result that our entire system comes under attack. These attacks come from both individuals and groups with motivations which vary from genuine concern and desire to improve our national efficiency, to publicity seeking, to a desire to weaken our defense capabilities. At this time, I believe it is appropriate to cite one example out of a number which could be described which represents the type and quality of effort that has been carried out by our Defense Department time after time, and which seldom, if ever, receives any publicity.

Through the late 1950's we faced a so-called "booster gap." It is not the generation gap or any of the other popular gaps we contend with today. It was discussed both in the Congress and in the press, and it was recognized as a serious problem for our country. The booster gap involved the ability of the Russians to loft huge payloads into space using their very powerful Cosmos boosters, while our country had to be content with much smaller payloads because our boosters were much less powerful than those of the Russians. As our need increased for the capability of launching large payloads into space, various avenues were explored in an attempt to find a way to develop an economical and, at the same time, highly reliable family of standard space launch vehicles. These vehicles were to be used not only for use in putting heavy payloads into space, but also were to be suitable for manned missions.

After painstaking considerations of need, cost, and technical capability, a plan evolved for the development of a family of space boosters to be called Titan III's. The plan utilized as its core an existing two-stage vehicle, the Titan II, one of our advanced ballistic missiles, which was also used to put our Gemini

spacecraft into orbit, in a very successful program which began in April 1964. New elements for the Titan III system included a third stage and an advanced inertial guidance system. Two huge solid propellant rockets, ten times larger than anything in our inventory at the time, were planned to provide an initial lift-off thrust of nearly 2.5 million pounds force. The Titan III vehicle using the huge solid booster dockets would have the ability to put 25,000 pounds in low earth orbit or approximately 2,200 pounds in a 24 hour synchronous equatorial mission.

The job of developing this advanced new space vehicle and getting into operational status was given the U.S. Air Force and, in turn, to its Systems Command. Along with this charter came the most stringent requirements to stay on schedule and within budget.

Rising to the task, the Air Force put together a military-industrial team that worked together with the precision of a fine watch and which met or exceeded all of the schedule and budget requirements laid down by DOD. The Air Force management team was led by the Titan III Systems Program Office which was attached to the Space Systems Division of the Air Force Systems Command—now the Space and Missile Systems Organization—with systems engineering and technical direction being accomplished by the Aerospace Corp., a nonprofit organization. Industry included the following associate prime contractors:

Martin-Marietta Corp.—Liquid propellant booster stages and system integration.

Aerojet General Corp.—Liquid propellant engines.

AC Electronics, division of General Motors Corp.—Guidance.

United Technology Center, division of United Aircraft Corp.—Large solid rocket boosters.

In addition to these prime contractors, literally thousands of subcontractors across the Nation provided components for this vital program. Actual development and fabrication of the new boosters was initiated in late 1962. So precise and efficient was this team, that the first launch of the new vehicle came within 6 days of a date planned at the inception of the program 4 years earlier.

The third stage was designed and built by the Martin-Marietta Corp. utilizing a set of new liquid propellant engines developed by Aerojet General Corp. The engines were fired for the first time in July 1963 at Sacramento, Calif. This stage has the capability to change orbits and was namel "Transtage."

After AC Electronics completed the basic design of the inertial guidance system in the spring of 1963, hardware was fabricated and the first test of the system was completed in December 1963. The development was completed on schedule and the system performed within specifications on the very first flight.

Adhering to the same master schedule, in July 1963, United Technology Center successfully tested at their Santa Clara County, Calif., facility the 500,000 pound, 85-foot tall solid propellant booster rocket to be used in pairs as the initial stage of the Titan III. Because the predessor Titan II vehicle's two stages—stage I and stage II—were retained with only slight modifications, the big solid rocket boosters which became the initial stage were identified as "Stage Zero." Twenty-five months after go-ahead, in December 1964, United Technology Center shipped the first pair of flight boosters to the launch base. There, during the spring of 1965, all of the Titan III–C stages were assembled and subjected to rigorous preflight testing. On June 18, 1965, the first vehicle was successfully launched. It met every one of its performance specifications.

The planned versatility of the Titan III booster has been well demonstrated since that time with over 60 flights having been performed to date. Over 20 of these flights have utilized the large solid propellant boosters which currently have a flawless record of performance. This program has always operated within its established budgets.

Now, the NASA plans to use Titan III vehicles for the unmanned spacecraft "Viking" which is scheduled to land on the planet Mars in the next few years.

As I stated in my introductory remarks, the Titan III program is only one of many in the relatively short history of our space programs where a Government agency has worked side by side with its industrial partners, and has done a difficult job with economy and efficiency—on schedule and without cost overruns. Further, the experience gained in the Titan III program with its unprecedented record of successful booster performance will undoubtedly pay further dividends in reduced costs and higher reliability for NASA's new and versatile space shuttle which is now on the drawing boards.

While it is certainly true, as every farmer knows, that one bad egg when broken receives more attention than 10 dozen good ones, it is unfortunate that successful programs of the type which I have just described do not receive the public notice which is their due. The American people have a right to know the country generally gets a good value received for its dollars spent on our defense and space programs.

THE ENERGY CRISIS IS REAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOSMER) is recognized for 25 minutes.

Mr. HOSMER. Mr. Speaker, on June 27 an article from the June 26, 1972, issue of the Nation appears in the CONGRESSIONAL RECORD as an alleged example of "good, tough journalism." The article, by Robert Sherrill, was entitled "Energy Crisis—The Industry's Fright Campaign." It was included by our colleague from Wisconsin (Mr. ASPIN) as part of his remarks extended at page 23033.

With power blackouts reported in New York and elsewhere, it is incredible that anyone would still believe that the energy crisis is a figment of someone's imagination. But what is most frightening about the article and the comments introducing it is the assertion that it is an example of good journalism. In fact, the article is full of distortions, misrepresentations and fallacies. It would take too long to enumerate them all, so I will cite only the more obvious and glaring examples.

First, the natural gas shortage was not sprung on the public as a sudden surprise, as contended. Nor was it a direct offspring of the 1968 Supreme Court decision in the Permian Basin area rate case, as implied. Petroleum industry executives have been warning for years that Federal controls on natural gas producers were discouraging the search for new reserves. Spokesmen for the American Gas Association have issued similar warnings.

One published example, among many, appeared on page 19 of the August 27, 1964, issue of Public Utilities Fortnightly in an article entitled "Regulation and Our Dwindling Gas Supply." It was written by H. K. Hudson and R. L. Howard, who were identified respectively as a retired counsel and an economics adviser for Phillips Petroleum Co. at Bartlesville, Okla.

The authors wrote:

With total exploration (geophysical and drilling) down to its lowest level since World War II, discoveries of new gas reservoirs have gone sharply downward during the last 4 years to 76 percent of the 1955 rate, while development of our known gas reservoirs continued upward until 1962 (using up our development locations), when it too followed sharply downward.

Unless these trends are reversed, full-line deliverability life for gas pipelines by 1975 will not exceed 4 or 5 years at best. Before that point, the enormous capital investment of pipeliners and distributors would be in serious jeopardy, and their customers will face scarcity.

In a 1965 speech, Bruce R. Merrill, counsel, Continental Oil Co., said:

The (Federal Power) Commission is either a great cynic, or the coolest of gamblers, for it takes the position—contrary to the great weight of the evidence—that the present level of exploratory drilling is satisfactory. . . .

What if the Commission is wrong? What if the current level of exploratory effort is not sufficient? What if the established rates do not increase drilling activity, do not maintain the current level, and cause even a further decline? What if a cost formula won't work for the fixing of rates in this industry? What if value considerations cannot be ignored? What happens when the first pipeline has to curtail service for want of gas? What if the industry was right?

The following year Stanley Learned, then president of Phillips Petroleum Co., uttered these cautionary words in a speech to the Executives' Club of Chicago:

With demand and production going up and additions to reserves maintained at the average of the last few years, we reach the danger point in about 2 years where we will be consuming more gas than we're finding.

Many more examples in the same vein could be quoted, but these should be

enough to show that the petroleum industry endeavored to warn consumers about the downward trend of gas supplies years before the Supreme Court Permian Basin area rate case decision.

Even in discussing of the 1968 Permian Basin case, the Sherrill article displays a curious selectivity in the use of quotations. One part of the Supreme Court majority opinion is quoted but this key sentence is omitted:

We do not suggest, nor did the Commission, that the Commission should not continuously assess the level and success of exploration, or that the relationship between reserves and production is not a useful benchmark of the industry's future.

Also ignored is this sentence in a key footnote to the majority opinion:

It is, however, proper to recognize that the ratio of new discoveries to annual net production has generally declined since 1946, although the decline is neither steep nor consistent.

In the 4 years that have passed since that opinion was delivered, on May 1, 1968, the drop in proved gas reserves in the lower 48 States has been both steep and consistent. At the end of 1967, just before this Supreme Court opinion, proved natural gas reserves were equal to almost 16 times annual production. By the end of last year, proved natural gas reserves in the contiguous 48 States were equal to less than 12 times 1971 production. An additional 26 trillion cubic feet of proved gas reserves under Alaska's North Slope will not be available to consumers until a pipeline to transport this fuel to market is authorized and built.

Proved natural gas reserves in the lower 48 States have declined in each of the 4 years after the Permian Basin decision. The public has been consuming more gas than industry has been able to replace with available new discoveries. This, as the Supreme Court suggested, should be regarded as "a useful benchmark."

Second, the article mentions, without describing, what is termed "excellent circumstantial evidence" against the oil and gas industry put together by Charles F. Wheatley, Jr., general manager and general counsel of the American Public Gas Association, which is referred to as "a proconsumer organization." However, the March 1, 1971, issue of Gas & Oil Journal, in the feature "Fiction & Fact," gives this revealing bit of background about Wheatley's claims:

But the most persuasive answer to Mr. Wheatley's charges comes from his own constituents—municipally owned distribution interests he is hired to represent and protect. There has been a veritable flood of letters to FPC and the APGA officers from cities protesting APGA's position on producer rates. APGA recently asked cities operating their own systems to contribute to a fund to finance opposition to the proposed rate settlement in southern Louisiana negotiated by producers and distributors. Dozens bluntly replied that APGA wasn't representing their interests or the interests of consumers.

The Oil & Gas Journal item goes on to quote specific statements by individual mayors and is somewhat more convincing journalism than making accusations about deep plots and skulduggery without providing a single shred of evidence to support the charges.

Third, the Sherrill piece declares :

And if the Supreme Court demanded a showing of shortage before it would go along with industry, then industry was prepared to juggle the record to show just that.

Here are underlying facts that this assertion ignores:

It quotes the following from the 1968 Supreme Court opinion in the Permian Basin Area Rate Cases: "There is . . . substantial evidence that additions to reserves have not been unsatisfactorily low, and that recent variations in the ratio of reserves to production are of quite limited significance."

But in reading this opinion two key footnotes in that particular sentence must be regarded in context. Both footnotes refer to statements of the American Gas Association at a time when that organization did not think there was reason for concern about the trend of proved reserves. However, when proved gas reserves began a persistent decline, the Association changed its view.

AGA is the organization that annually compiles and publishes statistics on proved natural gas reserves and is the source of the figures under discussion. It represents gas distributing utilities and gas transmission companies. Its membership has nothing to gain, and much to lose, from a shortage of natural gas.

This was underlined by the association's vice president, George H. Lawrence, when he testified on April 13, 1972, at hearings on the energy situation conducted by the House Interior and Insular Affairs Committee. He said that AGA members would realize "no self-serving benefit" from trying to make people believe in "a nonexistent gas shortage." On the contrary, he said, "our competitors use this fact against us, our ability to finance is impaired, we cannot serve customers we have sought for years."

Lawrence went on to say that attacks on the American Gas Association's proved gas reserve estimates are now being made "by those who were quite willing to accept these same estimates in past years when they indicated an excess of discoveries over production."

Fourth. Errors in the Sherrill article extend beyond mistaken claims about the gas shortage. it claims:

Industry's fright campaign can be easily documented by turning to that standard index of periodical literature, *Reader's Guide*. From March 1968 to February 1969, just three years ago, *Reader's Guide* lists not one article on the topic of energy shortage. In fact, there are no magazine articles that point even obliquely in that direction.

Here are the facts about this claim:

Within the arbitrary time limit selected, feature articles bearing on some aspect of shrinking domestic petroleum reserves appeared in Forbes magazine for March 15, 1968—page 68—and the U.S. News & World Report of July 22, 1968—page 79.

Outside the narrow time boundaries chosen by the article, U.S. News & World Report ran a piece on shale oil and the tightening oil supply outlook in its May 31, 1965, issue—page 100—and another on petroleum supply in its January 15, 1968, issue—page 64—Despite the foregoing the Sherrill writing claims that all the articles on an energy shortage "appeared in magazines that can be counted on to give industry a helping hand."

And, is this a characterization of the Nation? It, too, published a piece in this vein in its January 9, 1967, issue—page 49. The author, Roscoe Fleming, gave a darkly pessimistic forecast of the future outlook for domestic liquid petroleum reserves and discussed the possibilities of oil from shale to meet surging demand.

The daily press also ran numerous reports, editorials, and features during the sixties on the trends that pointed to a coming energy supply pinch. One example is a series on "The Petroleum Crisis," which appeared in The Philadelphia Inquirer April 23 to April 27, 1967.

Charges about a "fright campaign" fall apart when the Sherrill accusations are compared with the factual record.

Fifth, his article cites as one authority for his position an item in the October, 1971, issue of Pipeline & Gas Journal, which was written by the editor, Edward R. Leach. A comparison between Sherrill's version and the actual article shows that he has done violence to his source by wrenching phrases out of context. Leach actually wrote:

All of these factors tend to offset the rule of diminishing returns to a degree, because—when you have the big volume of gas coupled with a favorable success ratio and high pressure—you are actually reducing the basic unit cost. But despite this, all agree that these future gas supplies are still going to be costly, and we are indeed drawing closer to that, as yet undefined, point of diminishing returns.

Elsewhere in the same article, Leach wrote and italicized:

What it all adds up to is that future gas is going to be expensive.

It is a measure of Sherrill's standard of accuracy that he used out-of-context quotations from this Pipeline & Gas Journal article to try to substantiate his position that there is "no reason to accept higher prices, or at least much higher prices" for natural gas.

Sixth. Sherrill's article contains the statement that "the coal companies—which, since the inter-ties are almost total, means the oil and gas industry," another inaccuracy.

In point of fact, of the 100 largest coal companies only 10 are controlled by oil companies. These oil company affiliated coal companies accounted for a shade less than 20 percent of total coal production in 1970, the latest year for which figures are available. This hardly warrants the description or an "almost total" interrelationship.

The reason some oil companies have acquired coal companies could be inferred from the previously mentioned Roscoe Fleming article in the January 9, 1967, issue of the Nation. As domestic crude oil and gas reserves become harder and costlier to find in economic quan-

tities, increased attention is being given to synthetic oil and gas from other sources. One of these sources will be shale oil, as discussed in the Fleming article. Another potential source is the manufacture of synethetic oil and gas from the huge domestic reserves of coal. The companies with coal interests evidently see possibilities in the conversion of that fuel and are simply showing industrial foresight.

Seventh, at another point, the Sherrill piece refers in a confused way to "the most profitable industry in the world." If by this term he means the American petroleum industry, he is wrong again. According to statistics compiled by the First National City Bank of New York, oil company earnings averaged 11.8 percent of net worth in the decade 1962–1971. Over the same period, and on the same basis, total manufacturing earnings averaged 12.2 percent. Far from being "the most profitable industry," petroleum's earnings ranged slightly below the all-manufacturing average.

Eighth, in a paragraph filled with propaganda-loaded phrases, the writing I am complaining about attacks the flaring of natural gas in foreign countries. This gas is not flared, as he suggests, out of willful malice. It is associated with oil in the reservoir and comes up when oil is produced. This gas is flared because there is no means of transporting it to a distant market.

This situation may change for some foreign producing fields because of progress in the new technology of liquefying natural gas and shipping it in special vessels designed for this purpose. The process requires extremely low temperatures and very costly facilities. Naturally, gas transported by expensive cryogenic methods has to sell for a high price. It could not compete with domestic natural gas, which is actually priced below its market value under Federal Power Commission control. But now that Government-established unrealistically low prices for domestic gas have brought about the shortage that Sherrill denies, arrangements are being made to import gas from overseas to sell at about double the highest prices allowed for domestic gas production delivered to the same point.

Ninth, oil company executives are accused in the Sherrill article of insisting that petroleum exploration go forward regardless of the consequences. It attributes to these executives the philosophy: "And to hell with conserving the tundra and the surf."

This charge—which is central to the theme of his article—does not have a single example to back it up in the article. If there were such examples, they could have used it to give substance to the accusation. That there were none is significant.

Since the Sherrill article refers to tundra, it must be referring to the proposed trans-Alaska pipeline in mind. An outstanding feature of this project is the extreme care exercised in its planning and design to prevent any harm to the tundra or to any other aspect of the Alaskan ecology. Up until late last year, it was estimated, almost $60 million had been spent on research to assure safe operation of the proposed pipeline and to protect the environment. This research is continuing. More than 100 construction and operating stipulations set forth by the Federal and State Governments in the interests of environmental preservation have been agreed to by the oil companies participating in this proposed project. There is no foundation at all for implying that the oil companies operating on Alaska's north slope have adopted an irresponsible attitude toward the ecology.

As for Sherrill's reference to the surf, the statistical record speaks for itself. Of some 14,000 marine wells drilled in this country to date only three have produced any significant pollution. Even these three widely publicized oil spills did no lasting harm to the environment. The oil industry is not satisfied with this record. It continues to strive for the highest level of safety in marine operations that is humanly and technically attainable. One would be hard put to find another human activity, taking place under anything like equal difficulties, that can match the current safety record of marine petroleum drilling and production.

Tenth, the article claims that "the Interior crowd has conceded a pipeline across Canada would be less ecologically dangerous" as a means of bringing oil from Alaska's North Slope to the lower 48 States.

In point of fact, the Interior Department has conceded nothing of the sort. In testimony before the Congressional Joint Economic Committee on June 22, 1972, Interior Secretary Rogers Morton said that a route through Canada would involve "a greater degree of unavoidable environmental damage than does the Alaskan route." This would be the case, he said, because of the greater length of a Canadian route, because it would cross more permafrost and more major rivers, and because it would require the extraction of much more gravel.

Eleventh, the parenthetical mention of Japan in the Sherrill article's reference to the proposed trans-Alaska pipeline is a phantom conjured up by opponents of this project. Even if approval is given in the near future for work to start on that pipeline, it is not likely to be completed and in operation before 1976 at the earliest.

By that time the domestic petroleum deficit for consumers on the U.S. west coast is expected to be so great that there would be no possibility of a surplus to ship to Japan. That would be true even if the Japanese were willing to buy small quantities of Alaskan oil at higher prices than they pay for purchases from the Middle East.

Twelfth, much of the Sherrill article is given to charges that there is no domestic shortage of natural gas and then it shifts over to talk about the administration being called on to help industry manipulate a deal for the purchase of Russian natural gas.

What "industry" does it refer to? It does not say. Would even the most naive reader think that any American industry—and especially the petroleum industry—would actually be pleased by gas imports from the Soviet Union? Is not it obvious to anyone with the capacity for clear thought that the possible purchase of natural gas from the Soviet Union is only a desperate expedient to tide the country through a domestic natural gas shortage brought about by the very Federal controls that the Sherrill article applauds?

There are a number of other fallacies in the article that could be dealt with in detail, but the foregoing should be enough to make the point.

The President of the United States has said that there is an energy supply problem. Both Houses of Congress have shown an intense interest in the energy supply outlook. During the first session of the present 92d Congress alone, 18 committees and subcommittees held 130 days of hearings on legislation and questions related to fuels and energy. Economists and other academicians have expressed concern about the energy outlook and "think tanks" and other researchers have studied the subject in depth. The press, radio, and television have all devoted time and space to this topic. Yet the Sherrill article makes the simple-minded claim that the whole thing is a hoax.

THE BOSTON GLOBE—SPOTLIGHTS THE CREDIBILITY GAP FOR COLEBROOK, N.H.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 20 minutes.

Mr. CLEVELAND. Mr. Speaker, in a recent series of articles the Boston Globe was highly critical of the New England Regional Commission. Time does not permit a detailed analysis of the Boston Globe series.

However, because I was personally involved in one project, which was discussed by the authors of the article, I do wish to mention that. The project I am referring to is the regional commission's supplemental grant to the Upper Connecticut Valley Hospital in Colebrook, N.H. I lived with this project for a good many torturous months. I am proud of the fact that I was able to convince the Economic Development Administration and the New England Regional Commission that this was a project of vital necessity to the economic health and job potential not only for Colebrook, but large areas around Colebrook including parts of Vermont, Maine, and Quebec.

The Boston Globe reporters did a very sloppy job in commenting on this project. First of all, they did not even get the right name of the hospital. Second, they apparently spoke to no one who really knew about the background of the project. Dr. William Herbert Gifford, who, for agonizing years, fought redtape and bureaucracy to get this hospital finally built, was certainly not consulted. It is regrettable that the Boston Globe, which has

been pontificating about the credibility gap, can add to the problem with this type of journalism.

Frederick Harrigan, the publisher of the News and Sentinel has written an editorial on this matter which I commend to my colleagues' attention. His sense of outrage and rightous indignation at the Boston Globe is justified. His editorial is not only factual, it is delightfully written. It deserves recognition and should be studied by all who are concerned with whether or not today's national media is reporting the news in a fair and accurate manner.

Mr. Harrigan's editorial follows:

AN EDITORIAL

In the October 9 issue of the Boston Globe, one of a series of "Spotlight" articles saw fit to attack the New England Regional Commission and its agency, New England Industrial Regional Development (NEIRD) for spending vast sums of money without creating any new jobs. In part, Monday's article said:

Most officials point to the failure of the commission to support a "comprehensive health master plan" in the region that was recommended in its own study done on the problem by Arthur D. Little, Inc. in 1970. Instead, the commission has funded 16 separate health projects in the region "on a willy-nilly basis, with no thought towards what's best for the region as a whole," said William Thompson, administrator of the Androscoggin Valley Hospital in Berlin, N.H.

Most criticized has been the Regional Commission's two largest grants in the region, both of which went towards the construction of hospitals in St. Johnsbury, Vt., and in Colebrook, N.H.

The Northeastern Vermont Regional Hospital in St. Johnsbury—which received a whopping construction grant from the commission—has been operating deeply in the red since it opened last January. At present, only one-third of its 100 beds are occupied and the entire third floor is unused.

The commission gave $400,000 in 1968 to help build the hospital. It's been the highest single commission grant for improving the health needs of the region's residents. But, according to Henry Coe, the commission's liaison man with the five rural counties, "right now, that hospital is a monument to ill-planning."

Similarly, the struggling Colebrook Hospital in New Hampshire was constructed with the aid of a $282,000 commission grant. Health officials fought the large grant to Colebrook because its location, is too distant from populated centers to attack the problem of lack of hospital care on a regional basis.

The critics appear to have been correct. Since opening last February, the hospital has usually had less than half its 37 beds occupied.

"A couple of self-serving officials in Colebrook were able to sell the commission on the hospital and that was it," Thompson, head of the Berlin, N.H. hospital said.

"There's really no difference between people up here and those in Boston," he continued. "They are going to put their own self-interests before the needs of the public as a whole, if they are allowed to. So far the commission has gone along and it's unfortunate. We're dealing with people's lives up here, not their careers."

Well, now, First of all, the Globe must have a million or so readers, and our puny 3,000 press run every week can't possibly reach even a fraction of that figure. In the interests of fairness, equal space would seem to be in order for this editorial, a copy of which is being sent on to the Globe, to the merits of the matter.

In the first place this far northern end of New Hampshire had a hospital built in the early 1930's, which was serving the public well, until the U.S. Public Health Service ordered it closed. Some 700 square miles of territory in New Hampshire, Vermont, Maine, and the Province of Quebec found itself without any hospital facilities at all, its people compelled to travel to Lancaster (37 miles from Colebrook, 65 miles from Pittsburg or Berlin (54 miles from Colebrook, 75 from Pittsburg)—and add another twenty miles or so if somebody happened to get shot or hurt in the woods up around Third Connecticut Lake.

Something had to be done, before somebody died in an ambulance on the way to a "regionalized" hospital, and before all the doctors gave up and left because they had no hospital facilities for their patients. It was.

One of the "self-serving officials" our neighbor over in Berlin imagines had read the Arthur D. Little report the Commission is accused of ignoring. On page 63, it says that, "Regionalization will have to emerge—it cannot be imposed." Colebrook and the North Country went to work with a vengeance. Fourteen towns in three States did all the paper work, mountains of it, which were required to justify a new hospital in Colebrook on the basis of saving and creating jobs. "Spotlight" researchers to the contrary, it's worked. The promise, backed up by letters from large employers in the area, was 300 new jobs in 3 years. As of the end of the first year the Upper Connecticut Valley hospital operated 218 such jobs had already been created. Among other things, the old County Hospital remained open as a nursing home, and employs between 90 and 95 local people right there.

The new hospital serves the Ethan Allen Inc. furniture factory at Beecher Falls, Vt. (employment up 64 since it opened). Tillotson Corporation's factory at Dixville (up 75), and the Wilderness Ski Area at The Balsons which is also growing by leaps and bounds. Scattered through hundreds of square miles of wilderness are innumerable hunting and fishing camps, employing hordes of local people and all depending on the hospital in Colebrook. A plywood factory at North Stratford has closed through circumstances beyond the control of local people. When, hopefully, it reopens with a payroll of more than 500 people, it will be at least partly because there is a hospital 13 miles away capable of serving all its medical needs.

Now, just a word about these "self-serving officials." They would include, undoubtedly, Dr. William H. Gifford, who spearheaded the work to get the new hospital built when he could have been tending his medical practice and making all the vast sums of money doctors are supposed to make. As it was, he had to mortgage his home and go on personal notes to keep the hospital in payroll money during the critical early period. Or perhaps Redmon Gorman, down in Lemington, Vt., who is almost 80 and doesn't get around as fast as he used to, but did yeoman work getting the hospital effort off the ground. Or the hundreds of people who put on hunters' dances, rug raffles, suppers, and other fund-raising events all through the area to scrape up the initial local contribution of $50,000 to buy the land and get the plans drawn up. These "self-serving" people got themselves nothing but headaches and battle fatigue, but they got their hospital, and being stubborn Yankees, they're going to make it go.

Perhaps I should take some of the blame. This little newspaper swung in behind the hospital effort from the very beginning—the News and Sentinel printed so many pictures of people giving Dr. Gifford checks that he finally insisted on having one taken with a barrel over his head. My own self-serving reward has been an opportunity to take a Red Cross course and qualify as one of a local band of volunteer ambulance driver-attendants. Which leads to another fact for the record—we've trained our own technicians, our own ambulance people, our own nurses' aides, and we have "feelers" from three young doctors in addition to the young general practitioner who came to the area almost simultaneously with the hospital.

Your "Spotlight" may be right more often than it's wrong—I'm sure it is. But its author should have come and spent some time in the far northern tip of New England before looking at a flat map and jumping to conclusions.

Mr. Thompson of Androscoggin Valley Hospital—with a friend like him, who needs enemies?—concludes that we're dealing with lives, not careers. He's so right, and lives are exactly the concern which brought our hospital into existence. Lives which would be lost in transit to remote hospitals elsewhere, lives that might well be lost through sheer loneliness and despondency because tribally-oriented North Countrymen wither when they cannot receive frequent visits from their relatives and neighbors, lives placed in jeopardy with every additional mile and minute it takes to get to a hospital.

Wishing nobody any harm, you understand, but I just hope neither the authors of "Spotlight" nor Berlin's Mr. Thompson ever find themselves suffering from a ruptured appendix or a critical gunshot wound up near the Chartierville border station. If that should ever happen, they'd see the light, real quick.

PRAISE FOR THE NIXON ADMINISTRATION'S ECONOMIC PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, I welcome this opportunity before the 92d Congress adjourns to go on record in praise of the Nixon administration's economic program. The latest economic indicators show an impressive recent performance by the economy, and are consistent with the growing confidence over future economic developments. The best news Americans have had for a long time is that the rate of inflation has been cut in half since August of last year when the President first implemented phase I of his new economic policy.

A very brief outline which describes the "goals" and the "results" of the Nixon administration's wage-price economic program shows how the economy has progressed in recent months.

Mr. Speaker, if there are no further objections I would like to insert that outline on the administration's economic progress for the review of my colleagues.

The material follows:

KEY FACTS ON WAGE-PRICE CONTROLS

GOALS

To reduce inflation to 2 to 3% by the end of 1972:

The Price Commission restricts price increases, on an average, to 2.5% per year;

The Pay Board holds wage increases to an average annual rate of 5.5%.

This combination allows further gains in real earnings and expected overall increases in productivity of at least 3%.

THE RESULTS

Wage-price decisions

Since November 14, out of a total of 13,177 submissions, the combined weighted average pay increase granted has been 5.0% affecting over 15.2 million workers.

The cumulative average increase granted by the Price Commission is 3.25% on the items for which increases were requested and just 1.65% on total sales of requesting firms.

Prices held down

During the 12 months of indexes since the beginning of the New Economic Policy, the Consumer Price Index has increased at an annual rate of 2.9%, compared to 3.8% before the Freeze and rates of 5 to 6% during 1969–70.

Food prices during the period of controls have increased at an annual rate of 3.8% compared to a 5.0% rate registered during the 8 months preceding the Freeze.

Commodities other than food have increased at a 2.0% annual rate during the period of controls compared to a 2.9% rate during the 8 months before the Freeze.

Services have increased at a 3.4% annual rate during the period of controls compared to 4.6% during the 8 months preceding the Freeze.

The Wholesale Price Index has increased at an annual rate of 4.4% during the period of controls compared to 5.2% in the first 8 months of 1971 before the Freeze.

Real earnings increase

While there was no gain in real earnings for workers from 1966–1970, since the beginning of the New Economic Policy, real spendable weekly earnings have increased 4.1%. During Phase II the increase has been 4.2%.

Economic expansion continues while the rate of inflation slows down. Latest reports show favorable trends in production, employment and prices.

Gross National Product in "real" terms grew at an annual rate of 9.4% in the second quarter, the highest rate since the fourth quarter of 1965. Over the last three quarters, the growth rate was 7.5%.

Employment has increased sharply, spurred, by the rapid growth of output. In August, total civilian employment was 2.5 million higher than a year ago. We are adding new jobs at the highest rate since 1955.

Unemployment has averaged 5.5% from June to August, down from 5.9% from the preceding 3-month period. During 1971 and the early months of 1972, it had hovered close to 6.0%, despite the substantial growth of employment, because of abnormally large growth in the labor force (discharged veterans, etc.)

Real spendable earnings for the average production worker did not increase at all between 1965 and 1970 as inflation more than offset wage hikes. Since the introduction of the New Economic Policy last August, real earnings have risen at a rapid annual rate of 4.1%. This is increased buying power—the real test.

Retail sales in August were 9.7% above the level of a year earlier.

Consumer Price Index (CPI) rose at an annual rate of only 2.9% during the 12 months of Phase I and Phase II, continuing the declining trend since 1969. Inflation has been cut in half.

TRIBUTE TO THE HONORABLE WAYNE ASPINALL, THE HONORABLE J. IRVING WHALLEY, AND THE HONORABLE WILLIAM S. CONOVER II

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR) is recognized, for 60 minutes.

HON. WAYNE ASPINALL

Mr. SAYLOR. Mr. Speaker, it has been my privilege to know, to argue with, to debate with, to disagree with, to compromise with, and to work with, one of the finest gentlemen ever to come to this House in these past 24 years.

Personally it is difficult for me to properly assess and pay tribute to the distinguished career of the chairman of the House Interior and Insular Affairs Committee. I can, of course, assure you that he will be sorely missed.

The Honorable WAYNE NORVIEL ASPINALL has been more than my friend and companion, he has been a constant source of inspiration and challenge. His diligence, his dedication, his perserverance, have been like a beacon to all who have known him, and all who have served with him.

WAYNE and I, have disagreed more times than I like to recall. Nevertheless, I like to think that our differing points of view on the great issues that have faced our committee, helped to mold legislation that was beneficial to the whole Nation.

Perhaps, as the ranking Republican Member of the committee, I should leave the accolades about WAYNE ASPINALL's service to this House and our country to Members of his own party.

However, I claim a special privilege to address our beloved House on this man's accomplishments because, more than any Member of either party, I know the depth of his commitment, the breadth of his knowledge, and the extent of his expertise, on matters in which we have both been intimately involved with throughout our tenures on the Interior and Insular Affairs Committee.

There is one more reason I claim this privilege.

No other Member can claim to have met WAYNE ASPINALL on his own home grounds in opposition to his position on a matter affecting the course of legislation.

My friend from Colorado has never let me forget that I am his junior in point of service in this House—by a matter of 8½ months.

In turn, I have never let him forget that, as a Member of the opposition party, from Pennsylvania, I received write-in votes against him in a primary election some years ago.

The issue in that primary concerned the policy of our Nation regarding our natural environment. Though I did not prevail in the Colorado primary election, the position I represented did prevail in the Congress.

I mention this unique bit of history to the Members of the House, the depth of commitment needed to properly legislate for the good of the country. I recall this also to measure the depth of friendship and magnanimity which sets WAYNE ASPINALL apart from his peers.

We have disagreed mightily over many issues; we have not let our friendship and mutual respect to be affected by such disagreements.

Over 1,000 pieces of legislation which have become public law, emanating from the House Interior and Insular Affairs Committee, had the "Aspinall stamp" on them. That stamp will be felt by the Nation for years to come. The chairman effectively and fairly presided over the volatile interests of our committee. This House has never had a better chairman of this committee or any other committee.

In bidding WAYNE ASPINALL farewell, we must remember those qualities of leadership and dedication which set him apart from other Members. Not a man in this House worked harder, few men have equaled his grasp of the complex issues he guided through the Congress, and I am sure my colleagues will agree that no more dedicated servant has ever served this Nation than the Honorable WAYNE N. ASPINALL.

We wish him well as he returns to his lovely Colorado and we pray that our service to this House and country can be measured on the same scale as his will be when the great histories are written.

Mr. ASPINALL. Mr. Speaker, I personally thank my longtime friend and coworker, the gentleman from Pennsylvania, Mr. SAYLOR, the ranking minority member of the Committee on Interior and Insular Affairs, for his many courtesies and acts of friendship, the present special order being one of such acts of friendship.

My colleagues, in the most thoughtful and friendly way, this is the time to prepare for the severance of what, to me, has been a most happy and rewarding 24 years of legislative experiences and associations. I have enjoyed to the utmost my hours, months and years with you. It seems only yesterday that I held up my right hand and took my oath of office with my colleagues of that day—some 46 of whom are still Members of this great body. These years have not only been to me the culmination of over 50 years service to my fellow citizens, but of course, the years of my heaviest and most enjoyable responsibilities.

As I leave my daily presence in this hallowed Chamber, I do so with profound personal gratitude for the contributions of all those who have served in like capacity since the birth of our country, as well as to those who will be chosen by their fellow citizens to serve in the decades and centuries ahead.

In this body, more than in any other institution in our land, rests the destiny of the peoples of our Nation. It is here that the rights, responsibilities, and benefits of our people abide. If our Members do their job well, we shall continue virile and strong. If our Members forget or fail, then our Nation will suffer accordingly. I realize only too well that this body mirrors the longings, the desires, the strength, the weaknesses of the people. Dedication to the wishes of the people is not sufficient within itself. Dedication with selfless service is not enough. There must be dedication not only with these attributes just mentioned, but also there must be present the understanding of the possible and the attributes of those considerations that make a people strong. History not only furnishes a beacon, but it also holds a warning. It is my earnest prayer that those who serve here in our tomorrows shall be knowledgeable of both.

And now, my colleagues, as to our farewells. You have been good to me. In turn, I say "thank you." You have been considerate not only of my talents, whatever they may have been, but you also have been tolerant of my shortcomings. Again, I say "thank you."

But even more, you have shown to me true friendship throughout the years. This is the real reward to those of us who have mutual responsibilities in our work for the general welfare of the people. For this relationship more than any other, in all humility, I say my final "thank you." may the God of each one of us go with us separately and collectively as our paths lead us in various directions to the fulfillment of our unfinished tasks. Goodby.

Mr. HALEY. Mr. Speaker, as a member of the Interior and Insular Affairs Committee ever since I came to Congress, and chairman of the Indian Affairs Subcommittee for 18 years, I have worked very closely with the distinguished chairman of the committee, WAYNE ASPINALL. Thus, I have firsthand knowldege of this dedicated leader's capacity for work, his great knowledge of every subject under the committee's jurisdiction, his non-partisan approach to the committee's legislative responsibilities, and his complete fairness in presiding over the committe's operations.

Mr. Speaker, WAYNE ASPINALL has served this House with great distinction. The legislative record of the Interior and Insular Affairs Committee under his leadership will continue to be beneficially felt by this Nation for many decades in the future. Over a thousand measures have been approved by the House under his supervision and legislative skill, and not a single one defeated.

In addition to his legislative expertise, WAYNE ASPINALL possesses all the qualities and strengths that make an effective public servant and a great American. His departure will be a great loss to this body.

Mr. Speaker, it has been a great privilege for me to have worked so closely with WAYNE ASPINALL in legislative matters and his departure will be a special loss to me. My best wishes go with him and Mrs. Aspinall. May good health, good fortune, and happiness accompany them in the years ahead.

Mr. TAYLOR. Mr. Speaker, today we honor an unusual and a remarkable man who is a close personal friend. We honor a hard-working, intelligent and thorough individual who has dedicated most of his life to serving the American people and the people of his home State of Colorado, particularly.

It has been my privilege to serve as a member of the House Committee on Interior and Insular Affairs since first coming to Congress over 12 years ago. No Member has served with a more dedicated, harder-working, more diligent chairman. WAYNE ASPINALL attended all subcommittee meetings and became familiar with the provisions of each bill. This knowledge of subject matter aided him as he presented bill after bill on the House floor. In the Committee on Interior and Insular Affairs, which he has chaired longer than any other man in the history of the committee he cuts quickly to the principal issues of each problem.

WAYNE ASPINALL is a friend to all of us, but from everyone he demands the same high standards and proper regard for orderly procedure. While some have criticized him for being impatient or for refusing to yield to pressure, I have always respected him for being his own man, thinking for himself, and standing by his convictions.

As a result of his penchant for perfection, he has one of the finest records of accomplishment ever established by any Member of Congress. Many hundreds of legislative matters have been processed by the committee which he has chaired since 1959. This House has seldom found it necessary to amend a committee measure once it reached the House floor, because generally most of the controversies have been resolved during committee deliberations. In fact, I am told that no committee bill considered by the Congress since WAYNE became chairman has ever been rejected by the House.

WAYNE ASPINALL believes that natural resources should neither be wasted nor destroyed, but he recognizes that much can be accomplished for the good of all men if they are wisely and properly used in a manner which will assure their availability now and in the future. To this end, he has sought to convert the meager water resources of the West into the maximum beneficial use. He is justly proud of the Upper Colorado River storage program which helps supply electrical energy and needed irrigation and municipal water, as well as providing flood control benefits and recreation opopportunities for the rapidly expanding communities of the West. Because of his expertise in water programs, generally and because of his contributions to water resource development, he has become the "Water Statesman of the West."

Few Members of Congress have done more for the expansion of the national park system than WAYNE ASPINALL. He has helped develop the legislation which has resulted in the creation of at least 75 units of the national park system throughout the country. In addition, he was involved in the establishment of the national wilderness system, the wild and scenic rivers system, and the national trails system. He, along with the ranking minority member, was instrumental in establishing the land and water conservation fund which has made it possible to convert these authorizations into reality.

Mr. Speaker, WAYNE ASPINALL is a fair man with a strong sense of command. In the Interior Committee he has been captain of our ship for more than a decade. As he leaves, an era is passing. He is honest and practical and cautious and sometimes critical, but when everything is considered, he is a master, and we shall miss him. He has shown what can be accomplished by a combination of ability, hard work, and total integrity. He has served his Nation well and we are all grateful to him. He has served his people of Colorado with dedication and honor. We are all better legislators, because we have learned from him. He will leave behind a record of service that should be an example and a challenge to all of us. When he leaves this House we all wish him and Mrs. Aspinall continued good health, happiness, and much success during the years ahead. Personally, I am glad to call WAYNE ASPINALL my friend and I look forward to hearing more from him in the future.

Mr. STEIGER of Arizona. Mr. Speaker, in this biannual season of political rhetoric I am sincerely hopeful that these few words offered by me will not be obscured by the sheer volume of similar efforts by those who think differently than I, or my totally genuine concern not be mitigated by any cynical attitude presuming personal or political considerations.

I have served on the House Committee on the Interior and Insular Affairs for 6 years. As an inevitable result of this service I am very comfortable in expressing outrage at the totally unfair and ridiculous charges that have been repeatedly leveled at the chairman of the full committee, WAYNE ASPINALL.

He has been designated capriciously, unconscionably, and in absolute error as a "foe of conservationists," "a tool of public land permittees" and a whole lot more. He has been labeled a member of the "Dirty Dozen," those Members of Congress who allegedly would destroy our environment. Recognizing all the inequities in the political process, I can simply not remain silent in the face of this blatant, ludicrous, and vicious lie. As a member of the opposition party to WAYNE ASPINALL, I have found myself in disagreement with him on occasion. But to overlook Mr. ASPINALL's achievements in the fields of conservation—genuine—environmental protection and ecological concern is so damnable it simply must be stopped.

Under his leadership the Congress has passed the Wilderness Act, the wild rivers bill, national trails, and literally hundreds more. To allow the spleen of a few professional activists to be vented unchallenged is to do truth more harm than it deserves.

History will show that WAYNE ASPINALL was the lynch-pin that turned the Nation's concern for the environment from verbiage to solid, national action.

He is entitled to the respect and gratitude of those who are similarly concerned, not their meaningless, blind attacks.

Mr. CAMP. Mr. Speaker, I wholeheartedly join with my colleagues in tribute to Congressman WAYNE ASPINALL.

Congressman ASPINALL has a deep and thorough working knowledge of our Government, having served in the Colorado House of Representatives and Senate for 18 years prior to his election to the U.S. Congress in 1948. It has been an educational experience watching him put this knowledge to work in the House.

It has been my privilege and honor to serve on the House Interior and Insular Affairs Committee during the tenure of Chairman ASPINALL. His warm friendship, sound judgment, keen intelligence, and dependability will be sorely missed by all of us in the House, but

few will feel this loss as sharply as we who have worked with him on the Interior Committee. The experience and expertise Congressman ASPINALL has gathered during his 24-year membership and 14-year chairmanship on this committee cannot be replaced and the energy he has expended for the welfare of our country during this time is unparalleled.

Mr. Chairman, I think I can speak for all our colleagues in wishing for the chairman and Mrs. Aspinall the best of everything in the coming years.

Mr. DELLENBACK. Mr. Speaker, I have only had the privilege of serving on the Interior and Insular Affairs Committee for the last 2 of my 6 years in the Congress. Nevertheless, I have come to know WAYNE ASPINALL quite well during that time—and to know him as a knowledgeable, hard working, honest, and fair man, a chairman who presided confidently because he has done his homework and knows the issues.

Perhaps more than anything else, I have been impressed with the chairman's thoroughness. Any witness or any Member on the opposite side of any issue from the chairman has had to prepare his case well. He must have a strong grip on all the arguments, pro and con, or he will be at a disadvantage in any discussion or debate with the gentleman from Colorado.

The chairman commands respect because he has expertise in each area of jurisdiction which the Interior and Insular Affairs Committee is involved. Mr. ASPINALL's acute perception of the legislative process and all its intricacies has helped him to win many legislative battles, and in doing so to win at the same time the respect of those with whom he dealt.

There were some who sought WAYNE ASPINALL's defeat on the alleged ground that he was not a friend of the conservationists. I think they were wrong, and I fear they will learn that fact the hard way. An editorial which was published in the Oregon Journal, one of my State's leading newspapers, spoke to this point well, and I include that editorial here:

MORE FRIEND THAN FOE

Come the next year and the next Congress, the small man whose owl-like face and inevitable cigar barely surfaced above the dais in the House Interior committeeroom will be seen no more.

Rep. Wayne N. Aspinall, D-Colo., veteran chairman of that committee and one of the really powerful men in Congress, was defeated Tuesday in his bid for a 13th consecutive term.

An aggressive, well-organized campaign by a college professor; Aspinall's age, 76; and reapportionment which took away more than half the counties in his enormous Fourth District made the difference by 1,500 votes.

Interior is a committee with vast jurisdiction—literally from Maine to Micronesia—and impressive responsibilites, these including public lands, water, mining, Indian affairs, oil irrigation, parks, and recreation. It is, by its nature, critically important to Oregon. Aspinall controlled his committee firmly, but fairly, and with an impressive knowledge of the issues before it. He knew what he was takling about, and he knew when witnesses didn't.

Aspinall was partial to the interests of his district in northern and western Colorado, and these are mining and grazing. It is because of Aspinall that mining activity is possible in wilderness areas, clearly an outrage, and it is because of Aspinall that the tremendous potential of oil shale in his district was treated rather distantly by the Public Land Law Review Commission.

Some conservation groups already have claimed that Aspinall's loss is conservation's gain, but this approach is neither fair nor realistic.

These groups should not forget that it was because of Aspinall that there was a Wilderness Act of 1964, that there was a Public Land Law Review Commission (which Aspinall chaired), and that in the last two years Interior added an environment subcommittee, which Aspinall also chaired.

From Aspinall's committee came a Colorado River Act without dams flanking the Grand Canyon, the Redwoods National Park, the North Cascades National Park, and scads of other national seashores, memorials and recreation areas.

In the last few months, Aspinall's committee got out the Oregon Dunes bill, the McQuinn Strip bill, and a reasonable solution to the Minam controversy.

Politics is the art of the possible. It is an art Aspinall practiced well. The time may come when those who cheer Aspinall's defeat will discover he was more friend than foe

While the gentleman from Colorado (Mr. ASPINALL) and I have not always agreed, as no two thinking people will always agree, he has earned my deep respect and my extremely warm regard. I join my colleagues on both sides of the aisle in thanking him for his distinguished service to the Nation through his service in the House of Representatives these last 24 years.

Mr. BROTZMAN. Mr. Speaker, I rise to join with my colleagues in praising the able and dedicated service in this body by the senior Member of the Colorado congressional district, Congressman WAYNE N. ASPINALL.

It has been my pleasure, Mr. Speaker, to work with WAYNE in the House of Representatives. His friendship and counsel have been of inestimable value to me in the 8 years I have had the privilege of representing the Second District of Colorado.

Public service has been the hallmark of WAYNE ASPINALL's life. As a young man he taught school and practiced law. For nearly 50 years he has held elective office. First he served on his local school board; then he was elected to the State Legislature. In the Colorado General Assembly he served with distinction as the Speaker of the house and the majority leader of the senate. Then, in 1948 he was elected to represent his Western slope constituency, and serve it he has for 24 years.

Because water resources and land use are of such great importance to Colorado, WAYNE ASPINALL became absorbed in the work of his committee, Interior and Insular Affairs, eventually becoming chairman of that panel. In the course of his work, he has mastered the intricate rules of the House and has been able to steer through to passage many pieces of legislation of lasting value to the people of Colorado.

Mrs. Brotzman and I have both enjoyed our association with WAYNE and Mrs. Aspinall. Although WAYNE will not be serving in the 93d Congress, I am confident that we will be able to call on him whenever the need arises. Those who have been committed to serving the Nation as long as WAYNE ASPINALL has will not be forgotten, and I look forward to a continuing association with this distinguished son of Colorado.

Mr. BLATNIK. Mr. Speaker, it has been a genuine privilege to have served and worked closely with the highly esteemed dean of the Colorado delegation, WAYNE N. ASPINALL. I am proud to join in saluting this distinguished gentleman, who in his capacity as chairman of the House Committee on Interior and Insular Affairs, has demonstrated strong, able, and responsible leadership. Through his integrity and devotion to the highest of principles, he has earned the deep respect of all his colleagues.

Long before the national conscience was raised to natural resource depletion, and a host of other severe ecological problems, WAYNE was concerned and working for the preservation and enhancement of our precious natural resources, and I am personally appreciative for his instrumental role in the enactment of legislation establishing Voyageurs National Park in northeastern Minnesota.

We will miss WAYNE's expertise, but he is leaving us with a record of legislative accomplishments to serve as a guide and inspiration for all of us.

Ours has been a rewarding association spanning almost a quarter of a century and I extend my sincerest best wishes to WAYNE for success and fulfillment for the years to come in all of his future endeavors.

Mr. SLACK. Mr. Speaker, I am pleased to join my colleagues in paying tribute to the distinguished and able chairman of the Interior and Insular Affairs Committee, the Honorable WAYNE N. ASPINALL. He possesses an earnest awareness of the problems confronting the Congress and our country, and has played a major role in the consideration and passage of landmark legislation helpful to the people of the State of Colorado and to the best interest of America.

His unfailing courtesy and his regard for the views of others impressed the many Members who had an opportunity to consult with him during his years in the House.

I am privileged to have been included in his circle of friends and I join in wishing him many years of health and happiness in the years ahead.

Mr. DON H. CLAUSEN. Mr. Speaker, I am pleased and proud to join in this special order honoring and recognizing the outstanding record of my very close friend and highly respected chairman of the House Committee on Interior and Insular Affairs, WAYNE ASPINALL from Colorado.

History will be very kind to this very able and genial gentleman. His record as a chairman is extraordinary by any

means of measurement or comparison one might choose.

In all fields of conservation, ranging from wilderness areas, parks and recreation areas, seashores, public land management, water resource conservation and development, mines and mining, fish and wildlife, saline water, and trust territories, Mr. ASPINALL, with his very strict adherence to parliamentary procedures, built a list of conservation programs that will be very difficult to match in the future.

He would be the first to recognize and admit that he had great cooperation from both the Republican and Democrat members of the committee in advancing this great record.

WAYNE ASPINALL always took great pride in the fact that a bipartisan spirit prevailed in the committee he chaired.

Mr. Speaker, there is no more difficult job in the U.S. Congress than that of chairman of the House Committee on Interior and Insular Affairs.

While it is true of most issues that the Congress is faced with the problem of analyzing and balancing a variety of different and competing interests, it is equally true that the difference and competition between the interests involved in legislation pending before the Interior Committee is greater than any other in Congress.

The general result of the competition of the various sides on legislative issues is a compromise solution that is not entirely pleasing to every side but which considers all needs and considerations and, generally speaking, is basically satisfactory to all but the fiercest partisans.

However, the nature of the issues before the committee are such that time is nearly always of the essence, a consensus of support for any position is nearly always absent and the attendant debate is nearly always inflammatory.

Therefore, the prerequisites to chair the Interior Committee have to be a keen mind, a thick skin, an even temperament, honesty, integrity, dedication to principle, a perfect understanding of the legislative process, fairness, firmness, responsibility, reliability and, finally, a commitment to conservation, his colleagues, and his country.

WAYNE ASPINALL fits this impressive description.

No man has been more unfairly maligned while developing an unparalleled record of leadership and accomplishment in conservation. And yet, no man has withstood the slings and arrows with more grace under pressure or with greater sense of commitment to the goals he knew were right.

I am privileged to represent the north coast of California in the Congress. Our area has been blessed in quantity by nature and the Redwood Empire boasts many areas of great natural beauty and prime national significance.

Today, thanks to WAYNE ASPINALL and his commitment to conservation we have a string of parks and recreation areas and unparalleled seashores that have been protected for all time in a way that has allowed us to retain and expand our economic potential.

In the north is the magnificent Redwood National Park which contains the most magnificent of the giant Redwoods and over 40 miles of both sandy and rocky seashore. One hundred miles south is the King Range Conservation Area—and area of great pristine beauty which is being put together through consolidation of land holdings in a way that will neither diminish the local tax base nor disrupt the local economy. This conservation area was a first of its kind in the Nation.

Another hundred miles to the south is incomparable Point Reyes National Seashore, a vast area comparatively untouched by civilization and yet practically adjacent to the major urban center around San Francisco Bay.

Finally, the most recent monument to WAYNE ASPINALL is the Golden Gate National Urban Recreation Area—known as Gateway West in relation to its sister Gateway East in New York. It combines every aspect of enlightened conservation and the major part of the credit for its creation, again, goes to the gentleman from Colorado, because of his willingness to cooperate with the bay area Congressman and the committee members we advanced these two uniquely similar national recreation areas on each side of the United States.

Gateway East and the Golden Gate National Recreation Areas are truly the outstanding examples of President Nixon's "Parks to the People" program concept.

They are of national and international significance and will stand alone with our other great parks and recreation areas as living monuments to the leadership, understanding, patience, diligence and dedication of this great American, my friend, WAYNE ASPINALL of Colorado.

The country and generations to come that will enjoy these beautiful areas will remain eternally in your debt.

You are a great and good man WAYNE. You have the deepest admiration and respect of this very greatful Member of Congress from redwood country, California. You have made my dream of "Redwoods to the Sea," a very comprehensive Redwood regional conservation package, come true.

The people of our area will always welcome with open arms, the gentleman from Colorado and his lovely lady.

Good depends not on things, but on the use we make of things.

By your balanced and considerate point of view you have left a legacy of good things for many people to enjoy.

He who masters his words will master his works.

Not the hearers of the law are just before God, but the doers of the law shall be justified.

These words, to me best illustrate and describe the WAYNE ASPINALL I have been privileged to know and work with for 10 years in the Congress of the United States.

He is a man of integrity and great character—a character that is like a diamond that scratches every other stone—just as WAYNE ASPINALL leaves a marked impression on anyone he meets and anything he touches.

May the good Lord be kindly to you, WAYNE and Mrs. Aspinall, in your retiring years—the country, the Congress, and your friend from California will miss you very much.

Mr. BINGHAM. Mr. Speaker, I am glad to join in paying tribute to our colleague from Colorado, the chairman of the Committee on Interior and Insular Affairs, Mr. ASPINALL.

During my first term in Congress, I had the honor and the pleasure of serving on that great committee under the chairmanship of WAYNE ASPINALL. He was always meticulous in being fair to all the members of the committee, including the freshmen members, and was always willing to help them when he could do so. I was particularly appreciative of the fact that he chose to report to the House for passage my bill to make Ellis Island a part of the Statue of Liberty National Monument, House Joint Resolution 454, although at least two other Members of the House, each of whom claimed that Ellis Island was in their district, wished to have the honor of having his bill passed by the House and enacted into law. Although I could not even begin to claim that Ellis Island was in my district, I was a member of the committee. Accordingly, Chairman ASPINALL in Solomon-like fashion decided to avoid the issue of whether Ellis Island is in New York or New Jersey and selected my bill to be reported.

It was also an education to watch Mr. ASPINALL preside over the meetings of the committee. His knowledge of the rules was extensive and he was extremely careful to observe them.

One of the remarkable things about WAYNE ASPINALL's career as chairman of the Interior Committee is the fact that practically every bill he brought to the floor sailed through. This was a measure of the high esteem in which he was held by his colleagues and also of his ability to gage the temper of the House.

WAYNE ASPINALL will be greatly missed by the committee and by the House. Along with his many friends and admirers, I wish him success and happiness in the future.

Mr. ANDERSON of Illinois. Mr. Speaker, it is with pleasure tinged however with sadness that I join with my colleagues in paying tribute and saying goodbye to the Honorable WAYNE N. ASPINALL.

When I came to the Congress in 1960, WAYNE had already been here for 12 years. He had acknowledged stature and reputation in which I stood in awe. Now, some 12 years later, that stature though tempered with experience and understanding on my part has not diminished. That reputation has increased.

I serve with WAYNE on the Joint Atomic Energy Committee. There I became acquainted with his keen interest and methodical approach to the complex

energy problems considered by that committee. There I was impressed by his ever present concern for individual rights as well as for governmental leadership in the new fields of atomic energy application.

As a member of the Committee on Rules, I have had occasion to listen to many committee chairmen plead their cause for special consideration in the order of legislative business. Chairman WAYNE ASPINALL'S quiet approach, thorough knowledge of his subject, and strategic use of the legislative avenues afforded by the Rules Committee always impressed me. Of more than 1,080 measures referred to the Committee on Interior and Insular Affairs, only six times did that committee under his leadership request a rule. Five of those rules were granted, the remaining one dying in the last days of this Congress. That is an enviable record and can, in my opinion, be attributed to WAYNE ASPINALL'S good leadership and judgment.

WAYNE ASPINALL, the man, is a thorough gentleman. I have benefited from his acquaintance and wish him well in his future endeavors. I hope that he and his lovely bride, Essie, will now take time from the demands of public office to enjoy their home State, Colorado.

Mr. HULL. Mr. Speaker, I take it as my special honor to offer words of praise for the years of dedicated service given by Congressman WAYNE N. ASPINALL. His inquiring mind and sense of justice has made him the guardian of the country's natural resources. Expertise in this area comes only after many years of study. It is this expertise which the Congress and the Nation are losing with Congressman ASPINALL'S departure.

So it is with an acute sense of loss that I express my warmest regards upon this occasion to my colleague and friend. May he continue to offer his services to us all and keep us informed of his views on those matters about which he knows so much.

Mr. SIKES. Mr. Speaker, I am pleased, indeed, to join my colleagues in paying a well-deserved tribute to Representative WAYNE ASPINALL, who will be leaving the House of Representatives at the end of this session of Congress after 24 years of dedicated and capable service. WAYNE ASPINALL has served his district, State, and Nation faithfully and well and can enter retirement secure in the knowledge that future generations of Americans will enjoy and benefit from his great work.

As chairman of the House Committee on Interior and Insular Affairs, he has achieved one of the greatest records ever made in the Congress in expanding the outdoor recreational opportunities of the people of this country and in helping to add to our great and wonderful park domain. Congress has added more than 100 new units to the National Park System under his leadership. He is known and recognized as a developer and defender of our Nation's natural resources. He has guided more than 40 important park and major recreation bills through the House and has been instrumental in the enactment of many additional park and conservation measures. Congressman ASPINALL also served on the Committee on Standards of Official Conduct where his contributions to the preparation of a code of conduct for the Members of the House were most important and most constructive.

It has been a privilege and an honor for me to serve with WAYNE ASPINALL and I want to heartily congratulate him upon his many years of dedicated service. In particularly do I appreciate the friendship we have shared. We shall miss him and his family, and wish for them all the good luck, health, and happiness as he enters a richly deserved retirement from public service.

Mr. REUSS. Mr. Speaker, I appreciate this chance to join in paying tribute to Congressman WAYNE ASPINALL as his long and dedicated service in this body draws to a close.

WAYNE ASPINALL had already chalked up a fine legislative record in his home State of Colorado—having served as both speaker of the State house of representatives and floor leader in the State senate—when he brought his talents to the national scene in 1948.

In his subsequent 24 years in the House of Representatives, he has worked with equal energy and effectiveness, channeling his efforts largely through the Committee on Interior and Insular Affairs. He has served as chairman of that committee during a period in which it cleared a host of vital legislation, piloting such measures as the Wilderness Act and a variety of park and recreation bills, including the redwoods measure.

I extend my best wishes for many more happy and productive years to our friend WAYNE ASPINALL.

Mr. KEE. Mr. Speaker, I want to join my colleagues in honoring our illustrious friend and leader from Colorado—Mr. ASPINALL.

It has been my pleasure to be acquainted with Chairman WAYNE ASPINALL for many years. When he came to Congress—my father—the late Honorable John Kee—was serving in the House. Later—my mother—Honorable Elizabeth Kee—was assigned to the Committee on Interior and Insular Affairs where she developed a keen respect and admiration for the legislator we now honor. At her suggestion—I sought an opportunity to serve on the Committee on Interior and Insular Affairs and learned that our chairman conducts his committee operations in a completely fair manner which does great credit to this House.

I have learned a great deal from my committee chairman and I have enjoyed and benefited, because of my service with him. Through my association with him—I know that he has contributed constructively on all matters under the jurisdiction of the House Interior Committee.

Mr. Speaker, no one is more capable on matters involving western problems than is the gentleman from Colorado. He was the chief architect of the Upper Colorado River Storage Act which has resulted in the conservation of the water resources and he has helped protect the limited water supplies throughout the Nation.

But his interest has not been limited to Colorado. He has always worked for the national interest. I have worked closely with him on matters involving minerals and mining legislation and I have gained a great respect for him in this field.

Mr. Speaker, this will be my last opportunity to serve with my very dear friend from Colorado—but I expect to see him in the future and I want to join my colleagues in wishing him complete happiness in the years ahead and to humbly thank him for his superior leadership for all of America.

Mr. MURPHY of New York. Mr. Speaker, it is with deep sorrow that I bid farewell and offer these few words in behalf of my colleague Congressman WAYNE N. ASPINALL.

Serving as Speaker, Democratic whip twice, majority and minority whip on the State level; and serving the State of Colorado for 24 years in the House of Representatives, his record as a public servant is beyond words.

His chairmanship on the Interior and Insular Affairs Committee has established him a reputation for hard, effective, and constructive work and genial relations with his colleagues. He was successful with the bills he handled and his outlook was national, extending far beyond the district and the State which he had the honor to represent. Such dedication is hard to come by, and we shall miss the gentleman from Colorado in the days ahead.

WAYNE ASPINALL was a man committed to public life, proud of his patriotism and proud to serve his country.

Mr. MORGAN. Mr. Speaker, I am very glad to have this opportunity to pay tribute to my friend, WAYNE ASPINALL.

His long and distinguished career of public service has brought him many honors and yet I am sure that the knowledge that his friends and colleagues in the House with whom he has served so many years appreciate his accomplishments and value his friendship must be very gratifying.

I have always been impressed with the diversity of WAYNE ASPINALL'S experience. We recognize his talent as a legislator which he has developed during his many years in the House but, in addition, by serving in both the House and Senate of the legislature of the State of Colorado.

He taught school for a number of years and was a member of the armed services in World War I and World War II.

We know WAYNE best for his outstanding service as a member and, in recent years, as chairman of the Committee on Interior and Insular Affairs. He has attained both national and international recognition for his work in this area.

We think of WAYNE ASPINALL most often, however, as a diligent and skillful legislator. He had the ability and the understanding to render outstanding service to his constituents and to his country. His leaving will mean a real loss to the House.

I am sorry WAYNE is leaving us. I will miss his friendly contacts and his guidance on important issues.

WAYNE, you deserve the years of leisure and freedom which lie ahead. I assure you that we all extend our sincere best wishes for the future.

Mr. FLOOD. Mr. Speaker, to say that I will miss the warmth of friendship and the wisdom of the good counsel of WAYNE ASPINALL, is, I fear, a bit of understatement.

This House in the past decades has "seen them come and seen them go." This House has seen the leadership and dedication of many, but the excellence, foresight, and pursuit of the good is a trait not found in all. But it is a trait found in the gentleman from Colorado: A trait by which he has come to be known by those who have served with him in this great House.

A gentleman from the Rocky State, in the heart of our great Midwest, where God's beautiful nature and our precious environment are so much in bloom, from there, Mr. Speaker, comes WAYNE ASPINALL.

For more than 20 years his outstanding service to his Nation, his district, and his fellowman have marked him as a man who cares. WAYNE ASPINALL is a man who cares about all of these, and most of all, cares that America will be a greater place in which to live.

WAYNE ASPINALL is a man not of compromise, but of practical determination that the public be served at all times. He is a man who let prudence, the practical, and the just be a part of his decisions as he chaired for many years that great Committee on Interior and Insular Affairs.

To be a committee chairman in the House is a great honor, an honor he shares with only 21 other men. His tenure as a committee chairman has been one that marked him as concerned, dedicated American, vitally concerned with America's great natural resources. At the same time he has done all that he could possibly do to make sure that these vital natural resources be preserved, and not destroyed. He has done all that he could to make certain that the average American be given every opportunity to use them, and not relegated with an attitude that they are his only to admire and behold.

The advances in the ecological-technical age which we live have brought much in the way of a new life for those who love outdoor America. WAYNE ASPINALL has had much to do with this, and I salute him for his accomplishments.

Mr. Speaker, it has been my pleasure and privilege to serve with WAYNE ASPINALL, and my honor to call him my friend.

Mr. SKUBITZ. Mr. Speaker, it has been my good fortune during my 10-year tenure in Congress to serve in a committee under a chairman whose reputation for experience, informed judgment, commonsense and fair treatment of his colleagues will live long in the annals of this House.

I speak, of course, of the Honorable WAYNE NORVIEL ASPINALL, chairman of the Interior and Insular Affairs Committee. The gentleman from Colorado has graced this Chamber for almost 24 years and his knowledge of legislative procedure and practice has few parallels. He came to this body following his election in 1948, but before that he had 16 years in both chambers of his State legislature, serving both as speaker in the house and majority and minority floor leader in the senate.

I make a point of this, because one of the great problems in parliamentary bodies, including this House, is lack of adequate legislative experience by those elected. In short, men with WAYNE ASPINALL'S background become increasingly rare and more is the pity.

My personal relations with Chairman ASPINALL have been the friendliest and warmest. Always considerate, always obliging, always courteous, he ran his committee firmly, intelligently, and with great effectiveness. Its record in the disposition of legislation, much of it controversial and complex, bespeaks the role that its chairman played. I am proud that I had the opportunity to serve with and under Mr. ASPINALL. I salute him and wish him and his family well in the days ahead.

Mr. JOHNSON of California. Mr. Speaker, I rise at this time to add my voice to those of my colleagues—joining in the special order by the gentleman from Pennsylvania on the service of our friend and distinguished colleague, WAYNE ASPINALL. While most Members of the House have been privileged to serve with and learn from this master legislative craftsman, I have been more privileged than most. My relationship as friend, student, and colleague has been closer, perhaps, than any other, serving as I have as chairman of the Subcommittee on Irrigation and Reclamation where Chairman ASPINALL'S major interest has been located. I would say to those Members whose service has not brought them into intimate daily contact with the chairman of the Interior and Insular Affairs Committee—you have missed a rare experience for you are not apt to see his equal pass this way again. He has been chairman longer than all his predecessors combined. He has never lost a bill on the floor. There has never been a bill reported from our committee that did not, to some degree, bear his personal imprint.

In a manner that is hard to understand, he carried the load of administering a committee while attending practically every meeting of every subcommittee. He chaired the full committee with preciseness and fairness, never derogating another's position but unfailingly observing the rules of the House and the committee which are designed to protect us all.

His departure from the Interior Committee will mark the end of an era in that body as it will in the House as a whole. Nevertheless, his influence will be reflected in the performance of that committee for so long as currently sitting members continue to serve. Of this I have no doubt.

On a more personal note, Mr. Speaker, I would like to conclude by merely saying that I will miss the chairman and wish him many years of relaxation and enjoyment. No man ever earned it more.

Mr. ADDABBO. Mr. Speaker, I rise to pay tribute to a man whose career in this Chamber has been filled with accomplishments which have added to the character of our Nation. Congressman WAYNE ASPINALL has placed his special mark on so many bills, including many national monuments and parks which have improved for future generations the recreational opportunities in this country.

Recently I had the privilege of working with Chairman ASPINALL on the Gateway National Recreation Area bill approved by the Congress last week. This most important and far-reaching bill will preserve more than 23,000 acres of valuable land near the entrance to New York Harbor as a national park. The people of the New York area and those who reside on the eastern seaboard and many others who visit this site in the future have Congressman ASPINALL to thank for making it all possible. The same is true of many other national parks and historic sites preserved through the leadership and foresight of this man.

The long and productive public service of this leader in the House will be sorely missed but long remembered. I wish him every success in the future.

Mr. BROOKS. Mr. Speaker, it would not be an overstatement to say that every person in this country who enjoys the great outdoors, who likes to hunt and fish, to hike along wilderness trails, or just to spend Sunday afternoons in the park with his family owes a tremendous debt to WAYNE ASPINALL.

The distinguished chairman of the House Interior and Insular Affairs Committee has probably done more than any other single Member of Congress in the history of our country to insure the effective and efficient management of our Nation's vast public lands in the best interests of the American people.

Congress will miss WAYNE ASPINALL, and the American people will miss the leadership, dedication, drive, and hard work that he has contributed to our efforts to preserve America's incomparable recreational and wilderness areas.

I shall always value Chairman ASPINALL'S warm friendship and wise counsel. I wish him the very best that life has to offer.

Mr. McCORMACK. Mr. Speaker, it is a great honor for me to have this opportunity to pay special tribute to the unusually able and dedicated chairman of the House Interior and Insular Affairs Committee, the Honorable WAYNE N. ASPINALL, on his retirement from the U.S. House of Representatives.

While only in my first term in Congress, I well know and very much share the respect he has earned from his colleagues in the House of Representatives and from observers of the legislative process alike for being one of our most productive, dedicated and professional congressional leaders.

As chairman of the House Energy Task Force, I have had a unique and rewarding opportunity to work with Chairman ASPINALL and benefit from his knowledge,

concern and high-minded sense of effective congressional cooperation. In an area such as energy, where congressional committee jurisdiction is fragmented, this is critical if we are to be effective. Because of Chairman ASPINALL's finely tuned sense of rationality and economy in Government, and his concomitant determination to make a meaningful contribution to integrated congressional action and national policy progress, our efforts in the Science and Astronautics Committee have been immeasurably enhanced.

The chairman recognized that if this Nation is to avoid brownouts, blackouts and work stoppages in the future, serious and far-reaching congressional action and enlightened public awareness of the impending energy crisis are critical. His extensive hearings have gone a long way toward publicizing the serious nature of the issue and laying a vital foundation for future congressional action and national policy formulation.

As a freshman Congressman, I am especially indebted to the chairman's generosity and advice. His many accomplishments, his dedication to hard work, and his effectiveness as a legislator will long remain an example for us to seek to emulate.

Mr. DULSKI. Mr. Speaker, I appreciate very much this opportunity afforded by my colleague from Pennsylvania (Mr. SAYLOR) to pay a deserved tribute to a distinguished Member of the House, the Honorable WAYNE N. ASPINALL of Colorado.

As the books are closed on the 92d Congress, WAYNE ASPINALL prepares to put aside his role as Federal legislator after 12 terms in the House. For more than half of that period, he served as the very able chairman of the Interior and Insular Affairs Committee.

His work on this committee, particularly since he became chairman, has been cited in some details by my colleagues. I know well of the responsibilities and chores that face a committee chairman and WAYNE ASPINALL has been a tower of strength in the many areas of direct concern to his committee. He is a tireless worker who has a reputation for doing his homework. I am told that there have been few hearings by his committee or its subcommittees in which he has failed to participate.

My district rarely has projects or problems which come within the scope of WAYNE ASPINALL's committee.

But there has been one instance which was of paramount interest and concern to my people in Buffalo, N.Y. It involved the designation of the Ansley Wilcox Mansion as a national historic site. The significance of this site is that it was where Theodore Roosevelt took the oath of office as President in 1901 after the assassination of William McKinley.

I introduced appropriate legislation in the 88th Congress and pursued the project vigorously but the bill never emerged from committee. I introduced new legislation when the 89th Congress convened and launched my effort all over again.

To make a long story short, with the cooperation and assistance of my good friend WAYNE ASPINALL, the Wilcox Historic Site bill passed the House in February 1966 and finally was signed into law the following November.

Mr. Speaker, all of us in the House are going to miss the daily participation of WAYNE ASPINALL in our work. He is an outstanding public servant who has compiled an enviable record of achievement on the national level, while at the same time caring for the needs of his own constituency and his state. I am happy for this opportunity to extend my public appreciation and my best wishes to WAYNE ASPINALL.

Mr. DERWINSKI. Mr. Speaker, WAYNE ASPINALL certainly merits the commendations of the Members of the House for his long and effective service, and I am pleased to join JOHN SAYLOR in his tribute to WAYNE.

As chairman of the Interior and Insular Affairs Committee, he was a productive, sound, energetic leader. The legislative record of the group attests to that. WAYNE ASPINALL is one of the truly knowledgeable Members of the House. We will miss his wise counsel and leadership.

WAYNE was especially devoted to the people of his district and to the State of Colorado and the Rocky Mountain region. We will long remember the many contributions that he made to the expansion of national parks and recreation areas, irrigation and reclamation projects, his concern for more effective administration of our Indian affairs, and many other subjects to which he gave his special attention.

Mrs. Derwinski and I wish WAYNE and Mrs. Aspinall a long and happy retirement.

Mr. WILLIAMS. Mr. Speaker, today will probably mark the close of the 92d Congress; it will also mark the close of one of the most impressive political careers in the history of the State of Colorado. Our friend and colleague, WAYNE ASPINALL, is closing out his affairs as a Member of this House and preparing to enter retirement.

For almost 50 years WAYNE ASPINALL has served his State and his Nation. He was first admitted to the bar of Colorado in 1925. In 1926 he became a member of the board of trustees of the town of Palisade. By 1931 WAYNE had won election to the Colorado House of Representatives and in that body he served both as his party's whip and speaker of the house. In 1939 he was elected to the Colorado State Senate. In that body he also served his party as both the whip and later as the floor leader. During both world wars WAYNE ASPINALL put aside his own affairs and entered the military service.

Our colleague was first elected to this House in 1948 to serve in the 81st Congress. He has been reelected at each general election since that time.

I have been honored to serve with WAYNE on the House Committee on Standards of Official Conduct. The important business of this committee has often required long and serious deliberations. I can assure you, Mr. Speaker, that WAYNE ASPINALL has assisted those of us who serve on that committee many times to find the right path by his careful and complete analysis of the issues.

Mr. Speaker, I have not been privileged to serve with WAYNE on his other two committees. However, I have frequently heard from many of our colleagues that his work on the Joint Committee on Atomic Energy has been excellent.

Recently, I had the honor of going before his own Committee on the Interior and Insular Affairs with one of my own bills, H.R. 7088, which I introduced to establish the first National Environmental Center in the United States, at the Tinicum Marsh in my district. Throughout the hearings before WAYNE's committee, and while the bill was pending before the House, I was proud and pleased to have the gentleman's support for that important legislation.

I have no doubt that my colleagues join with me in wishing WAYNE ASPINALL a long and happy retirement in his beloved Colorado. For half a century, he has well and faithfully served the interests of his State and of the Nation, and I wish him well.

Mr. FUQUA. Mr. Speaker, a man of great stature and discipline will be leaving this body at the end of this session of Congress.

Mr. WAYNE ASPINALL, chairman of the House Committee on Interior and Insular Affairs, has given great leadership and reasoned deliberation to legislation that would improve our environment and provide sanctuaries from the turmoil of everyday life. The chairman will be missed by us in the House but, equally important, his leadership and service will be missed by the citizens of the Fourth District of Colorado.

I have been privileged to serve with Chairman ASPINALL and ascribe to his admonishment that Members do their homework on various legislative proposals. WAYNE ASPINALL demanded a great deal of those around him and, for the most part, they responded accordingly. Whatever successes the chairman enjoyed in the classroom could come only second to the outstanding contributions he made to the Congress and to his country.

Among WAYNE's many outstanding accomplishments in the House was his efforts in behalf of the establishment of the Land and Water Conservation Fund. This important act has provided urgent financing for additions to State and national park systems and has been most beneficial to the people of my State. Few men give more of themselves in the consideration of a particular piece of legislation than WAYNE. Never swayed by popular rhetoric, he gave reasoned and deliberate attention to every bill reported by his committee and the country benefited accordingly.

I shall miss the chairman as I am honored to have known him and counted him among my friends. A recent Wall Street Journal article quoted a conservation lobbyist as saying—

We could have looked a Hell of a lot longer and farther (for a chairman) and done a Hell of a lot worse.

Though maybe a back-door tribute, a tribute it was.

I wish WAYNE and his wonderful family every happiness in the years ahead.

Mr. FINDLEY. Mr. Speaker, the citizens of Springfield, Ill., will feel a special loss in the retirement of Congressman WAYNE ASPINALL, as will Lincoln buffs around the country. It was Congressman ASPINALL, more than any other person, who made the Lincoln Home National Historic Site a reality. For the past 10 years, Lincoln's Home in Springfield has been plagued by creeping urban blight, danger from fire, and encroaching commercialism. The only home that Lincoln ever owned, the place where he spent his manhood before his election to the Presidency, was in danger of being lost or permanently damaged.

Chairman ASPINALL recognized the need for quick, decisive action. In February, 1971, he came to Springfield and visited the Lincoln Home. In a speech before the prestigious Abraham Lincoln Association, he told why the home is important:

Not because of its physical prominence, for it is not an architectural masterpiece;

Not because it can house memorabilia of the past, for any building can serve as a museum;

But rather because it tells something of this man, just by silently letting it tell its own story.

It can tell people that while he lived in his Springfield home, he continued to mature and grow intellectually.

This home can tell our children and the generations following them that a humble man of modest means can advance to the top by working within "the system."

It was an inspiring speech; one of the best we have heard in Springfield.

Shortly after this, Chairman ASPINALL agreed to cosponsor H.R. 3118, the Lincoln Home bill, which subsequently was enacted into law. It was his great concern for the memory of Lincoln which led to the scheduling of hearings on the bill and to favorable committee action within only a few months. President Nixon flew to Springfield in August of last year to sign the Lincoln Home bill into law.

Perhaps Washington columnist Lester Bell best summarized Chairman ASPINALL's lasting contribution to Springfield when he said:

The people of Springfield and Illinois and the United States who cherish the memory of Abraham Lincoln owe Aspinall a very special vote of thanks.

In Aspinall's twenty-four years as chairman of the powerful House Interior Committee he was its dominant personality.

Washington could count on any bill bearing Aspinall's imprimatur to pass safely through the House once he brought it to the floor.

That's what happened when the entire Illinois delegation, plus many other cosponsors got Aspinall on their side for a bill to create the four-block Lincoln Home National Historic Site in Springfield.

"Aspinall was the key to the success of the Lincoln Home Bill," Representative Paul Findley, an Illinois Republican, says ungrudgingly of the Colorado Democrat.

"Without his enthusiastic support, the Lincoln Home Bill never would have come out of committee," adds Findley, author of the legislation.

Aspinall laid the groundwork well for preservation of the Lincoln shrine for generations of visitors, who will see the area much as it was when the President-Elect said farewell to Springfield at the depot.

The House Interior Committee authorized $5,860,000 in appropriations over five years for development of the four-block historic site. The additional $2,003,000 for land came from existing funds.

On October 9, 1972, Springfield invited Congressman ASPINALL to come back to witness the official transfer of the Lincoln home from the State of Illinois to the National Park Service. All those present—Governor Ogilvie, Secretary of the Interior Rogers Morton, Senators PERCY and STEVENSON, National Park Director George Hartzog—realized full well that the man most responsible for the ceremony taking place was WAYNE ASPINALL.

Congressman ASPINALL's identification with Lincoln goes beyond the home in Springfield. Like Lincoln, WAYNE ASPINALL was concerned with the way in which our country developed. Just as Lincoln signed into law such important measures as the Homestead Act, the Pacific Railway bill, and the Morrill Act, so Chairman ASPINALL was responsible for passage through Congress of some of the most important legislation to affect the continental United States in the past decades.

The people of Springfield, as all the Nation, will miss the leadership and the wisdom of WAYNE ASPINALL. Others, especially his colleagues in Congress, will miss more—his friendship. All wish him the very best in the years that lie ahead.

Mr. HOSMER. Mr. Speaker, I have worked for 20 years with our colleague from Colorado (Mr. ASPINALL) and he was in the Congress before I got here. Consequently all these years I have been his junior in rank. Also, as is practically everyone in this House, I am his junior in the knowledge of his specialty, the affairs of the Interior and Insular Affairs Committee, and how to get things done in that committee and legislation from it passed by the Congress.

WAYNE ASPINALL is one of the most remarkable and memorable men I have ever met. His intelligence is great, his perseverance unequaled and his perception constantly crystal clear. I have learned more from him and another colleague like him, the gentleman from California (Mr. HOLIFIELD) during these 20 years than I would have learned earning a Ph. D. I am grateful for it, very grateful. I am tremendously sorry that WAYNE is leaving the Congress. Truly this Nation is the loser, not him, and the same goes for the State of Colorado of and from which WAYNE ASPINALL will always be one of the giants.

Water Desalination Report for September 28 carried a rather nice tribute to both WAYNE and another very fine warrior and delightful friend, the senior Senator from New Mexico (Mr. ANDERSON). The item, written by Richard Arlen Smith, publisher of the report, follows:

END OF A DESALTING ERA: ANDERSON, ASPINALL LEADERSHIP NO MORE

Political bells have tolled for the two whose names are borne by the original Saline Act. Wayne N. Aspinall (D-Colo.) and Clinton P. Anderson (D-N.M.), as political forces, are no more. Aspinall, 76, fell victim in the recent primaries after 17 terms in Congress, and Anderson, 77, dropping from the Cabinet to enter the Senate in 1948, is retiring.

But powers they were.

Anderson, in his heyday of the late 50's and early 60's controlled legislation from an inner circle that included Lyndon Johnson, Robert Kerr and Richard Russell. Former Sect'y of Agriculture, chairman of the once super-significant Joint Committee on Atomic Energy, a chairman of the Interior Committee, present chairman of the Space Committee, Anderson knew the way around official circles as well as anybody in Govt. And there weren't many bigger fish swimming the Washington seas.

He strongly believed in public patent benefits accruing from govt.-sponsored research-development. Recent OSW forays to squelch the public patent section of the Saline Act were almost single-handedly turned off by a few opposing words from Anderson. His vision was the first of real consequence that saw desalting as an alternate water source on a grand scale for parched land such as his own Southwest. He supported the first nuclear desalting dual plant studies by R. Philip Hammond at Los Alamos in the 50's. His accomplishments on the Senate Interior Committee date from 1948, only two years after the Committee was first established by the Legislative Reorganization Act of 1946. As one of his closest Senate associates described Anderson's farewell: "It's the end of an era for far western power on the Committee."

Aspinall's leadership in the House of Representatives was as formidable as Anderson's in the Senate. Rep. Craig Hosmer (R-Calif.) summed it up best: "He's arbitrary, dictatorial, contentious . . . but about the nicest guy who ever breathed. Nobody can claim a better record for passing legislation. He'll be badly missed. I would think the Committee is weaker."

Meanwhile, others in similar circumstances perhaps off on world trips or the like, Aspinall is back in the Capitol, getting the Committee's remaining legislation through—and in great spirits. Campaign issues against Aspinall was that he was too pro-development of the nation's resources and not enough conservationist-environmentalist. That and a light voter turnout won for his opponent, Alan Merson, on a balloting of about 16,800 to 15,000. But Merson isn't given much chance to win the general election.

A Christmas Tree. Many grand and glorious desalting designs, schemes, prototypes, etc. were bounced off Aspinall and Anderson. For example, this is the fifth and final yr. of the $200 million Johnson-DiLuzio accelerated desalting plan, which included a veritable Christmas Tree of prototypes, 2nd generation and full scale plants. This is the yr. large desalting plants were to be operating economically, at less than $.30/1000 gals. Aspinall winked at that 5-yr. proposal to flower the deserts and had some tongue-in-cheek fun with it. But he supported it. The net result: no plants are making water at $.30 per, and there aren't any large plants period under the U.S. program. This yr. the Interior Sect'y, after studying prototype possibilities the past yr. informed Congress there aren't any construction possibilities (WDR, 14 Sept. '72, 1).

Such foibles never deterred Aspinall nor Anderson in their constancy to the desalting program and support of the funding requests of the various administrations. Recently, Aspinall began to hold back characteristic tongue-lashings of departmental functionaries who got their budget requests and legislative programs to the Committee late, when their statements made outlandish claims or weren't even authored by the Dept.

and got developmental sequences out of whack. But continuity of U.S. desalting activities and efforts remained more in Anderson and Aspinall and their committees than in the often half-hearted attempts of OSW under this or that administration to field a program.

What does it all mean for desalting?

Fading from the scene of these venerable powerhouses, like Hosmer says, can only soften desalting's future and weaken its already sagging bargaining power within the Federal perimeter. Then who knows, maybe younger, better, stronger, more perfect men will come along and lift the banner higher.

So long as there's life, there's hope.

(EDITOR'S NOTE.—Maybe environmentalists who defeated Aspinall and favor non-resource development will not get legislation for their area more to their liking, which Aspinall failed to deliver. But we doubt it.)

Mr. RHODES. Mr. Speaker, no man is more deserving of tribute than is the Honorable WAYNE N. ASPINALL. There are scarcely words to describe the great respect we have for him, for he is a man whose deeds and service in the House make him one of the great Members of Congress, as well as a very special person in the eyes of his colleagues.

WAYNE ASPINALL has represented the citizens of the Fourth District of Colorado since the 81st Congress. He has been dedicated to their interests and has served them with devotion and ability. At the same time, over the years he has become a man of national stature, particularly in the field of reclamation where his knowledge cannot be matched. He has headed the Interior and Insular Affairs Committee since 1959 in a masterful and brilliant manner, and much of the legislation pertaining to and resulting in the development of the western part of our country has come through his able and knowledgeable leadership.

WAYNE became one of my first friends when I was assigned membership on the Interior Committee when I came to Congress in 1953. During the years I served with him and under his chairmanship, I came to know him well, both professionally and personally. His wise counsel and good judgment have often stood me in good stead, and they still do. I have yet to find a quality in WAYNE that is not admirable. Integrity, honesty of thought and purpose, responsibility to colleagues, belief in and representation of only the highest principles, warmth of friendship, utter loyalty to his country—these are only some of the qualities which make up the totally fine man that is WAYNE ASPINALL.

I will miss WAYNE more than I can say. I cherish his friendship, and I feel privileged to have had the opportunuity to serve with him over the past 20 years. I will never forget our association, and I hope our paths will continue to cross as frequently in the future as they have in the past. Mrs. Rhodes joins me in wishing WAYNE and Essie only happiness and the best things of life in the years ahead.

Mr. DORN. Mr. Speaker, WAYNE ASPINALL is one of the truly great committee chairmen and leaders of the Congress that it is ever been my pleasure to know. He has very skillfully handled his committee, the great Committee on Interior and Insular Affairs, in writing hundreds of bills to further protect and properly develop our great natural resources. He is properly proud, Mr. Speaker, of his beautiful State of Colorado, and has done more toward proper protection and development of the environment and our mineral resources than any other man of our time. He has been truly a national Congressman, with concern for all sections of the Nation. This has truly been a better House because of WAYNE's service here. Mrs. Dorn joins me in wishing for WAYNE ASPINALL continued success and happiness and the best always.

Mr. GRIFFIN. Mr. Speaker, Congressman WAYNE ASPINALL will be leaving Congress at the close of the 92d Congress and I know he will be sorely missed.

WAYNE ASPINALL has served with distinction as a member of this body for nearly 24 years, achieving an outstanding record of accomplishments.

We all know him well as the dedicated and hardworking chairman of the Interior and Insular Affairs Committee. In this position his service and concern for our Nation's environment and resources has touched every State of this Union.

During the last few years a project of particular interest to the people of Mississippi and to me, the restoration of the gunboat *Cairo*, could have not been successful without the interest and concern of Congressman ASPINALL. I would like to express my personal appreciation as well as that of the people of Mississippi for his help and interest over the years. I know that each State in the Nation has benefited from the deeds of WAYNE ASPINALL over his term of service in the Congress.

I want to wish him well in the future as he concludes an outstanding congressional career.

Mr. GARMATZ. Mr. Speaker, I gladly join my colleagues in paying tribute to Congressman WAYNE ASPINALL. He is one of the most capable and dedicated members of the House of Representatives, and he has rendered outstanding service to his Nation and his native State of Colorado.

As a committee chairman, I am especially aware of this legislator's outstanding abilities, because I know how difficult it is to keep abreast of the myriad bills that deluge every committee. Despite the heavy volume and the complexities of the legislation that flows in such an endless stream from his committee, I have often observed that Chairman ASPINALL manages almost all of it himself when it is brought up on the Floor of the House for debate. The fact that he is able to handle his bills so skillfully, and that he is able to answer in detail the many difficult questions that are raised, illustrates that this is a man who does his homework.

Congressman ASPINALL has been an effective chairman, and a dedicated public servant for many years, and I wish him happiness in his well-deserved retirement.

Mr. MAHON. Mr. Speaker, I want to join with my colleagues in commemorating the service in the House of Representatives of WAYNE ASPINALL of Colorado, the distinguished and effective chairman of the House Committee on the Interior and Insular Affairs.

Institutions are but the lengthened shadows of men. WAYNE ASPINALL has labored for a quarter century here in the House establishing an illustrious record as an effective legislator. As chairman of the great Committee on the Interior and Insular Affairs he has contributed quality, dignity, strength and stature to the leadership of the House.

Mr. Speaker, WAYNE ASPINALL is one of the abler men who has been sent to Capitol Hill as a representative of the people in my time here. None has been more devoted to the people of his district and the welfare of the Nation. A man of ability and conviction, a dedicated American in the fullest sense, he has made his mark on this institution.

Leaving aside his remarkable legislative achievements for a moment, I want to say that it has given me great personal pleasure to have served with this man. His office adjoins mine in the Rayburn Building, so he is one of my close neighbors. We have been attendants at the same church during our time here. His counsel and friendship have been an ever present reassurance and inspiration to me personally over the years.

WAYNE ASPINALL, I salute you today and join with your other friends in wishing you and your loved ones every happiness and success in the coming years.

Mr. ROYBAL. Mr. Speaker, it is a privilege to join with my colleagues in paying tribute to the Honorable WAYNE ASPINALL whose distinguished career is drawing to a close after more than 20 years in Congress.

During his tenure as chairman of the Committee on Interior and Insular Affairs, WAYNE ASPINALL continually demonstrated his leadership, diligence and ability, and I will remember with pleasure, in the years to come, our association while a member of that committee. His experience and expertise will be missed by all fortunate enough to have worked with him, I am sure.

He has served his district, State and Nation well and can certainly reflect with satisfaction on his numerous accomplishments.

I extend to him my sincere best wishes as he prepares to return to private life.

HON. J. IRVING WHALLEY

Mr. SAYLOR. Mr. Speaker, I rise this afternoon to pay tribute to a retiring Republican colleague, the Honorable J. IRVING WHALLEY, a man who has been a faithful and diligent ally since his election to the House of Representatives in 1960.

Congressman WHALLEY brought to Washington 35 years of successful business experience, an understanding of the value of a taxpayer's dollar, and 10 years of valuable legislative experience in the Pennsylvania Legislature.

As a member of the House Foreign Affairs Committee, Representative WHALLEY has displayed his knowledge and understanding of the complicated state our world now faces. Much of this

insight was gained through extensive travel in more than 100 countries.

His broad background in foreign affairs qualified him for an appointment to serve on the Interparliamentary Conferences held with Canada and Mexico.

"IRV" WHALLEY's recognized knowledge in world affairs has also assisted him in serving as the ranking Republican member on the African Subcommittee of the House Foreign Affairs Committee.

Not only has Congressman WHALLEY's service to his district been outstanding, his dedication to his country has been uppermost in his actions.

In 1969, Representative WHALLEY accepted an appointment from President Nixon to be a Delegate to the United Nations General Assembly. Despite the fact that he was forced to split his time between Washington and New York, and his district, Mr. WHALLEY accepted the extra workload and longer hours with a heated intensity.

The contributions J. IRVING WHALLEY made to his district will long be remembered. He brought his area of Pennsylvania millions of Federal dollars in order to give his constituents a better way of life. He was instrumental in obtaining new water systems, sewage plants, hospitals, community buildings and numerous other projects for his district. He has fought to make life better for his constituents by voting for lower taxes, reduced spending and balanced Federal budgets.

Congressman WHALLEY and I have worked closely on many pieces of legislation that would benefit our neighboring district and I will miss his assistance and friendship. The old 12th District of Pennsylvania, the State of Pennsylvania, and the Nation will feel the loss of the influence this retiring legislator will take with him.

Come January, "IRV" WHALLEY will be one of my constitutents, in the newly created 12th District, and I will endeavor to serve him as faithfully and diligently as he has represented his constituents during the past 12 years.

Mr. SCHNEEBELI. Mr. Speaker, IRV WHALLEY came to the House toward the close of the 86th Congress and the two of us have spent about the same length of time here since late 1960. IRV has been a most conscientious legislator and worked particularly hard for his constituents in the large area he represented in central Pennsylvania.

His previous experience in the Pennsylvania State House of Representatives and the State Senate gave him an excellent background for his more than 12 years as a federal legislator. He became the ranking member of a Foreign Affairs Subcommittee and served as U.S. Delegate to the United Nations for the 1969 Fall session.

Probably his outstanding service to the State of Pennsylvania was his exceptionally close liaison which he had with his District and his constituents. He was home every weekend, keeping his District Offices open for constituent visits so that he could be helpful to them. He maintained some of his local business and community contacts, and served conscientiously the causes of his Community Hospital, his church, and he was a very active member in the American Red Cross for 25 years. One of his special interests was the Whalley Athletic Club wherein he supported many of the athletes and athletic activities of the young people in his District.

IRV decided to retire from Congress as a result of a redistricting problem which put him in the same District with a more senior Congressman. His many friends in the House will miss IRV WHALLEY, and I join with his colleagues in the hope that IRV and Ruth will be able to relax and have a less strenuous future.

HON. WILLIAM S. CONOVER II

Mr. SAYLOR. Mr. Speaker, it is a particularly sad day for me to bid farewell to one of Pennsylvania's bright young men who is retiring from Congress with the close of this session.

Although the Honorable WILLIAM S. CONOVER II, will not be back with us in the 93d Congress, I am positive he will come back to this House in the future. My young friend from Mount Lebanon, Pa., had to fill large shoes, in a short time, and during a unique political year in our State. Though losing an election, Congressman CONOVER ably fulfilled the task for which he was elected in a Special Election—to give the citizens of the 27th Pennsylvania Congressional District, the representation it required and deserved.

In his career in the U.S. House of Representatives, he has shown the ability, the qualities and the sensitivity to be a truly great legislator. Such qualities will be sought out by the people of Pennsylvania and BILL CONOVER will be back.

We wish BILL and his lovely family well and thank him for a job well done.

Mr. SCHNEEBELI. Mr. Speaker, BILL CONOVER is so new to the congressional scene that his background is not listed in the Congressional Directory for the second session of the 92d Congress. However, we know enough about BILL to give a very favorable impression about his capabilities and attitude toward his job.

BILL is eager and quick to learn and enters into his congressional responsibilities with a great deal of zest and pleasant determination. He has an inquiring mind and does an excellent job considering the fact that he came in after half the session had been completed and he was at the usual disadvantage of being sworn in after the session had started.

However, despite this handicap, he has caught up and gotten along very well. In this short time, he has made his mark and has contributed to the progress of the House. It is apparent to all that BILL is a very pleasant and capable person and we hope that he has seen enough of the political scene to want to continue his active participation in politics, and I know that he will do a very thorough job. It has been a pleasure to have him in the Pennsylvania Republican delegation.

GENERAL LEAVE

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the accomplishments and public service of the Honorable WAYNE ASPINALL.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CBS BLINDED BY WHEAT CHAFF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, CBS television was unfair in its recent three-part series on the wheat sales to Russia.

In a letter to Frank Stanton, chairman of the board of the Columbia Broadcasting System network, I have asked for equal time to set the record straight.

So much wheat is being moved so rapidly these days, the chaff must have momentarily blinded CBS reporters and caused them to lose sight of the great benefit the Russian wheat sale assures to the American people as taxpayers, wage earners, and farmers.

The three-part series CBS just concluded left the totally unjustified impression that the sale was a bad deal for the American people in general and the farmers in particular.

In light of the omission in the series and unjustified conclusions reached by its commentators, CBS rendered a serious disservice to its viewers.

As a member of the House of Representatives Committee on Agriculture and of the subcommittee that conducted hearings on these sales, I personally can attest to their shortcomings.

Walter Cronkite, in introducing the first report, assumed an air of objectivity that quickly broke down. Subsequently, he and the reporters set forth conclusions, both by implication and directly, that were not supported by fact.

Among the unsupported conclusions were these:

First. Profits for the grain companies were excessive. They pocketed the export subsidies.

Second. Illegal conflict of interest by grain company employees existed based on previous Government service.

Third. Farmers lost income because they were deliberately deprived of information concerning crop conditions

in Russia and activities of the grain companies.

Fourth. Officials of the U.S. Department of Agriculture conspired with grain companies to insure excessive profits at taxpayer and consumer expense.

Fifth. The American people, as taxpayers and consumers, are worse off because of the wheat sale.

None of these conclusions were proven, nor have they been since. In fact, there is strong evidence to indicate they are false. Such evidence was available to CBS reporters but was not mentioned by them.

The facts are these:

First. It is far too early to determine if grain companies made excessive profits. There is still some question whether profit will occur at all. The wheat sales are all at a fixed price based on delivery on board ship.

No one, not even the big grain companies, could anticipate the magnitude of the grain sales to the Soviet Union when contracts were made, and the effect of this magnitude on logistical costs. These costs still cannot be measured. The increase in export subsidies gave the grain companies no advantage whatever. It served only to keep the world price from rising.

I can provide further elaboration on this point.

Second. No illegal conflict of interest has been proven. No charges have been filed. So far as I can determine, no charges are even being drafted. While the transaction may have been mishandled in some respects, this aspect is minor contrasted with the total effect of the sale.

Third. The public, which of course includes farmers, was given a steady flow of information beginning early this year of impending crop crisis in the Soviet Union. This included optimistic reports about the possibility of sizable U.S. grain sales.

Fourth. All through the period of controversy, the Department of Agriculture adhered strictly to its longstanding policy on subsidy payments on foreign wheat sales. The policy originated many years ago and has been continued without change until very recently when the subsidy was reduced to zero.

Fifth. On balance, the American people were well served by the wheat sale.

To be sure, they face the possibility of increased food prices because wheat prices and other grains are up. But these increases have not been approved by the Price Commission, and may not be. And even the worst prospect would show food-price increases for the next 9 months far, far less than the $1.5 billion figure CBS pulled from the chaff.

Whatever food-price increase occurs will be more than offset by the advances the American people will score as taxpayers.

Note these beneficial effects on the U.S. Treasury:

Storage and interest costs of Government wheat stocks will be cut about $3.6 million the first year.

The Treasury is $279 million better off because that amount of wheat has been sold.

Remaining Government wheat stocks are worth $7.5 million more than before.

The 1972 wheat program costs are down $161 million.

The 1973 wheat program costs will be $142 million less than otherwise.

Sixth. All farmers are better off. Most sold their wheat after the price rise. The others will benefit from better prices next year. The net increase in gross farm income will be up over $1 billion. Cash receipts—including payments—from wheat sales this year will hit an all-time record high. So will wheat exports.

Seventh. Countless wage earners whose jobs depend on the movement of grain into market will earn considerably more. Approximately 40,000 new jobs will be created. Estimates indicate $2.40 will be added to the economy for each $1 of wheat sold.

On most counts, CBS has fulfilled admirably its responsibilities under the first amendment. Before election to Congress in 1960, I was an editor-reporter. Because of this background, I have always been committed to the first amendment and to the independence of news reporters. In 1971, I voted against the contempt citation resolution brought against CBS. I believed then, and still do, that CBS has performed a valuable service most admirably for the people of our country.

CBS handling of the wheat sale was an exception to an otherwise fine record.

CONGRESSMAN RODINO CITES RECORD OF ACHIEVEMENTS IN 92D CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, earlier I reported to my constituents on some of the major activities of this Congress, but I was not able to include details on several important areas.

New programs were enacted to help students from preschool to college. The Higher Education Act extends aid to all existing programs and creates important new ones. These include: a new system of basic opportunity grants, entitling every college student to an annual grant of $1,400, less the amount his parents can contribute; a new program of direct institutional aid for colleges; and help for occupational and vocational education. It also established a National Institute of Education to develop better ways of teaching and learning at every level.

In addition, Congress expanded the Head Start Program to enable children of working families, as well as the poor, to participate in this voluntary day care program. Amendments to the National School Lunch Act will assure free and low price meals for needy children.

For older Americans, this has been one of the great Congresses in history. Chief among our actions, of course, was the combined 32 percent social security increases passed in 1971 and 1972.

Some of the other benefits our 20 million senior citizens will realize from congressional initiatives are: nutritional meals for those who need them, including shut-ins; low-cost transportation; job training and employment; community centers; preretirement training; health and education services; centers to study the many problems older Americans face; a new National Institute of Aging to conduct research on aging and the special health problems of the elderly; and a 20 percent increase in railroad retirement benefits, enacted after Congress overrode a presidential veto.

Veterans will also benefit greatly from bills passed in this Congress. Of vital importance is the law giving a 10 percent boost in benefits for disabled veterans. Also we enacted a landmark new GI education bill increasing allowances for Vietnam veterans by 25 percent.

The new National Cemetery Act transfers to the VA responsibility for all national cemeteries, and also increases and liberalizes administration of burial allowances.

To help meet the Nation's medical manpower shortage and to improve VA medical care, we authorized a pilot program establishing 8 new medical schools in veterans' hospitals across the Nation. Another new act will vastly improve the entire VA medical care system, by permitting veterans with nonservice connected medical problems to be treated as outpatients. Some families of permanently-disabled veterans or their survivors can also now receive medical care.

Environmental Protection was given high priority in this Congress. Clean air and water and the conservation of resources and wildlife have been some of our chief concerns. The Water Quality Standards Act provides $24.6 billion to clean up our waters. The goal of this bill—the most far-reaching anti-pollution bill ever passed—is to end all discharges of pollutants into navigable waters by 1985.

Among other significant environmental protection bills passed was the Environmental Pesticide Control Act and extension of the Youth Conservation Corps.

In recent years Congress has also focused on consumer protection. Already enacted are truth in lending, wholesome meat and poultry, truth in packaging, fair credit reporting, and auto, tire and toy safety measures.

This Congress has expanded this record by passing: The Flammable Fabrics Amendments, to require that products meet stringent anti-fire requirements; the Consumer Product Safety Act to set up a new agency to fix safety standards and remove unsafe products from distribution; and a bill to fix minimum standards for bumpers to reduce damage in low-speed auto collisions.

Two constitutional amendments which I introduced and helped steer through the Judiciary Committee and the Congress would extend the right to vote to 18-year-olds and end discrimination based on sex.

The 18-year-old vote amendment permits citizens over 18 to vote in all elections and it was quickly ratified by the States. Because of it, 11 million more voters are eligible to vote in the elections this year.

The Equal Rights for Women Amendment was long overdue, for many distinc-

tions based on sex still exist in law. For example, 26 States prohibit women from working in certain occupations, and in some communities there still exist dual pay schedules for men and women public school teachers. Twenty-one States have already ratified the amendment; 38 are required.

Economic problems have also troubled Congress greatly. Since January 1969, unemployment in the United States has climbed to over 5½ percent. The 1969 dollar has lost 12½ cents in value. The number of Americans on welfare has doubled. Business is off, profits are down and Government tax revenues have dropped sharply. The Federal budget continues to show record deficits.

So one of the top priorities of this Congress was to help put people back to work. We passed the Accelerated Public Works Act of 1971, providing $2 billion to create 170,000 jobs in the public sector. Unfortunately, the President vetoed this bill. We then passed the Emergency Employment Act authorizing $2¼ billion for transitional public service jobs and special employment assistance programs. We also earmarked $275 million for additional unemployment benefits and allowances.

Congress also extended the President's authority to establish controls on prices, rents, wages, and salaries; increased the personal income tax exemption per taxpayer and dependent to $675; and came to the aid of small businesses by increasing the amounts of Federal loans and guarantees.

Finally, Congress acted to hold down record budget deficits by cutting the fat out of the administration's budgets, while seeking to meet the Nation's vital needs. During the past 3 years, Congress has cut a total of $14½ billion from the administration's appropriations requests—and the total appropriations this year will again be below the President's budget.

Mr. Speaker, I believe this Congress has compiled an outstanding record. However, when the 93d Congress convenes in January, the problems facing our Nation will still be with us, for there are no instant solutions or overnight cures. But we will be building on a solid foundation laid down during the past 2 years, and I pledge my continuing efforts to work for the goals all Americans share—a strong and free, a just and prosperous Nation in a world of peace.

EDUCATIONAL AND CULTURAL POSTAL AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. WILLIAM D. FORD) is recognized for 5 minutes.

Mr. WILLIAM D. FORD. Mr. Speaker, today I am introducing the Educational and Cultural Postal Amendments of 1972, a bill which would amend the Postal Reorganization Act of 1970 to give proper weight to the role of the Postal Service in distributing informational, educational and cultural materials.

I am submitting this bill today so that it may be circulated and discussed during the balance of this year prior to its reintroduction at the beginning of the next Congress. I would particularly welcome comments by library and educational organizations since they would benefit significantly by provisions of this legislation. As we all know, these types of organizations have been subjected to extreme financial pressures during the past few years, including the repeated vetoing of Federal education appropriations by the Nixon Administration.

We have now had 2 years of experience with the Postal Reorganization Act, including one lengthy rate proceeding and the institution of the new and higher schedule of rates, effective July 6, 1972. We have also had extensive hearings before a Subcommittee of the House Post Office and Civil Service Committee by the Postal Service and various classes of mail users.

It is now clear that the fears of the House were justified that the Postal Reorganization Act might severely inhibit the distribution of information, educational and cultural materials through the Postal Service.

The House Bill had various safeguards in it and, in some cases such as library materials and books, reserved to the Congress the policy question of setting rates on such materials rather than leaving it to a Postal Rate Commission. This safeguard was lost in the Bill agreed to in conference, although it was perfectly clear in the legislative history that Congress wished to call particularly to the attention of the Rate Commission the public interest nature of the rates which the Congress had traditionally established.

It is also evident that in the recommendations of the Postal Rate Commission which were subsequently adopted and promulgated by the Board of Governors, the Rate Commission specifically rejected this congressional concern. The Commission interpreted the statute to require consideration only of strictly economic considerations.

Therefore, it seems clear that Congress will need to amend the statute to make its concern about the role of the Postal Service in the distribution of informational, educational and cultural materials binding on the executive branch. My bill does this in the following ways:

First. It writes into the statute a new specific requirement that the Commission take into account in recommending rates the following criterion: "the educational, cultural, scientific and informational value to the recipient of mail materials";

Second. It provides that the transitional period for increasing rates on second class periodicals and newspapers and books, educational films and other educational cultural materials be extended from 5 years to 10 years.

Third. It provides that increases in rates for periodicals and newspapers, books, educational films and other educational and cultural materials should not exceed 50 percent of the rates put into effect by the Board of Governors on July 6, 1972;

Fourth. It limits the increase in rates for small magazines and newspapers by providing that the first 250,000 pieces of each issue of such publications shall not exceed two-thirds of the rates otherwise in effect, and

Fifth. It provides that the transitional period which is 10 years for some types of mail and 5 years for others shall be guaranteed as contemplated by the Congress and not subject to cancellation by action of the Office of Management and Budget in submitting appropriation requests to the Congress.

Mr. Speaker, at this point I would like to insert the text of my proposal into the RECORD and I would urge my colleagues to study its provisions carefully. Only by enacting legislation such as this can we insure that the widespread distribution of educational and cultural materials will be safeguarded.

The text of the Educational and Cultural Postal Amendments of 1972 follows:

A bill to amend title 39, United States Code, with respect to the financing of the cost of mailing certain matter free of postage or at reduced rates of postage, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Educational and Cultural Postal Amendments of 1972".

SEC. 2. That (a) section 3626 of title 39, United States Code, is amended—

(1) by inserting "(a)" immediately before "If the rates of postage for any class of mail or kind of mailer";

(2) by striking out "with annual increases as nearly equal as practicable, so that—" and inserting in lieu thereof "with annual increases as nearly equal as practicable for mail under former sections 4421, 4422, and 4452 and with biennial increases (after 1972) as nearly equal as practicable for mail under former sections 4358, 4359 and 4454 so that—";

(3) by inserting "(and the ninth year in the case of mail under former section 4358)" immediately after "tenth year" in paragraph (1);

(4) by deleting "4359" and "4554(a)" in paragraph (2);

(5) by deleting the word "and" at the end of paragraph (1), deleting the period at the end of paragraph (2) and inserting in lieu of the period a semicolon and the word "and', and adding immediately below paragraph (2) the following new paragraph (3);

"(3) the rates for mail under section 4359 and 4554(a) shall be equal, on and after the first day of the ninth year following the effective date of the first rate decision applicable to that class or kind, to the rates that would have been in effect for such mail, if this subsection had not been enacted.";

(6) by adding immediately after "unless he files annually with the Postal Service a written request for permission to mail matter at such rates." the following new sentence: "Notwithstanding any other provision of this section, rates established by the Postal Service for the first 250,000 pieces of each issue of a publication of a class or kind authorized to be mailed under former sections 4358 and 4359 of this title shall not exceed 66⅔ percent of the otherwise applicable temporary or permanent rate then in effect."; and

(7) by adding at the end of such section the following new subsections:

"(b) Notwithstanding any other provision of this title, the revenues received from rates for mail under former section 4358 shall not exceed 50 per centum of the amount that would otherwise be received from any increase in rates for such classes required by the provisions of this chapter after July

6, 1972, if this subsection (b) had not been enacted.

"(c) Notwithstanding any other provision of this title, the revenues received from rates for mail under former section 4359 and 4554 (a) shall not exceed 50 per centum of the amount that would otherwise be received from any increase in rates for such classes established in any proceeding under the provisions of this chapter instituted after July 6, 1972, if this subparagraph (c) had not been enacted.".

(b) The changes in existing law made by this section shall become effective on such date (not later than the ninetieth day after the date of enactment of this Act), published in the Federal Register by the United States Postal Service, as the Postal Service shall determine.

SEC. 3. Section 2401 of title 39, United States Code, is amended—

(1) by deleting in subsection (b)(1) "there are authorized to be appropriated to the Postal Service the following amounts:" and inserting in lieu thereof "the Secretary of the Treasury, at the beginning of each fiscal year, shall credit to the Postal Service Fund, out of any moneys in the Treasury not otherwise appropriated, the following amounts:";

(2) by deleting in subsection (b)(1)(A) "1972" and inserting in lieu thereof "1974"; and

(3) by amending subsection (c) to read as follows: "(c) At the beginning of each fiscal year, the Secretary of the Treasury shall credit to the Postal Service Fund, out of any moneys in the Treasury not otherwise appropriated, such sums as may be determined by the Postal Service annually to be equal to the difference between the revenue the Postal Service would have received if sections 3217, 3403–3405, and 3626 of this title and the Federal Voting Assistance Act of 1955 had not been enacted and the estimated revenues to be received on mail carried under such sections and Act. Determinates by the Postal Service under this subsection (c) shall be subject to verification by the Comptroller General of the United States.".

SEC. 4. Section 3622 of title 39, United States Code, is amended—

(1) by renumbering subsection "(8)" as "(9)" and inserting a new subsection "(8)" as follows: "(8) The educational, cultural, scientific and informational value to the recipient of mailed materials; and".

A GREAT CONGRESS FOR VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 15 minutes.

Mr. RANDALL. Mr. Speaker, the veterans of the wars in which our country has been involved, so far as I am concerned, ranking high among the most important citizens of this Nation. They are the ones who have foregone their own personal ambitions, sacrificed normal family relationships, and suffered financial hardships when our country most needed them to fight our wars, to preserve the freedom of this Nation and that of the free world. A significant portion of our total population is now comprised of veterans of the Vietnam war, the Korean encounter, and World War II. Most unfortunately, the ranks of World War I veterans are now diminishing. Very few Spanish-American War veterans remain. But whatever name is attached to the conflict where they were involved, the men who wore the uniforms of our armed services should be our most honored citizens.

Each year near Veterans Day I make a report to the veterans residing in Missouri's Fourth Congressional District on the manner in which the year's congressional session has responded to their needs. In the interest of brevity the items treated in my report are in condensed form. Those who may read this report are invited to write to our Washington office for additional information on those subjects that may be of special interest. This year I report on the following matters:

1. NON-SERVICE-CONNECTED PENSION RATES AND INCOME LIMITATION PROVISIONS LIBERALIZED

This law, Public Law 92–198, provides an average cost-of-living increase of approximately 6.5 percent in non-service-connected pension rates payable to approximately 1.6 million veterans and widows, and prevents such pensioners from losing any of their VA pension because of the 1971 increases in their social security benefits.

The law applies only to social security payments received by a pensioner in his own behalf.

Maximum annual income limitations for nonservice-connected pensions are increased by the new law to $2,600 for single pensioners and $3,800 for pensioners with dependents.

The law also establishes a new formula for payment of pensions which will be more responsive to the needs of veterans and widows.

2. VA TO ADMINISTER CEMETERIES

Congress passed and sent to the President a bill which clears up the troublesome subject of national cemeteries and veterans burial rights by transferring responsibility for all national cemeteries, except Arlington, to a new National Cemeteries System within the Veterans' Administration. This bill also provides a new $800 burial benefit payable upon the death of any veteran who dies as a result of service-connected causes. It further directs the VA to study and provide for the burial of an unknown Vietnam war soldier.

3. RATE OF COMPENSATION INCREASED FOR SERVICE-CONNECTED DISABLED VETERANS

Increases in service-connected compensation rates for approximately 2,100,000 veterans by about 10 percent were effected by Public Law 92–328.

In addition to the basic compensation rates and/or statutory awards to which the veteran may be entitled, dependency allowances are payable to veterans who are rated at not less than 50 percent disabled. Those with greater disabilities are paid in an amount bearing the same ratio to the amount specified as the degree of disability bears to total disability.

Other increases provided by the bill include: a. a $150 per annum clothing allowance for those who wear a prosthetic appliance or other devices which tend to wear out clothes; b. repeals the law reducing by 50 percent the amount payable to a single veteran when in a VA hospital. Previously funds withheld were paid to the veteran in a lump sum upon his release or discharge from the medical facility; c. provides for payment of compensation to veterans incurring disability during a period of military service other than wartime at the same rate as for wartime—rather than at 80 percent of the wartime rate.

4. DEPENDENCY AND INDEMNITY PAYMENTS LIBERALIZED

Public Law 92–197 provides for a cost-of-living increase amounting to about 10 percent for widows, 5 percent for children, and about 6.5 percent for parents of veterans who died as a result of service-incurred disabilities.

The law also increases the annual income limitation.

5. ADDITIONAL INSURANCE CAN BE PURCHASED WITH ACCRUED DIVIDENDS

Previously, a veteran could use dividends to pay premiums, and could not purchase more than $10,000 in National Service Life Insurance. Public Law 92–188 allows a veteran to purchase more NSLI insurance with his dividends, without proof of good health.

The $10,000 insurance limitation does not apply to the additional, paid up insurance.

6. NATIONAL SERVICE LIFE INSURANCE CAN NOW BE CONVERTED TO THE MODIFIED LIFE PLAN

Under the provisions of Public Law 92–193, insured veterans between age 65 and age 70 may now choose modified life plans.

7. WHO ARE YOUR BENEFICIARIES? NEW LAW CLEARS UP THE CONFUSION

In the past, if a veteran died without designating a beneficiary, it was up to the State law to decide who were legal spouses and children. Since the laws are different in some States, the result was a lack of uniformity in the disbursement. Public Law 92–185 defines the terms widow and widower to mean a person who is the lawful spouse of the insured at the time of death, and also provides that adopted children can qualify for benefits.

8. BILLS AWAITING THE PRESIDENT'S SIGNATURE

Veterans Medical Care Act: This bill significantly broadens the VA's authority to provide outpatient care for all veterans.

Hospitalization, nursing care, and outpatient services are extended to wives and children of permanently disabled service-connected veterans and to surviving widows and children of veterans who died as a result of service-connected causes.

VA Medical School Act: A pilot program of assistance to States to establish eight new medical schools if such schools are located in proximity to, and operated in conjunction with, VA medical facilities.

Vietnam vets "GI bill": This measure provides long overdue increases in monthly educational allowances for veterans pursuing educational and training under the GI bill. Educational allowance rates are raised 25.7 percent and vocational rehabilitation allowances increased by 48 precent. For example, a veteran without dependents will now receive $220 a month instead of $175. This bill also authorizes advance payment for veterans going to school.

Wives, widows, and children now en-

titled to educational benefits will be able to apply them to correspondence courses or to apprentice and on-job training programs.

9. BILLS PASSED BY THE HOUSE, AWAITING SENATE ACTION

Nursing home care: This bill authorizes transfer of a veteran hospitalized under VA auspices for a non-service-connected condition and who has received maximum benefit from such hospitalization, to a public or private nursing home for care at Federal expense.

Drug treatment and rehabilitation: Veterans' Administration facilities are authorized for the confinement, care, protection, and treatment of any member of the Armed Forces or veteran.

Insurance for National Guard and Reserves: Full-time coverage is provided under the Servicemen's Group Life Insurance program—SGLI—for members of the Ready Reserve assigned to units or positions in which they may be required to perform activity for training, and who each year are scheduled to perform 12 periods of inactive duty training creditable for retirement purpose. This eligibility is also extended to members of the Retired Reserve under 60 years of age who have completed 20 years of satisfactory service.

Veterans Group Life Insurance: Provides for automatic conversion of Servicemen's Group Life Insurance policies in force after separation or release, to a nonrenewable nonpartcipating—no dividends—5-year term policy.

McGOVERN'S PROPOSAL EXAMINED AND EVALUATED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. GERALD R. FORD) is recognized for 10 minutes.

Mr. GERALD R. FORD. Mr. Speaker, on October 10 Senator GEORGE McGOVERN outlined for the American people his proposal for ending U.S. involvement in Vietnam and bringing back our prisoners of war. McGOVERN's proposal has been examined and evaluated by the Detroit News in an editorial October 12 and by columnist Crosby Noyes in the Washington Star-News. With the permission of the House, I include both of these commentaries in the RECORD at this point:

BLUEPRINT FOR SURRENDER—McGOVERN'S "PEACE"

The raving demagog quickly reveals himself for what he is; the world can cope with him. But God save us from the demagog who speaks in professorial tones.

Sen. George McGovern spent a half hour on TV this week begging Hanoi to wait for him to be elected so he can give the Communists an unqualified victory in South Vietnam. In the course of this plea he quietly delivered some of the more preposterous assertions and flagrant distortions of this or any presidential campaign.

In his nationwide TV address on Vietnam, McGovern told the American people:

One, that he has "publicly opposed this war for nine years."

The truth is that George McGovern eight years ago voted for the Gulf of Tonkin Resolution, thus supporting former President Johnson's sharply increased involvement in Vietnam. Subsequently, McGovern voted to kill an amendment to repeal that resolution, and on numerous occasions he voted for funds to continue the war. Five years ago, he was denying that he wanted unilateral withdrawal. Only in 1969, after a Republican president had taken office, did McGovern start talking about total and unilateral withdrawal.

Two, that all the blood shed by American men in Vietnam has been shed in an immoral cause contrary to the ideals of the American people.

McGovern referred, as he does at every opportunity, to his service in World War II as a bomber pilot. Dropping bombs in that war was all right, he said, because he was fighting tyranny. In other words, it was right to regard German aggression and oppression as tyrannical; but when the Communists in Indochina slaughter innocent people and try to seize non-Communist governments, there's really nothing for us to be concerned about. The senator seems to have different sets of morals for different times and places and peoples. As we see it, tyranny is tyranny whether practiced in 1940 or 1972, whether in Germany or Vietnam.

Three, that we can give up all our military advantages, crawl to Hanoi on hands and knees, and still expect to obtain a satisfactory settlement.

After ceasing the bombing and suspending all other action against the Communists in Indochina, after ending the shipments of supplies, after withdrawing most of our forces, McGovern would then tell the enemy: "See now, we've shown our good faith—now you show yours." Presumably, we would get our POW's back, and the Vietnamese would be free to work out, if they wished, a coalition government.

But if we had already granted the Communists everything they could want, what incentive would they have to grant us anything? How could any fair stability be achieved and maintained if we withdrew our aid from non-Communist peoples while the Soviets and Red Chinese continued to furnish supplies and equipment to the Communist aggressors? Why should the Communists agree to form a coalition government when they would be free to form a wholly Communist one? There is nothing in the long history of negotiation with Communists to suggest that abject unilateral withdrawal from any confrontation with them produces anything but further woe.

We all recognize that the South Vietnamese government has not been a model of democracy; that our bombs have sometimes gone astray; that war is wearying and ugly. But most of us also recognize that an imperfect democratic government is better than one imposed by Communists by force; that the bombing of North Vietnam can help bring a negotiated settlement; that we cannot depend on 90-day magic to end wars that have resisted the best efforts of four presidents. And surely most people recognize that Mr. Nixon has exerted—and is now exerting—heroic efforts to close down the war which he inherited.

Instead of bringing early settlement of the war, the demagogic speech by Sen. McGovern this week could hinder current efforts toward an early settlement. For he has made it clear that he would give Hanoi more than it can get from Mr. Nixon, more even than Hanoi has demanded as its peace price. If the Communists thought McGovern had a chance of getting elected, why would they settle now?

Perhaps it is time for George McGovern to be reminded of his own words in 1964:

"I would hope we could take the Vietnamese issue out of partisan politics and consider it from the standpoint of what is best for our country and what will make the most likely contribution to the cause of peace."

THE BANKRUPTCY OF McGOVERN'S FORMULA

(By Crosby S. Noyes)

Before his speech on Vietnam the other night, George McGovern is reported to have predicted that anyone who listened to it "will vote for the Democratic candidate for president." Which leads to the conclusion that McGovern is in for something of a disappointment.

It was billed as a "presidential speech" in which the candidate spelled out in confident detail the orders that he proposed to issue, come next January. But that any president—or any candidate who thought that he had a ghost of a chance to become president—would lay out such a blueprint for surrender and betrayal is almost inconceivable.

Yet George McGovern spelled it out all right, adding little except renewed emphasis to what he has been saying for a long time. His "peace plan," as before, boils down to the rapid pullout of all remaining forces in Indochina and the immediate cut-off of all military supplies from South Vietnam.

After the South Vietnamese have thus been rendered incapable of defending themselves, they and their Communist enemies would be encouraged to "work out a settlement" between themselves. McGovern nourishes the illusion that a settlement under these conditions might be something less than an outright Communist military takeover in the South. But few, especially in South Vietnam, would share that pious hope.

The problem of the war prisoners continues to give some trouble. McGovern apparently is banking on the thought that after the surrender is accomplished, the North Vietnamese will have no further use for their American captives. Instead of himself, he is now proposing to send Sargent Shriver to Hanoi to beg for their release, or, as he put it, "to speed the arrangements" for their return.

But if that doesn't work, the senator is keeping a most un-McGovernlike threat up his sleeve. The bases in Thailand and the fleet off Vietnam will not be withdrawn until the prisoners are home, the implication being that if the men are not returned, we may have a whole new war on our hands. How this would secure the release of the prisoners is not explained.

As for the rest of it, McGovern's inflated rhetoric, his incredible distortions of what has happened in Vietnam over the last 25 years and his version of who is doing what to whom will do nothing to repair the senator's frayed credibility among the electorate. His speech was directed exclusively, it would seem, to the converted who believe as he does that a Communist victory in South Vietnam is in the highest interests of the United States.

There are some, of course, who have reached the stage of demanding an end to the war in Vietnam on any terms, including the disgraceful sellout that McGovern is proposing. But there are very few, one suspects, who will buy the tortured rationale by which McGovern tries to justify the betrayal of our commitment of the South Vietnamese.

The American people are not so idiotic as to believe that the war in Vietnam has been fought to preserve the power of Nguyen Van Thieu, no matter how many times McGovern says so. They also know that it is not being fought against "a tiny band of peasant guerrillas in the jungle of little Vietnam."

For all the talk about "corrupt dictatorships," the majority of Americans realize that the war in Vietnam is an effort by 15 million South Vietnamese to defend themselves against an aggression as flagrant, as ruthless and as implacable as any in history. They are well aware that what McGovern is proposing would deny these people their means of self-defense and deliver them over to their enemies. They do not agree that this

would be the moral and righteous solution to the Vietnam conflict that the senator pretends it is.

So it is quite possible that the war issue, on which McGovern apparently is pinning his remaining hopes for election, may turn out to be one of the more conspicuous duds in the Democratic arsenal. After all, McGovern's stand on the war has been known for a very long time. It has always been a major theme in his campaign, and also quite possible a major factor in his dismal standing in the polls.

For the simple fact is that these same polls show that the majority of Americans approve of President Nixon's efforts to end the war through negotiation, while continuing essential support for the South Vietnamese. As an alternative to surrender and sellout, that is the course which most people would normally prefer.

THE HONORABLE WAYNE ASPINALL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. McKEVITT) is recognized for 5 minutes.

Mr. McKEVITT. Mr. Speaker, a few years ago I heard a story in Colorado of how a certain prominent member of my party—I will not identify him—was asked whether he would campaign against the distinguished chairman of the House Interior Committee. The way the story goes, the gentleman said: "Campaign against WAYNE? Heck, if I lived in his district, I would vote for him."

I think this story helps explain how Coloradans feel about the distinguished and beloved chairman of the House Committee on Interior and Insular Affairs, WAYNE ASPINALL.

It has been my good fortune to serve on the Interior Committee in my first term in Congress. The chairman's advice and counsel, his leadership and guidance have been of considerable value to me, and I know that most Members of this body feel the same way about the chairman.

But beyond this, his service to the Nation and his State will be missed. The State of Colorado has indeed been fortunate to have one of its representatives serve as chairman of the House Committee on Interior and Insular Affairs, a committee that is vital to the State of Colorado. As a fellow Coloradan, I would like to say simply, thank you, Mr. Chairman.

I also wish you and your lovely wife Essie many long and happy years and do not be surprised if many of us continue to turn to you for counsel and advice.

TRIBUTE TO SENATOR LEN B. JORDAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho, (Mr. McCLURE) is recognized for 10 minutes.

Mr. McCLURE. Mr. Speaker, there is this to be said about LEN JORDAN: He stands at the fore of a long line of great and beloved Idahoans, and he will be long remembered in the West as one of the last rugged individualists on that vanishing frontier.

As the 92d Congress draws to a close, I feel a deep and personal sense of loss over the approaching end of LEN JORDAN's long years of illustrious public service. In reflecting over the years I can honestly say that no other man so consistently affected my own thinking, and I dare say thousands of other Idahoans have been similarly affected.

As a matter of fact, my first interest in politics goes back to working for the election of LEN JORDAN as Governor of Idaho. And I will never forget one particular achievement that still stands as the most astonishing budgetary feat I have ever witnessed. As Governor, LEN actually reduced the State's welfare budget while simultaneously increasing welfare payments. It was not done with mirrors, and he did not resort to the kind of sophisticated trickery we are accustomed to today. He did it simply by applying plain, old-fashioned administrative efficiency.

Having first-hand knowledge of such unheard of accomplishments as this and knowing I had played even a small role in his election, made an indelible impression on me. It was the kind of civics lesson that transcends the classroom.

With LEN JORDAN, all things have seemed possible. In 1933, he moved his family to a new home on a remote reach of the Snake River below Hell's Canyon. The family lived in an old stone ranch house which LEN rebuilt with his own hands.

JORDAN sheep grazed over this mountainous terrain while LEN acted as a working conservationist, taking care of the range, his pack strings carrying fish from the canyon to restock the streams and lakes of the high country.

Later on, these experiences were to make him the Nation's leading authority on natural resources; as Governor, promoting cooperation among Northwestern States in the conservation and development of water resources in the Snake-Columbia basin; as head of the U.S. section of the International Joint Commission negotiating with Canada on agreements for the Saint Lawrence Seaway, the Columbia Basin Treaty, and Libby Dam; as a U.S. Senator, where his knowledge in the fields of irrigation and reclamation would bring him an influence seldom matched by legislators from a small State.

LEN JORDAN brought to the Senate the sort of independence one would expect from someone who had spent so much of his life in the raw wilderness battling the natural elements. But most of all he brought integrity, and in association with his longtime friend, John Williams of Delaware, gave the Senate a sort of personal conscience. For, if there is one characteristic LEN JORDAN exemplifies above and beyond all others, it is personal integrity. This was manifest in his refusal to prejudge an issue on the basis of political, geographical, or other pressures, and to thus maintain an independence of thought that permitted at once a flexibility of attitude and a willingness to examine all the testimony, pro and con, adduced in the examination of any issue. There are many here in Washington who are fully aware of this side of LEN JORDAN.

But if you were to ask the Senator to identify the one single factor which played the most important role in shaping and building his career, he would undoubtedly and quickly give credit to his lovely wife, Grace. Grace and LEN JORDAN are two of the beautiful people who grew to be as nearly one as it is humanly possible to do on this earth. LEN paid tribute to Grace recently, and the warmth of their relationship shone through his words:

> I have been very fortunate with respect to the lovely lady I married almost 48 years ago. She is loyal, patient, with a mind of her own and a career of her own—whose record of accomplishment is far more impressive than my own; mother of three, grandmother of eight; author of four books, with a fifth at the printer awaiting publication. For 48 years she has been my co-pilot and counselor, and she has always been a great sources of pride and inspiration to me.

From college to cowboy, from cowboy to businessman, from businessman to legislator, from legislator to statesman—and now to retirement, LEN JORDAN, with Grace still at his side, can well rest on the laurels which come only from a life of purpose and contribution to mankind.

Longfellow said that the light a man leaves behind him lies upon the paths of men. And it is, indeed, true. I have never known a finer man than LEN JORDAN.

"CONGRESS IN THE YEAR 2000"—AN ESSAY BY CONGRESSMAN JOHN BRADEMAS OF INDIANA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, the publication this week by Ralph Nader and his associates of the book, "Who Runs Congress?" and the individual profiles of Members of the House of Representatives and the Senate, together with the current debate in both bodies of Congress concerning the relative powers of the executive and legislative branches with respect to spending are two developments which focus attention on the role of Congress in our constitutional system.

It is for this reason, Mr. Speaker, that I take the liberty of today addressing myself to the subject of "Congress in the Year 2000."

I must explain, Mr. Speaker, that in discussing this question, I am drawing largely on the text of a paper of that title which I prepared in 1969 for a book of essays, published in 1971 by Braziller—in paperback in 1972 by Prentice-Hall—and entitled, "The Future of the United States Government: Toward the Year 2000," edited by Harvey Perloff.

My own contribution to this volume was to set forth my own judgment on two questions: First, what I believed Congress would in fact be like in the year 2000; and second, what I believed Congress ought to be like a generation hence.

CONGRESS IN THE YEAR 2000

Mr. Speaker, if Congress did not exist in the year 2000, I believe it would be necessary to invent it. For there are certain functions essential to responsible and effective government in the United States which can be carried out only by

an institution with the attributes of Congress.

The principal functions that, I believe, Congress should—and will—serve three decades from now are: First, to act as a vehicle of representation and participation; second, to help formulate public policy; and third, to monitor its administration.

All these are roles which Congress today fills to greater and lesser degree, but, in my view, each will be still more indispensable to effective, democratic government as the United States enters the 21st century.

Mr. Speaker, I intend also to argue that, contrary to the expectations of many, certain developments over the next 30 years will strengthen rather than erode the capacity of Congress to discharge these three principal responsibilities.

CONGRESS AS VEHICLE FOR PARTICIPATION

I want first to press the proposition that Congress should have a central role in making widespread participation in Government both possible and important by the year 2000.

Running through most of the papers in the volume, "The Future of the United States Government: Toward the Year 2000" are certain themes about the future of government in America: less clear distinctions between pubilc and private activities, a higher degree of policymaking on a nationwide basis, more decentralization of operation, and a reinvigoration of local, State, and regional government. But common also to many of these essays is the call for increased participation by the citizen in making decisions affecting his life.

McGeorge Bundy sounded this participatory theme in 1960 in his Godkin Lectures at Harvard:

> The most important element of all, in a modernized theory of government for freedom, may be the reconciliation of strong political authority with effective and widespread political participation. If strong government is to be government for freedom . . . it must be reconciled with the difficult but fertile concept of "maximum feasible participation"—to follow the language of the Poverty Law. This idea is difficult because in a mass society there are many forces that separate the authority of government from those whom it affects. . . . But the idea is also fertile because out of it can come the kind of reconnection between government and the citizen which is indispensable to both freedom and democracy in our age.[1]

The community action agencies in the antipoverty war, the model cities program, the move to decentralize school systems, student demands for a say in running the universities, the black power movement, and the insistence of priests that their voices be heard by their ecclesiastical superiors—all these efforts, whatever one may think of the merits of any one of them, are contemporary instances of the participatory phenomenon.[2] Bundy's admonition for today I take for mine for the year 2000, and I make it prediction as well: We shall then both require and have a strong central government, and we shall both need and have widespread participation by the citizenry in the decisions of government.

Footnotes at end of article.

THE INDIVIDUAL LEGISLATOR AND CONGRESS AS AN INSTITUTION

My thesis here is that the individual Senator and Congressman—and Congress as an institution—and ideally situated to help insure this kind of participation. There are three reasons for this assertion:

First. Congressmen and Senators are representative of local districts or States and must therefore be sensitive to local feelings about national policy and its administration. Our legislators in Washington in effect serve as links between locally perceived needs and the formulation and administration of national policy. That they are elected rather than appointed is of course fundamental to their ability to be genuine representatives.

Second. Senators and Congressmen are national legislators: The bills they pass apply to the entire country, not just their own areas. The kinds of issues with which American Government in the early 21st century will deal will surely be ones requiring coherent policies for an entire nation—although many of them will require implementation on a local or regional basis.

Third. Senators and Congressmen develop unusual skill as brokers among private individuals and groups and officials of every level of government—local, State, and Federal. Congressional politicians are nurtured in negotiation; they swim in a pluralistic sea. Bargaining among disparate forces is their natural way of life. Nor does the erosion of differences between public and private pose any great dilemma for them; it is everyday fare.

PARTICIPATION SHOULD BE ENCOURAGED

There are several arguments for the contention that participation in making decisions on matters that affect people, epecially on governmental policies, should be encouraged.

First, participation educates the participants in defining problems and seeking solutions. It increases the likelihood that real problems, not false ones, will surface.

Second, participation enhances the possibility of developing a range of alternative solutions. More people are thinking and reacting.

Third, participation in the system reduces the prospect of efforts to disrupt or destroy it by those who otherwise are left out.

Fourth, participation in making policy correspondingly increases the prospect that such policy will win acceptance by those whose views did not prevail—or at least that their opposition will be minimized.

Fifth, participation reduces the possibility of tyranny—one of the principal reason the Founding Fathers created what Richard E. Neustadt calls "a government of separated institutions sharing powers".[3]

If such arguments, or similar ones, make any sense, then we must seek ways to increase participation by citizens that can be translated into actual government policy, policy that is effective, responsive and intelligent. Here there is a central role for Congress.

LOCALLY ELECTED, BUT LEGISLATE FOR THE NATION

Senators and Congressmen, individually, and Congress as an institution enjoy attributes which characterize no other element in the American political system—the President, the courts, governors or mayors. To reiterate, our Federal legislators are locally elected but legislate for the nation. It is precisely this combination of attributes which can enable Congress by the year 2000 to help assure the "reconnection between government and the citizen" of which Bundy speaks. If, as seems likely, we shall have a very large government by the start of the next century, and if, as also seems likely, we shall have grown to a population of 300 million, some such reconnection between government and the citizen will be essential if we are to make any pretense at having a viable democracy.

For these reasons and in this analysis, we should devise methods of making it possible for Senators and Congressmen in their own States and districts to act much more effectively than they do now as intermediaries between the citizen and the National Government. And when I say "national government", I mean especially the legislative and executive branches.

Although I have been discussing Congress as an instrument of participation, a word now very much in current usage, I could as well have said that Congress is here filling its "representative" function. For government that claims to be democratic must be responsible, and representation is one way in which it can be. Participation that goes beyond merely voting for legislators is in turn one way to insure that government is representative—and responsible.

HOW TO ENCOURAGE PARTICIPATION?

How then can we encourage genuine participation? How can we stimulate involvement of citizens at the local level in the shaping of national policy?

Can we not systematize dialogue between the legislator and his constituency on those issues most relevant to them? The Senator or Congresman can listen to what his constituents have to say and at the same time tell them what he has to say. He can lead as well as respond. He can bring back to Congress as a whole and to the executive branch both information and admonition, advising them what he has learned back home and in turn urging upon them certain courses of action. He can try to change either the policy itself or how it is carrried out.

In this way he can afford an entry into the political system for the citizen who is pressing to be heard and can also spark the interest of the far larger number of citizens who do not want to be bothered with problems of government.

Of course, some Senators and Congressmen already play this role in varying degrees, but those who do usually operate in a highly piecemeal and haphazard fashion. Obviously it is not possible—nor would it be desirable—to have every citizen debating and discussing every issue in a kind of continuous New England town meeting. Government by

plebiscite or after the fashion of a Swiss canton is neither feasible nor advisable for the United States.

The 106th Congress, sitting in the year 2000, should continue to be a representative institution, and the need for professional politicians to exercise the reconnective function here being suggested will be even more urgent, not less, at the outset of the 21st century. For the more complex our society and its problems, the more work emerges for both the leaders and brokers of that society.

If this analysis is at all on target, we must consider means of making citizen participation both possible and relevant. No purpose is served by a discussion of matters about which no one cares, nor will much benefit be derived from only token interchange, merely going through the motions of consultation between Congressman and constituents.

A few concrete models for this dialog come to mind, such as neighborhood advisory councils, which could both counsel Senators and Congressmen and have some operating responsibility as well. These citizens groups could be organized around certain problems important in that community or State and would in time develop a certain expertise. A local pollution control organization or a mass transit group or a housing council are other instances—and such units could exist at many levels: neighborhood, community, city, metropolitan, congressional district and statewide.

DIFFICULTIES

There are, of course, difficulties raised by this model.

How to form such organizations and how to insure that they are in fact "representative" will pose particular problems, as anyone who knows anything about the community action programs in the poverty war will readily realize.

The degree and kind of authority and influence such groups should wield, legally and politically, vis-a-vis the Senator or Congressman and other public officials and other elements of society, not excluding political parties, are uncertain. What is the extent to which a Senator or Congressman should feel himself bound by the decisions of such groups? Such councils, of course, need not always come to a yea or no conclusion; some groups may exist only to receive and supply information.

Other questions arise with respect to the mechanisms of the relationships between the Congressman and his participating constituents. Will he host periodic meetings? Will he use closed circuit television exchanges between Washington and his congressional district? utilize more frequent, sophisticated and elaborate polling techniques? Would it be useful to hold sessions of Congress across the country on a regional basis during which representatives of these councils would appear to testify at committee hearings?

Would it not be sensible to adopt Kenneth Karst's "variable franchise," suggested in "the future of the United States Government," for certain local and special-service units of Government to allow those chiefly affected by a decision to have a greater voice on those matters directly affecting them? We do this now, he notes, with farmers, and we make such efforts, too, in the community action and model cities programs.

Will a Senator or Congressman be persuaded that, on balance, this more visible and structured kind of exchange with the people he represents will enhance or endanger his prospects for survival at the polls? Or will he feel that it is better to let sleeping voters lie and be unwilling to stir them to more active participation? [4]

Although only to suggest the proliferation of such councils will quickly result in lengthy lists of difficulties and objections, it may well be better to wrestle with those problems than with the larger dilemma of the estrangement of millions of citizens from the decisions of a government they regard as distant and removed. Indeed, we cannot easily wait until the year 2000. The Harris poll reported in 1968 that 28 percent of adult Americans—over 33 million people—"feel largely alienated from the mainstream of society." [5]

In sum, a Congress carrying out its representative functions through mechanisms for a more intensive and extensive participatory dialogue with the citizenry can help make the national government more responsive and responsible.[6]

CONGRESS AS CREATOR OF POLICY

A second function of Congress in the year 2000 will be to help shape public policy.

Congress is often attacked as either a rubber stamp of the executive or a willful obstructionist of Presidential policies. That Congress has historically warranted both descriptions, there can be little doubt. That Congress has also played a creative role in formulating policy is less well appreciated. I have elsewhere argued that Congress can have—and has had—a significant part in making policy, and that Congress need not therefore choose between subservience to the President or stubborn opposition.[7]

There are, however, reasons that Congress should play an important part in making policy—reasons that, if compelling now, will be all the more persuasive in the United States of the year 2000. Moreover, enhancing the capacity of Congress to serve as a participatory link with the citizenry, as suggested here, will strengthen the ability of Congress to be creative and constructive in helping make policy.[8]

THE EXECUTIVE WILL NEED CONGRESS

In the year 2000, with far greater involvement of the Federal government in a wide spectrum of activities, the executive branch will need the assistance of Congress in a variety of ways.

First, Congress can help resolve conflicts and formulate consensus on controversial issues. In a society less diverse than ours and/or with more disciplined political parties, parties might well fill these functions. In a nation like the United States, however, with different racial, religious and ethnic groups, a vastly increased population by the year 2000, with lingering economic specialization in the several regions, and a Federal system with national, State and local units of government, not to mention the whole array of nonpublic groupings—in such a nation, the resolution of internal conflict becomes indispensable to the operation of free government.

Major changes of public policy must, in such a society, command widespread support or at least the absence of substantial opposition. "Kennedy used to quote Jefferson: 'Great innovations should not be forced on slender majorities' ".[9]

Congress, the institution in the American political system most sensitive to public opinion because least insulated from it, can, through the give and take of the political and legislative process, contribute to the resolution of conflict and to the generation of support for public policy. In fairness, of course, it must be acknowledged that it is precisely its sensitivity to public opinion that can lead Congress, in response to the clamor of the electorate, to make bad policy. A Congress that fills the heightened participatory role I have forecast for it by the year 2000 can be still more effective in winning acceptance of public policy than it is today.

Congress can explain the purposes and details of policy, can justify policy, feed back to the Executive views on the weaknesses and strengths of policy, offer measures for improving it, block policy unacceptable to the citizenry, and often act as broker between the Federal Executive, on the one hand, and, on the other, State and local government officials and nongovernmental organizations and individuals.

TO MAKE POLICY ACCEPTABLE

All these activities can help make existing policy work and can channel new policy into the system—functions essential when the Federal Government will be, in the more complex America of the year 2000, engaged in a multiplicity of programs affecting every citizen and community in the land.

For the challenge will then be to reconcile the need for strong National Government with the equally compelling requirement that Government be sensitive to the opinions of the citizenry. In the absence of highly disciplined parties, Congress can here fill what will otherwise be a vacuum. Senators and Congressmen can supply information, interpretation, justification, and leadership to their constituencies—functions sometimes difficult for the Executive to perform. Presidents and cabinet officers and regional heads of executive departments do not maintain their agents in every community in the land to explain and justify public programs.

These activities, however, are natural to the legislator, who is elected locally or by his State and is a persuader by instinct and necessity. Explaining, justifying, interpreting, and interceding all help, to repeat, secure acceptance of public policy—a process vital to democratic government and especially important, given the circumstances of American social diversity, huge population, and political parties not likely even by 2000 to be highly disciplined.[10]

Footnotes at end of article.

It is moreover, in the interest of Senators and Congressmen to carry out these functions for they thereby store up electoral credit for themselves with their constituents—and enterprise not so crucial to appointed civil servants or even cabinet officers.

James L. Sundquist has cited the proposal of the Johnson administration for legislation authorizing a war on poverty as an example of a measure almost wholly initiated in the executive branch with little original involvement on Congress. He wisely observes:

> The course of action chosen left the program without the base of reliable and continuing congressional and public support accorded those measures that were the product of the legislative branch's own initiative and tedious processes of refinement." [11]

Congressional attacks on the poverty program help substantiate Sundquist's thesis.

TO INITIATE NEW POLICY

In addition to helping win acceptance of policy, Congress can initiate new policy; it need not wait for the executive. Sundquist speaks of "the dual legislative process," by which he means both the process used by a President to develop legislative proposals for submission to Congress and the procedures which Congress itself uses for considering new law.[12]

He acknowledges that "the separation of powers in the American system makes the processes of action cumbersome and sometimes tediously slow," but concludes that "it also contributes vitality through assuring a series of independent centers for the generation of ideas and creative energy." [13]

One can recite a lengthy list of major legislative enactments in recent years that were in large measure the product of substantial Congressional initiative and effort in such fields as health, education, pollution control, immigration reform, and economic development. The attachment to these laws of the names of their principal advocates in Congress is only symbolic of the important substantive role that Congress has played in the legislative process. That this function will be still greater in the year 2000, I feel sure.

It is simply not possible, given the limits of human intelligence, for the executive branch to discover all the new ideas; certainly it is not possible for the executive alone to transform the worthwhile ideas into public policy. Nor, for that matter, do we really have a single executive; we have many executives and some are less open to innovation than others. In any event, like the elected President, Congress is politically hypersensitive, always looking toward the next election and anxious to cultivate measures which will command public attention and approbation.

CONGRESS A SOURCE OF POLICY ALTERNATIVES

Without disciplined parties as a dependable source of criticism and creativity, Congress as an institution must play this role. Congress can, independently of the executive, be a source and advocate of policy alternatives—a function of great value to the executive and the Nation, on the reasonable assumption that a complex society like ours will be in constant need of new ideas.[14]

Not only the executive but the legislative branch has the capacity to launch ideas into public view, to give ideas visibility and clothe them with the respectability essential to serious consideration by a public much broader than the groups that spawned them. The two branches, however, launch ideas in different ways.

The executive proposes policy by promulgating a legislative program. But crucial executive debate on alternatives for the most part takes place internally and privately. Not only does the executive fail to call attention to the full range of possible actions; it resents public reports that debate is taking place. For the executive does not wish to cultivate a public garden of all possibilities; it seeks to assemble a bouquet to be offered as the best of all possibilities. The result is to contract the field of visible alternatives.

In contrast, the natural operation of Congress expands the range of alternatives. Through this constant search for a vehicle with which to win public attention, every Member of Congress becomes an instrument by which ideas can be propelled into public view. Ideas can attach themselves to individual Members, committees, party organizations and informed groups of Members. By introducing bills, holding hearings, making speeches and conducting floor debates, Members can capture the interest of the public.

All these activities of Congress make it possible for public policy to be welcomed, accepted, or, at least, tolerated by the citizenry. Congressional involvement, moreover, given the multiplicity of views expressed and the visible nature of many proceedings, is likely to produce more intelligent policy than that which could have been generated by the executive alone. As Sundquist asserts, the American system derives "its unique vitality" from its "multiple centers of legislative initiative." [15]

CONGRESS, THE PRESIDENT, AND THE CONSTITUTION

One may complain that the dual legislative process often makes it difficult for Government to act decisively. The response to this contention must be somewhat complicated. The Constitution itself, prescribing separated powers and all the checks and balances, when coupled with the diversity of American society, is not ideally tailored for decisive governmental action. Nor is the voice with which the American voter speaks always a decisive one, as the slender margins of the 1960 and 1968 presidential elections and the present situation, in which President and Congress are controlled by different parties, attest. Our Government, for better or for worse, does not seem so ill matched either to the nature of our political institutions or to the nature of our society.

Moreover, those who complain about congressional obstruction of presidential proposals often fail to acknowledge that Congress can block presidential initiatives that better judgment decrees is not sound. This is not a difficult observation for a Democratic Congressman commenting in 1972 to voice.

In a highly disciplined party system, legislators have little redress if they oppose their party leaders on a specific issue, for they will normally not try to change their party leadership. In a disciplined system, with legislators wed to fixed party positions, they are thereby less effective in bargaining with the executive. In these circumstances, legislators have less incentive to engage in the interchange with citizens which, I have argued, can bring greater insights to legislator and executive and thereby, more acceptable, more intelligent policy.

To shut out Congress, then, as a source of new ideas and rely instead on centralized parties as fountains of innovation and creativity does not seem, in the American system, either prudent or feasible in the year 1969 or the year 2000.

CONGRESS AS MONITOR: MAINTAINING THE DELICATE BALANCE

There will be a third function of Congress in the year 2000, even as now, that of appraising, criticizing and overseeing— in a word, monitoring—public policies and their administration.

Given that a generation hence there will be many more points of contact between the National Government, on the one hand, and the individual and the community, on the other, the opportunities—and the need for—Congress to look over the shoulder of the executives will be far greater.

Although our parties are likely to be more homogeneous in 2000, they are not likely to be so disciplined and centralized as to become reliable centers of criticism and oversight of the executive.

Politicians elected to Congress are qualified as are no others to play this role of critic, advocate and broker for their constituents vis-a-vis the executive. A Senator or Congressman is naturally engaged in a constant effort to persuade the leaders and citizens whom he represents that their interests as well as those of the State or community are better served with him in office than by any possible opponent. He seeks to keep the confidence of as many key groups as he can. Furthermore, it is to his advantage to prevent trouble in his State or district with political consequences difficult to assess.

The legislator's capacity to act as an effective broker and advocate depends in no small part on his constituents' perception of his ability to make or modify policy, to affect its administration and to be generally effective in his dealings with the executive.

Yet there are those who argue that Congress should, by another generation, or preferably less, surrender its pretensions to making and monitoring policy and confine itself to a task still narrower than that of oversight, the ombudsman role, championing the causes of individual constituents.

THE AMERICAN LEGISLATURE COMPARED WITH OTHERS

What the proponents of this view fail to understand is that the effectiveness of Congress, both in interceding for con-

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stituents, and, still more important, in appraising policy and overseeing its administration, is directly related to its capacity to change, affect, oppose and propose policy, and to vote money. If Senators and Congressmen, as individuals and as members of committees, did not have at least some influence in shaping policy administered by the executive, their ability to intervene for constituents and to monitor policy would be greatly diminished.

It is here essential to remember that American legislators have far more bargaining power with their executive than do their English or French counterparts with theirs. Not only does the separation of powers require affirmative congressional action on legislation, but American Senators and Representatives are nominated and elected by different sets of voters from those who elect the President; they sit for different terms; they are elected periodically and often in different elections. None of these factors, with the exception of a 4-year term for Representatives, is likely to be radically altered during the next 30 years.

All this means that American legislators are not directly dependent for their survival on the executive. When coupled with the power of the purse, these factors constitute the basis of the congressional opportunity, and responsibility, to oversee policy and its administration.

HEARING THE GRIEVANCES OF INDIVIDUAL CITIZENS

Assuring individual citizens that their grievances will be heard and attended to will surely be a more urgent concern in the more populous and complex society of 2000 even than today. Confidence that their complaints will be satisfactorily serviced can be a valuable way of stemming the alienation of citizens from the processes of big government in a very large and complicated nation. Such grievances, moreover, can be important source of knowledge for shaping new policy. Surely the executive will, a generation hence, need to know more, not less, about where the shoe of public policy is pinching back home—and interchange between elected legislator and citizen can be a highly useful mechanism for improving policy.

Happily it is in the nature of Congress as an institution to be able to focus on the details of the administration of policy, as distinguished from its broad outlines. This propensity to concentrate on specifics should astonish no one. The diffuse, fragmentary organization of Congress lends itself far better to preoccupation with details than the kind of overall, unified consideration of policy goals that characterizes a parliamentary system with centralized parties.

Indeed, a criticism commonly leveled at Congress is that its centrifugal origins and nature prevent it from taking the comprehensive view of government that is possible for the executive. Yet it is precisely its pluralistic and decentralized base that largely defines Congress and enables it to represent the multiplicity of interests that make up the American society.

It is precisely this variegated and uncoordinated base that makes it possible—and desirable—for Congress to feed new and different views into the policymaking stream. After all, while the policies legislated may be national in scope, they must be applied at local, State or regional levels.

I must here add that if Congress by the year 2000 takes advantage of the revolution in information technology to obtain access to organized and relevant information, Congress will be able to move beyond its present preoccupation with the details of policy to take the kind of comprehensive overview which is now possible only for the executive.

At this juncture it may be instructive to observe that many proposals for reforming Congress seem to require a reduction in the power of Congress and an increase in that of the executive or, to put the point another way, seem to advocate both a more parliamentary form of government and the disciplined parties without which parliamentary government cannot operate.

CONGRESSIONAL OVERSIGHT POWER ESSENTIAL

But it is essential that the congressional oversight function neither wither away nor be overwhelmed by the executive or be replaced by party.

It is this capacity for oversight that enables Congress to provide some protection to the citizen and the community against the dangers of bureaucratic insensitivity and centralism. Those who complain that Congress harasses and interferes with the executive in the administration of the laws seem to imply that if Congress were to retreat from this field, so too would the other, extra-congressional forces that exercise pressure on the executive agencies. This is not a rationale assumption.

Furthermore, if Congress continues to vote to vest considerable powers in the executive branch, all the more is Congress justified in continuing its surveillance over the use of these powers. As the branch of Government that is by nature most politically sensitive and responsive, Congress has a responsibility to equip itself adequately for carrying out its duty of appraisal of what in most analyses will be the steadily widening activities of the executive.

All things considered, the second session of the 106th Congress, convening in January 2000, will have an even more important responsibility than, say, the present 91st Congress, in monitoring the myriad activities of an executive branch grown both greater in size and more potent in its capacity to affect all our lives.

AN INCREASED ROLE FOR CONGRESS IN THE YEAR 2000

The doctrines of separation of powers and checks and balances are not likely then, in the world of 2000, to disappear. On the contrary, in the circumstances of the United States three decades from now, when a powerful national government has greater access to far more rapid communications and other technology, these doctrines may prove more indispensable than ever both to the preservation and extension of individual rights and freedoms and to the prevention of widespread alienation from government. By vigorously exercising the three functions of representation, policymaking and oversight, Congress will contribute to the achievement of both these overriding objectives.

Congress may be, as Emerson said, "a standing insurrection," but Congress also, he concluded, "escapes the violence of accumulated grievances." [16]

It is a nice question whether in recent years this aphorism accurately describes the fruits of congressional action. There should be little doubt, however, that in another generation we shall be in great need of mechanisms to insure that Government will be able to resolve grievances that, accumulated, spell violence.

Roger H. Davidson made the same point in a more positive way:

> The legislator's indispensable contribution to policymaking is his delicate feel for the political system of which he is a part. He need not, even if he could, merely add his voice to the Babel of technical language now being spoken by experts within decision-making arenas. His special expertise lies in his ability to inject the unique data of politics into this process, in order to render policy outcomes tolerable as well as rational.[17]

I forecast, then, an increased, not diminished, place for Congress in the American political system in the year 2000. Yet Congress will not then be able effectively and creatively to fill the several functions I have discussed unless it is strengthened in important ways.

SOURCES OF A STRENGTHENED CONGRESS

There are three major sources from which, I believe, Congress will draw new strength over the next three decades: changes in the national political environment; internal institutional reform; and greater access to information and intelligence.

I do not foresee a radical restructuring of American Government between 1969 and 2000. The public is not that much interested in political institutions, as distinguished from political issues. In addition, there is, practically speaking, no feasible way for the people to have the opportunity to make a sweeping decision between, for example, unitary government and the separation of powers. A referendum on a question like this is not possible save for the improbable prospect of a full-blown constitutional convention.[18] Indeed, any changes in the American Constitution—and this is true of the American political system generally—are likely to be piecemeal and incremental.

Federalism will remain at least nominally intact; the States will have different roles by 2000 but they will still be part of the fabric of government, supplemented by a wide variety of regional and metropolitan arrangements.

We shall continue to have our present tripartite system of legislative, executive, and judicial branches: there will still be a President, a Senate, and a House of Representatives and a Supreme Court. And the American Government in the year 2000 will remain republican.

STRENGTH THROUGH POLITICAL EVOLUTION

Although there are not likely to be any revolutionary changes in the written Constitution in the next three decades,

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there will be gradual modifications in the national political environment which will enable Congress to play both a more vigorous and more constructive role in the governmental process.

Of particular significance in this respect is the growth of certain nationalizing forces in American politics.

Among these will be a realignment of American political parties. We shall probably see a further erosion of one-party politics in the South and a continuing rise of two-party politics in the Midwest. The one-man, one-vote decision will have the effect of making Congress, especially the House, far more representative of urban and suburban interests and therefore of the population as a whole.

Although the electoral college will have passed into history before 2000 and the President will be directly elected, he will have to find his winning margin from among the urban-surburban majority. Congressional and presidential candidates of the same party will be more likely to perceive the interests of their respective electorates in similar ways.

Mass communications, widespread access to education, greater speed and ease of transport and the enhanced participatory role of Congress by then are other forces which will increase the likelihood that those who bear allegiance to the same party will be in close touch with public opinion and will come to similar conclusions on needed changes in public policy.

Robert A. Dahl says that,these urbanizing influences mean that objective differences among voters will account even less for voting patterns and political attitudes than they do now and that subjective factors, or values and ideology, will rise in importance. Parties will therefore see voters less in terms of their social, economic, and ethnic backgrounds; political leaders will pay increasing attention to attitudes and policy views that are embraced by likeminded voters in all groupings. The consequences will be more unified and less heterogeneous policies and increasingly stable coalition.[19]

Sundquist, in his perceptive analysis, makes the same point in a different way in predicting the rise of homogeneous parties, not rent by the deep internal cleavages and defiant minorities that have characterized American congressional parties throughout the last generation.

THE NATIONALIZING OF THE PARTIES

In addition to all the influences that make for realinment, Sundquist adds a crucial one: "the pressures of the two national parties." He said:

Both parties, he says, have a stake in realignment that they can scarcely overlook—the Republican party to gain the numbers necessary to organize the Congress, the Democratic party to gain the capacity to control it in fact when they organize it in form.[20]

Indeed, a recent study shows that northern Democrats will become more influential within the House of Representatives within a few years. The effect of these trends, the writers say, will be a decrease in the power of the defiant wing of the Democratic party and an increase in party cohesion.[21]

Footnotes at end of article.

Other nationalizing factors in American politics which will thereby contribute to party homogeneity include: presidential campaigning in the midterm elections; the popular tendency to judge Congress in terms of its approval of the "President's program," no matter what his party; the increasing number of Senators and Congressmen who are delegates to the national conventions; a considerable rise in centralized fundraising for congressional campaigns; and the development of ideologically oriented groups within Congress, such as the Democratic Study Group and the Republicans' Wednesday Club, both in the House of Representatives.

What is fundamental to understand, however, is that in our system of divided powers, the rise of cohesive parties during the next generation will not mean that Congress will be, like the British House of Commons, subject to an all-powerful executive. The decisions on policy goals and strategies for achieving them will not be announced by a central party leadership; rather they will be the product of a widespread network in which Senators and Congressmen and their constituents will play an indispensable part.

I share the view of Sundquist:

The discipline of a homogeneous majority party in the new American system will be supplied not by the imposition of one man's will, but by the cohesive power of the party's program, fashioned through processes . . . in which members of the party from the executive branch, the Senate, the House, and party organs outside the government all take part. What passes will be passed not by direction of the president but by consensus of the party—a consensus that becomes achievable once those who are opposed in general to the party's program are, by definition, outside the party.[22]

The participatory Congress I have suggested for 2000 will surely be at home with the parties that develop policy by consensus rather than by direction.

The nationalizing of the parties along the lines here suggested goes hand in hand with the nationalizing of political problems. Presidents and Congresses will not see the Nation's problems exactly alike, but advances in communications and technology will at least militate in the direction of a common awareness of problems.[23]

For example, the present pattern of presidential hegemony in foreign policy will not by 2000 have radically changed. Yet Congress by that year, responding both to the pressures and expectations of constituents and its own greater access to intelligence on international problems, will be far more actively engaged, both at the local and national level, in the dialog on foreign affairs decisions.

Let me reiterate that the party realinement here predicted will not be characterized by the kind of powerful central control that has classically been the hope of many American political scientists. Not only do the division of powers and the decentralized, fragmented electoral system prevent it, but the pull of local, State and regional interests and all the other diversities of American life will remain powerful forces in the politics of the year 2000 and, indeed, should if the system pretends to be democratic in the sense of being responsive to the will of the electorate.

CHANGES IN THE ELECTORATE

In addition to all the factors that make for the nationalizing of American politics and the rise of homogeneous parties, certain changes in the composition of the electorate will have an impact on the place of Congress in the political firmament of 2000.

The full exercise of the franchise by Negroes, the Spanish-speaking and other minorities and its extension to the younger citizens will yield a Congress more representative of the actual population than is now the case. Such a Congress, especially if more prone to leading and listening to its constituents, will be more effective both in legislating and overseeing the Executive.

The redistricting and reapportionment decisions, to which I have earlier referred, will also strengthen the representative character of Congress; the citizenry and their interests will be more accurately reflected in the 106th Congress of 2000 than in the 91st Congress of 1969.

Even as the Nation grows younger and as levels of education rise, the characteristics of Senators and Congressmen will change. Better educated legislators will become more numerous and powerful in both parties, and, particularly important, they will tend to have fundamentally different perceptions of their roles than they do now. Not only will they be more vigorous in their representative-participatory function, but their primary focus will be on issues that cut across lines of geography and economic interest, on problems affecting the entire country and, indeed, the world.

Because the decisions taken by government will be so many and varied and so important to the lives of people, and because the 106th Congress will play both a more complex and a more significant role in making policy, Congress will be a magnet for the ablest figures in the Nation's life.

There will, morever, be so much work to be done and enough problems to be resolved that the Executive, a generation hence, will welcome the activities of Congress in reducing conflict, helping build support for public policies, and even in initiating new policies.

REFORM: STRENGTHENING CONGRESS FROM WITHIN

Beyond changes in the national political environment, Congress will be able to increase its effectiveness through certain reforms in its own organization and procedures.

Such reforms will be of two general types: First, measures for strengthening the power of party organization in Congress, and second, measures for making the operations of Congress more efficient. I shall not here recite the long litany of congressional reforms so often proposed. My focus, rather, will be on several concepts crucial to significant reform within Congress.

It must be obvious that by reason of its organization and procedures, Congress has on many occasions failed to act even when the President and majorities in both the House and Senate have agreed that action was necessary. Such is the

legislative process in the American Congress that, as countless critics have noted, it is easier to keep laws from being passed than it is to pass them.

As the most knowledgeable student of the House of Representatives within the House, Richard Bolling, of Missouri, reasonably asks:

Is the essential well-being of the nation dependent on a political landslide every generation? [24]

Twenty-eight years from now there will be certain formal modifications in the rules of Congress that will both reflect and help assure greater control over the legislative process by the majority of a congressional party than is today the case. Accordingly, the majority party in Congress will be able to insist, as it cannot now do, that there be both debate and vote on the legislative proposals of its own majority and on the proposals of the President.

For instance, the insistence that Congress cannot act on certain controversial issues save with a two-thirds majority—for example, rule 22 of the Senate, which requires a two-thirds vote to close debate and allow voting—will have disappeared by the year 2000, and majorities in Congress will be able, in the jargon of legislators, "to work their will," as they cannot now always do. Thus, a generation from now Congress will no longer be saddled with the doctrine of the concurrent majority. For that matter, given the kinds of changes in society and in the congressional role I have forecast, the doctrine will by then be viewed as less essential. In this respect, then, the 106th Congress will be more representative, and more effective, than the 91st.

OTHER REFORMS

There will be other reform measures designed to heighten the power of the majority within each party. I have argued that our political parties will become more homogeneous. Senators and Congressmen of the same parties will thus tend to have similar perceptions of problems and to share common outlooks on policies. This development will in turn produce organization and procedures within Congress more in tune with the attitudes of the majorities of each congressional party, and this fact will itself diminish the kind of internal struggle that characterizes present efforts to change the organization and rules.

Another step that will be taken to enable a party majority in Congress to exercise its majority is some modification of the seniority system.

The present method of selecting committee chairmen will disappear. Several alternatives are especially worth attention: First, the Speaker—or minority leader—having been selected in party caucus, would then nominate in that caucus all chairmen—or ranking minority members—of all committees, these nominations to be confirmed by the party caucus.

Or, second, the caucus could elect the chairman—or ranking minority member—of each committee from among, say, the top three most senior members of it.

Or, third, the caucus could vote for a chairman from among the committee members, starting with the most senior and continuing to vote, going down the line of members on the basis of seniority, until a committee member had won the approval of a majority of the caucus.

Fourth, another mechanism that some foresee is that the members of each committee will vote by secret ballot to elect their own chairmen.

Any of these changes would make committees and their chairmen more responsive to the party majority and not, as is the case in the 91st Congress, extraordinarily unrepresentative of the majority.[25]

Given the prospect of greater party homogeneity in the country, any of these alterations in the method of choosing committee chairmen and minority leaders would greatly increase the prospect that Congress and the President—if both were of the same party—would tend to agree on policy matters. Yet to focus attention solely on the views of the committee chairmen and the extent to which they are representative or not of the majority of their party is to miss what may well be even more important in insuring that the views of the party majority get a fair hearing. Where the rules and procedures governing the chairman's operation of a committee are such that an arbitrary chairman cannot continue to be arbitrary, such democratic processes may themselves be enough to resolve the adverse effects of the seniority system.[26]

Another method of enhancing the likelihood that both the agenda of legislation and the outcome of action on it reflect the will of the majority in Congress would be selection by caucus of party policy committee, composed of the leadership and others elected by the caucus. With homogeneous parties, the recommendations of such committees would carry far greater weight than they do now.

THE EFFECT OF ORGANIZATION, RULES, AND PROCEDURES

None of what I am here suggesting entails exercise of strong discipline over Congress by the Executive or by a centralized party organ, nor is there any intention of denying Senators and Congressmen their freedom to vote or to take policy positions as they see fit. There will be periodic caucuses at which party leaders and Senators and Congressmen will exchange views on policy—but, as is the case at present, without binding participants to vote the majority position. Again, realinement into homogeneous parties with policy developed by dialog and interchange will produce as much discipline on policy as both the electoral system and diversity of the Nation will permit—or require.

To reiterate, these changes, which I both commend and predict, are directed toward insuring that a party majority will be able to express itself and not be prevented from doing so by the organization, rules, and procedures of Congress. There is nothing in the Constitution that requires or authorizes congressional minorities to exercise vetoes over congressional action. The Constitution contains many other checks and balances, but these are not among them.

Failure to make changes in rules and procedures in order to permit a majority to act, given all the safeguards of minority voice built into the Constitution and all the other elements of the political system, will in the long run only erode the power of Congress in the process of governing.[27] For if Congress is perceived as continuously, by use of its rules and procedures, frustrating the will of the majority, the citizenry will as a result be compelled to turn elsewhere for action. For sobering examples of this syndrome, witness how big city mayors, denied effective help from their State governments, parade to Washington, D.C., to seek assistance from the Federal Government. Or consider the Supreme Court's one-man, one-vote ruling in response to the consistent refusal of rural-dominated State legislatures to give urban and suburban citizens an equitable voice in their own State governments. These lessons, I predict, will not be lost on a Congress that is determined to maintain some significant place in the sun of the American political system.

THE 4-YEAR TERM FOR THE HOUSE

Members of the House will also be strengthened in exercising their three functions of representation, maker and monitor of policy by virtue of the 4-year term that they will enjoy by 2000. Because the House elections will not be coterminous with presidential elections, Representatives will not be as dependent on presidential popularity as they would be if both sought office at the same time.

With a 4-year term, moreover, a Congressman will be more effective in meeting all three of his major responsibilities because there will be less pressure on him to expend his energy, time, and other resources in the sheer task of political survival, as the present 2-year term requires him to do. Indeed, the important participatory responsibilities I predict for Congressmen will keep them closer to public sentiment both in listening and leading than even the present 2-year term allows.

At the same time, the 4-year term will give future Congressmen more of the latitude which Senators now enjoy to take positions they perceive to be in the national interest although at some variance with the views of their constituents.

CONGRESSIONAL STAFFING

Changes in staffing, both in number and quality, for individual Senators and Congressmen, for the House and Senate leaders, and for congressional committees seems so obviously a need by the year 2000, not to speak of 1969, as to require little elaboration.

Congress is utterly outmanned by the executive in quantity—if not quality—of staff, advice, and assistance. Yet the increased responsibility simply to oversee the burgeoning Federal programs means that Congress will need to staff itself far more effectively if it is not to be overwhelmed by its tasks. In fact, forces are already in motion that will bring to the 106th Congress a staff both more numerous and qualitatively more capable of helping Congress carry out its functions.

OTHER ADVANCES IN EFFICIENCY

Two other advances which come under the rubric of improving the efficiency of

Footnotes at end of article.

Congress will be made by 2000, perhaps sooner:

First. Congress will authorize the General Accounting Office, which is intended to be its watchdog of executive expenditures, to review all budget requests after they are submitted by the President; and

Second. Congress will establish a Permanent Joint Committee on Congressional Operations with the assignment of thinking and engaging in research on various measures to strengthen Congress.

Both these steps proved to be among the most popular items for reform among Members of the House themselves, according to a recent survey.[28]

More modern techniques of handling constituents' cases, questions, and complaints can also safely be predicted. Although on occasion onerous, the activities of serving constituents, including the ombudsman function, are far too productive of electoral credit for most legislators lightly to surrender. Streamlining the congressional capacity to provide such assistance is a far more acceptable resolution of this problem. Indeed, bringing modern techniques, including automatic data processing, to bear on the operation of congressional offices is a move that will have become far advanced by 2000, a development to be elaborated upon in the next section of this paper.

I have suggested a number of changes in the organization, rules and procedures of Congress which will enable Congress, a generation from now, to play the vigorous role in the American system of government the Founding Fathers contemplated.

Measures that strengthen the ability of the majority of a party to exercise its majority, the 4-year term for Congressmen, improved staffing and more effective mechanisms for legislative oversight—these are all steps on the lists of most congressional reformers and will, I predict, by the year 2000, contribute substantially to the ability of Congress to meet the responsibilities I have forecast for it.

CONGRESS AND THE COMPUTER

I have discussed two forces, evolution in the external political and social environment and internal congressional reform, which will contribute to strengthening Congress for the decades ahead. But there is a third force that must be harnessed if Congress is to have any serious chance of coping with the number and complexity of future public policy issues: The revolution in information technology. On its response to this revolution will depend, in large measure, the capacity of Congress to analyze and evaluate existing programs and proposed policies as well as to improve communications between individual Members of Congress and their constituents.

The process of acquiring, structuring, processing and retrieving various types of data could have been considered as another aspect of congressional reform. Yet so extraordinary are the opportunities which modern information support offers Congress that it seems appropriate to single out these developments for particular attention.

Footnotes at end of article.

The information systems which Congress employs today will simply not be adequate for the Congress of the year 2000. Indeed, they are not adequate for the year 1969. Consider that during the 90th Congress more than 29,000 bills were introduced on an enormous variety of subjects. Although the vast majority of these bills were noncontroversial or private in nature, a serious evaluation of many of them demanded much better information, both in quantity and quality, on the complex questions of policy. Many legislators today feel acutely their lack of information of this kind.[29]

By the year 2000 Congress will have thoroughly acknowledged the implications of the information explosion and will draw upon it as a major source of energy in meeting the responsibilities of representation, making and overseeing policy.

CONGRESS LAGS BEHIND EXECUTIVE IN ADP

Today Congress lags far behind the executive in its utilization of automatic data processing—ADP. The current disparity in computer usage between the legislative and executive branches both symbolizes and helps explain at least some of the advantages which the executive now enjoys over Congress in both generating and supervising policy. Computers are widely employed in the executive branch. By June 1969 the Federal executive will be using over 4,600 computers[30] at an annual cost of nearly $2 billion.[31] Of their contribution, there can be little doubt. In the judgment of the Bureau of the Budget:

> No single technological advance in recent years has contributed more to effectiveness and efficiency in government operations than the development of electronic data processing equipment.[32]

By way of contrast, look at Congress. Despite the many uses to which a congressional computer facility could be put, the first bill to provide for ADP support for Congress was not introduced until the second session of the 89th Congress—in 1966. As the 91st Congress convened in January 1969, there were only three ADP facilities on Capitol Hill. The most impressive of these, located at the Library of Congress, provides twice monthly to every congressional office, through the Legislative Reference Service, a "Digest of Public Bills," including synoptic and status information, on all bills and resolution in both Chambers; on a monthly basis, a "Legislative Status Report" on 200 major bills; and selected bibliographical information which congressional offices and committees can request. The House of Representatives has a small computer which is used for payroll purposes only while the Senate uses automated data processing for an equally unambitious purpose, to speed mail delivery.[33]

Such modest efforts compel the question: Will Congress continue to deny itself the tools of modern information technology and permit the executive virtually to monopolize access to such capability? It is no exaggeration to say that the stakes are immense. For if Congress fails to create its own information analysis and retrieval capacity or to assure itself adequate access to the data machinery of the executive and the private sector, Congress will ultimately destroy its power both to create policy and to oversee the executive. For in government, as in every other human activity, information is power. To paraphrase Lord Acton, lack of information tends to weaken Congress, and absolute lack of information will weaken Congress absolutely.

At last, however, Congress is beginning to become aware of the possibilities of bringing modern information technology to bear on its legislative and other responsibilities. Congressional leaders are taking their first halting steps toward utilizing the new instruments and techniques of data processing.[34] With these means for analysis and evaluation, Congress will be able far more effectively to tackle thorny public policy problems in defense and space, transportation, health and education, pollution control, and urban rejuvenation.

Equipped with ADP and the staff to employ it, Congress can even undertake the task of rationalizing the appropriations process. For there is wide recognition that the present calendar of budget requests, authorization legislation and appropriations bills is inflexible and ill adapted to the needs and tempo of 20th century government.[35]

The possibilities of using ADP to support Congress seem, therefore, almost unlimited.

One of the most imaginative thinkers on the relationship between technology and politics, John S. Saloma of the Massachusetts Institute of Technology, dramatically describes the prospects for Congress:

> Computer-based analysis as it is refined over the remaining decades of this century will make possible an advance in human intellectual capacity comparable to the invention of language, arabic numerals, and calculus. With his new ability to understand the dynamics of complex organizations and social processes, the congressman of tomorrow will explore a range of problems previously beyond the grasp of his predecessors . . . the computer will give man the capacity to interrogate and reorganize the massive data files almost instantaneously for social science research. Usable information which is accessible to decision-makers acting under time pressure should be increased by several orders of magnitude.[36]

I believe there is little danger in predicting that well before the advent of the 21st century, Professor Saloma's vision will become reality:

> Some legislators will hire professional analysts on their office staffs or acquire analytical skills themselves. While such legislative diligence will still be the exception, one can readily foresee a congressman sitting at a console in his office pouring over computer print-outs into the late evening hours or over the weekend and cutting through the paper arguments and justifications of executive programs with penetrating lines of questions.[37]

THE POSSIBILITIES OF TECHNOLOGY FOR CONGRESS IN THE YEAR 2000

I think, moreover, that nearly all of the following possibilities, which a number of information and communications specialists foresee, will characterize the Congress of the year 2000:[38]

Printouts indicating the status of pending legislation with adequate descriptions of bills.

Direct access by individual members and committees to legislative research information prepared by such resources as the Legislative Reference Service of the Library of Congress.

Automated index of congressional documents and legal periodicals.

Schedules of committee meetings and hearings.

Legislative histories, including committee actions, floor debates, and executive statements.

Status information on Federal contract awards.

Background information about lobbies.

Catalogs of executive department computer files.

Analysis of executive budget proposals and congressional alternatives.

"Tele-mobile" units for communication between a congressional office or committee room and a Congressman who may be at a distant location. This equipment will allow two-way conversations and, perhaps, would feature a "scrambler" device to permit secure transmission of sensitive data.

Keyboard consoles for contact with a remote computer. These units will be employed in data entry, recall and editing and will allow rapid access to enormous amounts of machine-readable data stored in legal, economic and other data banks.

Facsimile data storage and transmission systems, ranging in complexity from systems now in use, such as microfiche cards, to sophisticated photocopy systems which will allow rapid reproduction of material entered at a remote location.

Two-way video linkups between each Senator and Congressman and the Executive Office of the President, agency heads, laboratories, state houses and universities. Indeed, video linkups will permit conferences among participants located in different parts of the world.

"Vote for a computer-competent Congressman!" may well be one of the common campaign slogans of the year 2000!

Developments like these will obviously have a great impact on the ability of Congress to meet its responsibilities in the 21st century. The new information technology will enable the 106th Congress much more capability than the 91st to discharge its functions as participatory agent and representative, maker and overseer of policy.

IMPROVING COMMUNICATIONS BETWEEN LEGISLATION AND CONSTITUENTS

One important facet of the technology revolution is the radical improvement of communications between legislators and constituents. Technological advance promises greater accessibility of Senators and Congressmen to their constituents, individually and collectively, and greater access of citizens to their Senators and Congressmen as well. This development, of course, is fundamental to my thesis that Congress ought to be a principal instrument for making possible citizen participation in government at the national level. The new technology will make it easier to bridge the gulf between the citizen and his government. And just as most Senators and Congressmen or their staffs will understand computers and how to use them, so, too, knowledge of and access to ADP among the population generally will be much more common in another 31 years. The street will not be one way.

There are, of course, pitfalls, implicit in the changes wrought by the technological revolution. There are potential disadvantages as well as advantages in making too perfect the communication between legislators and their constituents. There may be a point beyond which communications that are too close and constant can be a constricting force. For instance, by the year 2000, it will be an easy matter, technologically, to have virtually up-to-the-minute polls of the electorate on any given issue. Telecasts and newspapers can raise "Do you favor . . .?" questions, to which citizens can respond simply by pressing a button on a telecommunications device in their homes. The armchair "yeas" and "nays" can then be instantly tabulated. But where does this development leave the Senator and Congressman? Suppose, as Paul Baran of the Rand Corp. suggests, the newspaper then reports that 85 percent of a Congressman's constituents oppose, say, curbs on tourists. Should the Congressman happen to feel that the proposed curbs as necessary for the time being, it will be difficult for him, confronted with such unambiguous constituent sentiment, to discharge his Burkean responsibility to vote his best judgment.

Nonetheless, the radically increased flow of timely and relevant data about his constituents, their interests and views, should combine with a similar rise in the quality and quantity of appropriate information available to the legislator to make possible a significant improvement in the caliber of the participatory dialog I have forecast.

Advances in information technology, coupled with the emerging technique of programing-planning-budgeting — PPB, hold unusual promise for enabling Congress to meet its other two major responsibilities—formulating policy and monitoring the Executive.

The most obvious benefit in this respect will, or can be, the improved quality of information and information processing. Data will be more accurate, relevant, and, of course, accessible. Data of this kind are the great reward of the information revolution and the most valuable gain for those who make decisions in government, both inside and outside Congress. But it is for Congress, which now suffers far more from inadequate information than does the executive, that the advances in information technology over the next several decades promise the most dramatic assistance.

Congress will no longer be confined to its present prison of considering policies on a largely piecemeal and incremental basis but will be able more intelligently than today to conceive and initiate broad and integrated policy proposals. For Congress in 2000 will enjoy operative access to a far wider and more complex range of information about a far wider and more complex range of problems than in 1969. Thus armed, Congress will be able to take the kind of comprehensive view of the Federal budget that is presently so difficult for a body whose political base is decentralized and whose organization for considering legislation is so much based on specialization.

CONGRESS AND THE PRESIDENT'S BUDGET

The Congress of the year 2000 will be able to respond to the program budget recommended by the President with its own budgetary preferences, its own set of legislative priorities and its own program choices—and to do so on the basis of analyses and evaluations made by its own staff and effective access to adequate data. For Congress in another generation will be able to tap into the data systems of the executive and parts of the private sector. Congress will, moreover, to insure that it is not dependent on the data supply of the executive, maintain its own information system, together with a staff of analysts answerable to Congress.

In addition to a revived capacity for making policy, the tandem of ADP and PPB will also enable Congress more vigorously to oversee the administration of policies and particularly to evaluate the results of Government programs to determine, for example, if legislation is in fact achieving the purposes for which it was passed. ADP and PPB thus will enhance the traditional penchant of Congress to inquire into the details of policy while making it possible for Congress to undertake an overall examination of policy as well. Equipped with far better data, Senators and Congressmen will be able both to put questions to the executive about how certain policies are being administered, inquire into the basis of executive proposals, and to press their own alternatives to the measures advanced by the executive.

As problems become more complex and the number of parameters increases, and as the commitment of manpower and money affects policies in overlapping areas, government officials will find it imperative to use the tools of ADP and PPB in order to reach sound decisions. Consider, for example, the use of simulation. With this technique, the 106th Congress will be able to perform tasks that the 91st cannot do at all or only with great difficulty or imprecision. Computer-manipulated models will in the years ahead be employed to consider the impact of various tax proposals on the level of employment, the gross national product, and revenue inflow—an experiment already begun by Joseph H. Pechman of the Brookings Institution. Congress will by 2000 be able to determine the several mixes of consequences from shifting certain variables in a formula for allocating Federal funds.

Of course, having information on the results of a spectrum of possible policies will not answer the question of which course to choose, but such knowledge will at least afford a rational basis for deciding among competing alternatives. Such information, to repeat, can be particularly valuable in the consideration of appropriate policies for solving problems characterized by many variables and great complexity.

MACHINERY IS NOT ENOUGH

It should be evident that the mere existence of sophisticated machinery, even the fantastic machinery we can imagine for the 21st century, is no substitute for the human thought and judgment necessary to ask appropriate questions of the computer. In fact, a more subtle but nevertheless significant consequence of the great change in information systems is the improvement in the quality of human judgment. Because the effective use of the computers requires disciplined human thought, policymakers must, in order to program the computers, undertake a more exacting analysis of issues than they might otherwise do.

It seems clear then that the new information technology will mean a significant increase in the power of Congress vis-a-vis the executive—an increase in respect of all three of the functions of Congress: to link the government with the citizen, to formulate new policy goals, and to oversee the details of the implementation of existing policy.

It must also be evident that should Congress fail to equip itself effectively with the new information technology as well as zealously to utilize the technique of planning-programing-budgeting, both of which instruments the executive will exploit to full advantage, Congress will suffer a very sharp decline within the American framework of government. For both ADP and PPB are powerful weapons within our system of separated institutions sharing powers.

In summary, neither technology nor management techniques embody a panacea for the problems of the future. Yet Congress will need all the help it can get from both. For the growth and survival of the United States depend largely upon the effectiveness of its leaders on their perception of the problems we face and on the policies they shape to meet them. In the year 2000, Congress must—and—will—exploit the tools which will equip it to cope with its great tasks.

A SUMMARY: CONGRESS IN THE YEAR 2000

Mr. Speaker, let me summarize what I have tried to say.

By the year 2000 Congress will occupy an important place in the American system of government—in some respects more important than in 1969.

Congress will, 31 years from now, serve three major functions: representative of the citizenry and agent for enabling them to participate more fully in the decisions of Government; maker of public policy, creating and initiating measures as well as responding to proposals of the Executive; and critic of policy and monitor of its administration. Although Congress now performs all these functions, their significance, I believe, will rise sharply as the United States enters the 21st century.

Over the next three decades Congress will draw new and substantial strength for discharging these responsibilities from three principal sources: changes in the national political environment; reform of congressional organization and procedures; and the revolution in information technology. These developments, both internal and external, will infuse the legislative branch with a dynamism and capability today found wanting by many students of Congress.

Although we cannot plot with certainty the trajectory of Congress during the next 31 years, we can be reasonably confident that the Congress of the year 2000 will, as it does now, reflect the dominant characteristics of our Constitution and of our people: a pluralistic political system within a pluralistic society.

In such a setting, the more resilient and more effective Congress which I predict for 2000 will not bring a correspondingly diminished role for the American Presidency. Rather we shall have in the decades ahead both a stronger President and a stronger Congress.

I do not then, Mr. Speaker, despair, as some do, for the American political system or for Congress as part of it.

Given our large, complex, and restless society and our deliberately fragmented constitutional structure, I believe that in the pattern of National Government which I have foreseen for the year 2000—one in which the contributions of Congress will be indispensable—lies the best hope for the American democracy in the 21st century.

FOOTNOTES

[1] McGeorge Bundy, *The Strength of Government* (Cambridge, Mass.: Harvard University Press; 1968), pp. 80–81.

[2] In this connection see Daniel P. Moynihan's observation: "Clearly one of the most powerful forces right now in politics is the diffusion of *middle-class* attitudes concerning participation: 'I want to take part,' 'I want to help decide,' "I want to be heard' ". *Daedalus* (summer 1967), p. 663. Italics mine.

[3] Richard E. Neustadt, *Presidential Power: The Politics of Leadership* (New York: John Wiley & Sons; 1961), p. 33. Italics his.

[4] Two analyses are worth reviewing in this respect. Donald E. Stokes and Warren E. Miller cite the results of a survey of voting behavior in elections to the House of Representatives which indicate that, in deciding for whom to vote, most citizens do not pay much attention to the policy views of Congressional candidates for the reason that they do not know what these views are. This factor, of course, means that there is no overriding constituency pressure for Congressmen to vote with their party. *Public Opinion Quarterly*, Vol. 26 (Winter, 1962), p. 531 et. seq.

Similarly, Lewis Anthony Dexter reports that Congressmen are subjected to so many cross-pressures from constituents that they are relatively free to vote as they wish. He cites two additional considerations that increase the relative independence of Congressmen in deciding how they will vote on public policy: (1) Congressmen win the allegiance of multi-interest groups unwilling to desert him on the basis of his defection on only one issue; and (2) Congressmen build and lead their own coalitions, which often take their cue from the Congressmen rather than the other way around. Raymond A. Bauer, Ithiel de Sola Pool and Lewis Anthony Dexter, *American Business and Public Policy: The Politics of Foreign Trade* (New York: Atherton Press; 1963). Cited in Raymond Wolfinger, *Readings in American Political Behavior* (Englewood Cliffs, N.J.: Prentice-Hall; 1966), pp. 6–26.

[5] *Washington Post*, December 16, 1968.

[6] For a recent essay that perceptively sounds the participatory theme, see Richard N. Goodwin, "Reflections: Sources of the Public Unhappiness," *The New Yorker* (January 4, 1969), pp. 38–58.

For a thoughtful discussion of both the need for and the perils associated with increasing citizen participation in a large representative democracy like the United States, see Robert A. Dahl, "The City in the Future of Democracy," *American Political Science Review*, Vol. LXI, No. 4 (December, 1967), pp. 953–970. Dahl, whose views in some way echo Kenneth Karst's suggestion of a variable franchise, writes, at pp. 959–960:

. . . we drop completely the notion so dear to the Greeks and early Romans that to be legitimate a unit of government must be wholly autonomous. With autonomy we also drop the belief that there is a single sovereign unit for democracy, a unit in which majorities are autonomous with respect to all persons outside the unit and authoritative with respect to all persons inside the unit. Instead we begin to think about appropriate units of democracy as an ascending series, a set of Chinese boxes, each larger and more inclusive than the other, each in some sense democratic, though not always in quite the same sense, and each not inherently less nor inherently more legitimate than the other.

. . . This is logically untidy, and it requires endless readjustments as perspectives and levels of interdependence change. But it makes for a better fit with the inevitable pluralistic and decentralizing forces of political life in nation-states with representative governments.

. . . we may need different models of democracy for different kinds of units . . . we need models that approximate reality in the world of history and experience, and models that indicate standards of performance by which we can appraise the achievements of a particular democracy. I see no reason to think that all kinds of units with democratic institutions and practices do, can, or should behave in the same way . . .

[7] John Brademas, "The Role of Congress in the Making of Public Policy," *Proceedings, 1967, Indiana Academy of Social Sciences*, Third Series, Volume II, pp. 181–204. I have drawn on this essay for some of the analysis in the present paper.

[8] I do not here propose to get into the argument of whether the power of Congress to make policy has declined or risen in recent years. Although the view is widely held that the power of Congress vis-a-vis the executive has atrophied, many writers like James McGregor Burns, Samuel P. Huntington and Walter Lippman contend that the Congressional power to frustrate and harass the executive has grown far too large. The most sensible discussion I have seen of this ambiguous and not easily measured question is found in Robert A. Dahl, *Pluralist Democracy in the United States: Conflict and Consent*, (Chicago: Rand McNally; 1967), pp. 139–42.

Dahl observes at pp. 141–42:

. . . it is correct to say that the "power" of Congress over policy and appointments has declined since its apex in the period after the Civil War. In the twentieth century not only has the President broken the monopoly of Congress over policy—and, of course, over appointments—but . . . he has also largely taken command over the initiation of new policies.

Similarly, the Congress is now a far more active institution, far better equipped to deal with complex matters of public policy, far more deeply involved in an incredible range of important issues than ever it was or could be in the nineteenth century. . . .

In this sense, then, the "power" of Congress has grown: the decisions Congress makes by modifying, passing, or rejecting measures affect all of us, and the whole world, to an incomparably greater extent today than in the nineteenth century . . .

In sum, in the post-Civil-War (sic.) period, Congress enjoyed a monopoly control over policies mostly of trivial importance; today Congress shares with the President control over policies of profound consequence. Congress has, then, both lost and acquired power.

[9] Arthur M. Schlesinger, Jr., *A Thousand Days: John F. Kennedy in the White House*, (Boston: Houghton Mifflin; 1965), p. 713.

[10] Samuel Beer presses members of the British House of Commons to undertake this kind of activity—what he calls "mobilizing consent." Says Beer: "For modern government cannot and does not rely solely upon the legitimizing effects of political elections. It must make continuous efforts to create consent for new programs and to sustain consent for old ones. *It must mobilize consent between as well as at elections.*" In "The British Legislature and the Problem of Mobilizing Consent" in Elke Frank (ed.) *Lawmakers in a Changing World*, (Englewood Cliffs, New Jersey: Prentice-Hall; 1966), p. 45. Italics his.

[11] James L. Sundquist, *Politics and Policy: The Eisenhower, Kennedy, and Johnson Years*, (Washington, D.C.: Brookings Institution; 1968), p. 494.

[12] *Ibid.*, p. 490.

[13] *Ibid.*, p. 495.

[14] . . . Congress must help to supply dissonance, or opposition, in public decision making. One of the most important commodities Congress can provide is an institutional base for alternative viewpoints and criticisms. Thus, steps should be taken to increase the probability that Congress will act independently—that it will possess both the inclination and the influence to function as an autonomous voice in the affairs of state. Internally, this viewpoint suggests that Congress be structured as pluralistically as possible, so that policy entrepreneurship by individuals, committees, voting blocs, and parties themselves will be maximized . . .

Roger H. Davidson, David Kovenock, and Michael O'Lary, *Congress in Crisis: Politics and Congressional Reform*, (New York: Hawthorne Books; 1966), p. 175.

The authors here cite Charles E. Lindblom's compelling argument for "permitting legislators and executives to act flexibly and intelligently toward each other and in interchange with the citizenry in order to explore . . . all possible opportunities for agreement and acceptable aggregation." See *The Intelligence of Democracy*, (New York: Free Press; 1965), p. 319. Lindblom's analysis of the superiority of the present American system of what he calls "partisan mutual adjustment" over disciplined parties—not for 18th century checks and balances reasons, but in terms of producing intelligent policy—parallels and supplements my own.

[15] Sundquist, *op cit.* p. 535.

[16] Ralph Waldo Emerson, quoted in Stephen K. Bailey and Howard D. Samuel, *Congress at Work*, (New York: Henry Holt; 1952), p. 1.

[17] Roger H. Davidson in Alfred de Grazia (ed.), *Congress: The First Branch of Government*, (Garden City, New York: Doubleday; 1966), p. 402.

[18] But see Rexford G. Tugwell, "Constitutional Reform: Let Law Catch Up with Life," *Center Magazine*, Vol. 1 (January, 1968) pp. 50–54.

[19] Robert A. Dahl, *Political Opposition in Western Democracies*, (New Haven: Yale University Press; 1966), p. 69.

[20] Sundquist, op. cit., p. 529.

[21] Raymond E. Wolfinger and Joan Heiftez, "Safe Seats, Seniority, and Power in Congress," *American Political Science Review*, Vol. LIX, No. 2 (June, 1965), p. 349.

[22] Sundquist, *op. cit.*, p. 535.

[23] Moynihan speaks of ". . . the nationalization of public policy that has accompanied the achievement of a genuinely national society. If there is still a goodly supply of local problems, there are fewer and fewer specifically local 'subjects.' It has been agreed, as it were, that the most important national issues will be resolved in national terms and at the national level . . ." in *Daedalus, op. cit.*, p. 801.

[24] Richard Bolling, *Power in the House*, (New York: E. P. Dutton; 1968), p. 269.

[25] Indeed, some may be astonished to learn that an examination of roll call votes in the House of Representatives during the 90th Congress reveals that the strongest and most stubborn opposition to the positions of the Democratic Administration and the majority of House Democrats came from a group of 36 Democratic committee and subcommittee chairmen, all from Southern and border states. They voted against the position of the Democratic Administration and against the majority of House Democrats even more often than did House Republicans. See *Congressional Quarterly*, Weekly Report No. 43 (October 25, 1968), pp. 2933–37.

[26] Sundquist, *op. cit.*, pp. 522–53.

[27] Dahl calls these safeguards the "multiplicity of check-points", *Pluralist Democracy in the United States, op. cit.*, pp. 326–29.

[28] See Davidson, Kovenock, and O'Leary, *op. cit.*, p. 191.

[29] A recent study underscores the conviction of many Congressmen that they have inadequate information on which to base their decisions. Each of a group of eighty members of the House, selected at random was asked to "name any problems which prevented him from carrying out the role he would like to play in the House and all problems which he saw as preventing the House from operating as he thought it should." The problems which were cited most frequently by fully 78 percent of the Congressmen were "complexity of decision-making; lack of information." Significantly, the problem cited by the second largest number of Congressmen fell within the category of "services for constituents"—an area of Congressional activity susceptible to greater streamlining through ADP techniques. See Michael O'Leary (ed.), *Congressional Reorganization: Problems and Prospects—A Conference Report*, (Hanover, N.H.: Public Affairs Center, Dartmouth College, 1964), pp. 22–23; cited in de Grazia, *op. cit.*, pp. 409–410.

[30] General Services Administration, *Management Information Systems Report 2–J: Government-wide EDPE Systems Purchase/Lease Status (in Place as of 6/30/69)*, Washington, D.C., 1968.

[31] General Services Administration, *Management Information Systems Report 5–C: Government-wide ADP Resources*, Washington, D.C., November, 1968.

[32] Executive Office of the President, Bureau of the Budget, *Report to the President on the Management of Automatic Data Processing in the Federal Government*, (Washington, D.C., February, 1965), p. 1.

[33] Among the best descriptions of both present and possible uses of the new information technology by Congress are Robert L. Chartrand, 'Congress Seeks a Systems Approach," *Datamation*, Vol. XIV, No. 5 (May, 1968), pp. 46–49; and Robert L. Chartrand, Kenneth Janda, and Michael Hugo (eds.), *Information Support, Program Budgeting, and the Congress* (New York: Spartan Books, 1968).

[34] See, for example, Congressman Jack Brooks, "Data-Processing Techniques to Aid Congress," CONGRESSIONAL RECORD, volume 115, part 1, pp. 129–131.

[35] For one of many indignant comments on the appropriations process as it exists today, see Philip Donham and Robert J. Fahey, *Congress Needs Help* (New York: Random House, 1966), p. xi:

Corporate enterprise handling far less money know much more about what they are doing with it. If Congress wanted to, it could put the entire budget through a computer, break it down by subject and function, and quickly see where the money goes. If there is duplication, as there certainly is, the details would be precise and clear. The whole budget could be analyzed coldly and accurately, and the analysis distributed to every member . . . but Congress still does its figuring as an eighth-grade schoolboy does his. Even a small-town banker knows more about the thousand-dollar loan he approved last year than Congress knows about the fifty billion dolars it approved yesterday, and it is absurd.

[36] John S. Saloma, 3rd, "Systems Politics: The Presidency and Congress in the Future," *Technology Review* (December, 1968), pp. 23, 28.

[37] *Ibid*, p. 24.

[38] See for example, Andrew A. Aines, "Integration of Public and Private Archives for Government Decision Makers," in Chartrand, Janda, and Hugo (eds.), *op. cit.*, p. 131; and Congressman Robert McClory, statement before Washington Operations Research Council, January 17, 1968, inserted in CONGRESSIONAL RECORD, volume 114, part 1, pp. 1813–16.

CORRUPTION AND SCANDAL IN ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BURTON) is recognized for 30 minutes.

Mr. BURTON. Mr. Speaker, nothing has dominated the Nixon Presidency more than the continuing parade of scandals, incidents of corporate favoritism, and corruption on a scale unprecedented in American history.

Never before has the country witnessed such widespread corruption in a presidential administration. Never before has graft from the entire business community been so openly solicited in return for favorable treatment by Federal agencies. Never before has an administration sponsored illegal political sabotage of its opposition. And never before has an administration been so contemptuous of the public in answering charges of corruption.

Hardly a day goes by without some new revelation of direct White House involvement. Yet the President and his top administration and campaign aides refuse to answer questions either from the press or congressional investigating committees.

Instead, the Nixon camp runs its own investigation and declares itself innocent—and, when that fails, attacks the press for doing its job by covering the scandals, tries to portray the corruption charges as routine political attacks, and otherwise attempts to confuse and obscure the issue.

In an effort to put these charges of corruption clearly in focus, the Democratic Study Group, of which I am chairman, has prepared a special report designed to catalog and summarize the various Nixon scandals. At this point I would like to include the DSG report in the RECORD as I am sure it will be of interest to all Members.

DSG SPECIAL REPORT: IT REALLY IS "THE MOST CORRUPT ADMINISTRATION IN HISTORY"

This special report deals with the numerous charges of corruption and scandal against the Nixon Administration. The report contains three sections, as follows:

A brief description of the major scandals of the past.

A listing of top White House aides who have been involved in the Nixon scandals and a brief description of some 18 charges of corruption against the Administration.

A list of sources for further details on each of the Nixon scandals.

SECTION I—SCANDALS OF THE PAST

Three scandals involving the Executive Branch have received widespread public attention in the past 50 years. The three are the Teapot Dome scandal under President Warren G. Harding, the "five-percenters" in the Harry S. Truman Administration, and the Sherman Adams case under President Dwight D. Eisenhower. None of these scandals approached the dimensions of money involved in corruption under Richard M. Nixon.

Following is a short description of each of these scandals.

Teapot Dome

In 1924 it was discovered that Secretary of Interior Albert B. Fall had accepted $400,000 in gifts and "loans" in exchange for leasing naval oil reserve lands (in an area known as Teapot Dome) to private oil companies. Fall, an opponent of the Congressional legislation creating the reserves, was protected from prosecution by the Harding Administration's Justice Department but was convicted of bribery after President Coolidge appointed a special prosecutor to handle the case.

The five-percenters

In 1949, a Senate investigation uncovered activities of four Executive Branch officials, including an aide to President Harry Truman, who secured Government contracts, jobs and other favors in return for a five-percent commission.

It was estimated that up to $500,000 was obtained by "five-percenters" through government graft. The discovery led to new procurement practices in the Department of Defense. John Maragon, a friend of several influential government officials, was the key witness and was later convicted of perjury for his testimony in a closed Senate committee session.

Sherman Adams

In 1958, Congressional investigations turned up information that high Eisenhower Administration officials intervened and pressured officials in federal regulatory agencies on behalf of corporate friends, most notably Boston industrialist Bernard Goldfine. While charges were made against many Administration officials—including Vice President Richard Nixon—they were concentrating on Sherman Adams, Eisenhower's "right-hand man". Adams received gifts from Goldfine—mainly a $700 vicuna coat and payment of hotel bills totalling about $2000—in exchange for Adams' alleged intervention on Goldfine's behalf with the FCC and the SEC.

Adams continually denied wrongdoing, but did resign as did John Mitchell after disclosure of the Watergate break-in. Goldfine's refusal to answer Congressional inquiries led to a conviction for contempt of Congress. He was also later convicted for contempt of Court and tax evasion.

SECTION II—THE NIXON SCANDALS

During Richard Nixon's four years as President there have been at least 15 major scandals, each of which would have brought a major public outcry in the past. In many of these scandals, including those associated with the Nixon Re-election Committee, the trail has led to direct White House involvement.

The scope of the Nixon scandals makes the scandals of previous Administrations look like penny-ante affairs. Nothing points up the dimensions of corruption in the Nixon Administration more than the involvement of key White House aides and appointees—including at least three Cabinet level officers—in virtually every scandal over the past four years. Following is a list of White House aides and appointees who have been directly involved in the Nixon scandals:

Peter Flanigan, special assistant to the President, who was implicated in official actions benefitting his own companies and who has helped giant corporations so much that Sen. Thomas Eagleton branded him "Mr. Fix-it" for big business in the Nixon Administration.

Maurice H. Stans, former Secretary of Commerce, who used his contacts with the oil and chemical interests he protected during his Cabinet service, to help raise a secret $10.2 million campaign fund for Richard Nixon's re-election.

John Mitchell, former Nixon Attorney-General, who—while he headed the Justice Department—controlled a $350,000 slush fund which was the source of payment to the Watergate breakin suspects and who resigned as head of the Nixon Re-election Committee after disclosure of the Watergate affair.

Richard Kleindienst, Nixon's second Attorney General, who intervened in anti-trust suits and organized-crime investigations to protect Nixon campaign contributors and who tried to absolve a Justice Department official from involvement in a Texas bank scandal.

Earl Butz, Secretary of Agriculture and long-time agribusiness advocate, who helped grain corporations get inside information which enabled them to reap excessive profits from the sale of wheat to the Soviet Union.

Clarence D. Palmby, former Assistant Secretary of Agriculture, who quit the Department during the negotiations with Russia to become Vice President of Continental Grain Company and used his inside information to help Continental control nearly half of the sales to the Soviet Union.

E. Howard Hunt, a White House consultant, who was one of seven men indicted for the break-in at the Democratic Headquarters at the Watergate.

G. Gordon Liddy, a consultant for the Administration's anti-marijuana campaign, who also was indicted for the Watergate burglary along with Hunt and five others.

Charles Colson, Presidential advisor and Nixon political hatchetman, who has been linked to a massive GOP political espionage campaign against Democratic presidential hopefuls and who was implicated in the Watergate break-in when his phone number was found in the address book of one of the suspects. A search of Hunt's desk in Colson's office uncovered a pistol, part of a telephone bug, a walkie-talkie, and diagrams thought to be of the Democratic National Committee headquarters.

William E. Timmons, assistant to the President for congressional relations, who received memos summarizing the information obtained from the Watergate phone taps.

Robert C. Odle, former White House aide, now director of administration for the Nixon Re-elect Committee, who also received summaries of the Watergate phone tap information.

Ken W. Clawson, deputy director of White House communications, who allegedly wrote a letter to a New Hampshire newspaper under an assumed name in an attempt to portray then-presidential hopeful Edmund S. Muskie as a bigot.

Harry Dent, White House political operative, who joined former Commerce Secretary Maurice Stans in trying to suppress a GAO report citing the Reelection Committee for numerous violations of the campaign law.

Dwight L. Chapin, Nixon appointments secretary, who hired and served as contact for Donald H. Segretti, one of 50 undercover agents employed by the GOP to spy on and to sabotage the Democratic presidential campaign.

Gordon Strachan, a White House aide, who worked with Chapin in hiring Segretti and other GOP saboteurs.

Herbert W. Klamback, Nixon's personal attorney and key fund-raiser, who paid the salary of Segretti and other GOP agents out of the $350,000-to-$700,000 slush fund accumulated by the Nixon re-election committee.

Considering this continuing pattern of White House involvement in corruption and scandal, it is little wonder that Ralph Nader and George McGovern have described the Nixon Administration as "the most corrupt in history."

Following are brief descriptions of the major charges of corruption against the Nixon Administration:

WATERGATE BREAK-IN AND BUGGING

One of the gravest acts of political espionage ever uncovered in this country came in June of this year when five Nixon operatives were arrested after breaking into the headquarters of the Democratic Committee in the Watergate building. Subsequent investigation uncovered an elaborate Republican effort to bug Democratic phones with some of the involvement reaching back to White House staff members. Seven men—including two former White House aides and the security director of the Committee to Re-Elect the President—have been indicted for the Watergate break-in.

The investigation of the Watergate crimes by the FBI, the GAO, Congressional committees and the press, has uncovered a series of illegal campaign contributions and financial transactions, a long-running Republican effort to sabotage the campaigns of Democratic presidential candidates, and Administration favors granted in exchange for campaign contributions. Hardly a day passes without a new revelation about the Administration's and the Re-Elect Committee's involvement in the Watergate burglary or the illegal financial dealings surrounding it.

As a result of the Watergate break-in the Democratic National Committee has filed a $3.2 million civil suit against all major Re-Elect Committee officials and several White House aides. However, neither this case nor the criminal case involving the seven indicted defendants is scheduled for court action before the election.

GOP ESPIONAGE UNIT

The FBI has uncovered a GOP espionage unit which has been conducting political espionage and sabotage against the Democratic presidential contenders ever since the primary campaigns began. The unit includes about 50 undercover agents, some hired directly by White House aides. For example, one of the agents, Donald H. Segretti, was hired by Nixon appointments secretary Dwight L. Chapin and reported directly to Chapin. Payment to the agents came from the Nixon re-election committee's slush fund of secret campaign contributions and was made, in some cases, by Richard Nixon's personal lawyer, Herbert W. Kalmbach.

The Republican espionage unit's activities included disrupting Democratic events and impersonating Democrats in pnone calls. The unit was allegedly responsible for false charges against Sen. Edmund Muskie printed in the *Manchester* (N.H.) *Union-Leader* just before the primary, for attempts to cancel Sen. McGovern's TV address on the Vietnam War in October, and for disruptive phone calls to CBS News commentator Walter Cronkite and AFL–CIO President George Meany.

REELECTION SLUSH FUND

The Nixon Reelection Committee has maintained a $350,000-to-$700,000 slush fund of cash to be used for political espionage and "investigative" purposes, including the Watergate break-in. The fund was controlled by former Attorney General John Mitchell while he headed the Justice Department. When he switched to the campaign committee, Mitchell shared control with former

Commerce Secretary Maurice Stans. Other Reelect Committee officials with access to the fund included two former White House aides, Jeb Stuart Magruder and Herbert L. Porter, both of whom withdrew at least $50,000.

The Reelect Committee did not keep records of where the money came from or how it was spent—even after the April 7 effective date of the new campaign law. However, the FBI traced part of the money received by the Watergate defendants to the slush fund.

ANDREAS BANK CHARTER

Minnesota millionaire Dwayne Andreas was granted a highly-sought federal bank charter for a Minneapolis suburb shortly after he secretly donated $25,000 to the Nixon campaign. Banking officials acknowledged that the charter was approved much more rapidly than usual—especially in light of the fact that the shopping center where the bank is to be located will not be completed for 2 or 3 years. The Andreas money was transferred to the Nixon campaign committee after the campaign law's April 7 effective date but was not reported in the Committee's June 10 report, as required. Later the money was traced to the bank account of Bernard Barker, one of the men charged with the break-in and bugging of the Democratic headquarters in the Watergate.

SECRET CAMPAIGN CONTRIBUTIONS

In the weeks before the new campaign law requiring disclosure of campaign contributions went into effect, Maurice Stans, who resigned as Nixon's Secretary of Commerce to become his chief campaign fund-raiser, raised $10.2 million in secret campaign funds through a concerted effort to collect the money prior to April 7 when the new law took effect. While technically legal, the Stans effort represented a blatant violation of the spirit and intent of the law. President Nixon and other GOP officials have continually refused to identify who contributed the $10.2 million in secret funds, despite the fact that all major Democratic presidential candidates identified their pre-April 7 contributors.

It is believed that the Stans fund-raising was concentrated on special interests and the executives of corporations doing business with the government, especially the giant chemical companies. Stans as Commerce Secretary helped by advising a "go-slow" government policy in prosecuting polluters and the oil interests he aided by fighting attempts to increase oil imports and efforts to reduce the oil depletion allowance.

MEXICO BANK COVER

An illegal $100,000 campaign contribution from a Texas corporation was funneled through Mexican banks, rushed to Washington aboard a chartered corporate jet, and later $89,000 of it was transferred to the account of Watergate defendant Barker. The money came from the Gulf Resources and Chemical Corporation, a Texas corporation which—until the contribution—had a major subsidiary under pressure from the Environmental Protection Agency to correct extensive water and air pollution problems. Since the $100,000 contribution, the pressure has weakened.

Technically the corporation's contribution was made by a Mexican lawyer—even though it is illegal for corporations *or* foreign nationals to give campaign contributions to presidential candidates. In routing the money through Mexican banks, the Nixon Committee used a procedure similar to that used by organized crime leaders to avoid detection. The money was paid by the corporation to the lawyer in inflated fees. He put it in the Mexican bank and then withdrew it in the form of $89,000 worth of cashier's checks and $11,000 in cash. This $100,000 was then jetted to Washington—along with $600,000 in other fat-cat contributions—in order to beat the April 7th deadlines when campaign contributors would have to be identified.

SOVIET WHEAT DEAL

The Administration gave inside information to giant grain companies which enabled them to make huge profits from the sale of wheat to the Soviet Union at the expense of American consumers, wheat farmers and taxpayers. Clarence Palmby, one of the chief Agriculture Department officials in the negotiations with the Russians, left USDA before the negotiations were completed to become Vice-President of Continental Grain Co. and helped Continental close a deal with the Russians—before USDA had announced its own credit agreement. Palmby's Continental has sold almost 50% of the wheat sold to the U.S.S.R.

In all, six major companies have monopolized the sale of wheat to the U.S.S.R. There has been a virtual revolving door between top jobs in USDA and top executive positions with five of those companies in the past year. This cozy relationship has resulted in windfall profits for these companies and has resulted in higher prices. It will eventually cost consumers about $1.5 billion in higher food prices—especially meats and bakery goods. It will cost small farmers millions in lost subsidy payments and more millions in lost income because of artificially low prices when they sold their wheat. And it will cost the American taxpayer about $200 million in subsidies to the big firms who were guaranteed profits on their Russian sales by friendly USDA officials.

ITT CONTROVERSY

The Republicans were forced to move their national convention from San Diego to Miami after it was learned that ITT's subsidiary, the Sheraton Corporation of America, had pledged to underwrite $400,000 of the cost of the GOP convention in exchange for a Justice Department settlement of anti-trust charges against ITT. The settlement permitted ITT to retain its acquisition of the Hartford Fire Insurance Corporation and kept the door open for further ITT acquisitions. The revelation of the role of then Deputy Attorney General Richard Kleindienst in aiding ITT's fight against the anti-trust action almost scuttled Kleindienst's nomination as Attorney General. Senate hearings also uncovered pro-ITT activities of Presidential assistant Peter Flanigan leading to a speech by Sen. Thomas Eagleton branding Flanigan the Administration's "Mr. Fix-it for big business."

The scandal was triggered by the disclosure of a memo written by Dita Beard, ITT's Washington lobbyist, which linked the anti-trust settlement to the convention contribution. When called to testify before the Senate, Beard was hospitalized for heart ailments. It was later disclosed that the two doctors who recommended that Beard not testify in person at the Senate were being investigated at the time by the Justice Department for Medicare and Medicaid billing kickbacks.

ANTITRUST SETTLEMENTS

The Nixon Administration has refused to prosecute antitrust suits against giant firms with close personal and financial contacts with the Administration. Attorney General Kleindienst blocked the Antitrust Division from opposing the merger of two giant drug firms—Warner - Lambert and Parke - Davis. The honorary board chairman of Warner-Lambert is Elmer Bobst, a long-time friend and financial backer of Richard Nixon and a major client of Nixon's former law firm. Attorney General Mitchell continually refused to fight the merger between the National Steel Corporation and the Granite City Steel Co.—two of the nation's largest steel firms. The director of one of the companies has contributed large sums of money to Republicans and his father—another major Republican fat-cat—owns a company which controls one of the steel firms and which has long-term contracts with the other.

FLANIGAN'S SHIP WINDFALL

In March 1970, the Treasury Department issued a waiver which would have resulted in a $6 million windfall to a company headed by special assistant to the President Peter Flanigan prior to his White House appointment.

Sen. Joseph Tydings alerted the public to the deal and the outcry led the Treasury Department to reverse the ruling. The unprecedented ruling permitted a ship owned by the Barracuda Tanker Corporation—whose President until 1969 was Peter Flanigan—and flying a Liberian flag to engage in U.S. coastal trade despite a law which restricts such trade to vessels built and registered in the United States or if "necessary in the interest of national defense."

SAN DIEGO U.S. ATTORNEY DEAL

The Nixon-appointed U.S. Attorney for the Southern District of California (San Diego), Harry Steward, squelched an investigation of C. Arnholt Smith, a San Diego multi-millionaire who has been a close friend and supporter of Richard Nixon since Nixon's first campaign for Congress. The investigation was being made by a federal organized crime task force as part of a case it was putting together against Smith and several other San Diegans for conspiring to violate federal tax laws and the Corrupt Practices Act. The Attorney also intervened in cases involving a real estate speculator with gambling interests and a former Mayor who was charged, and cleared, of bribery.

The FBI started an investigation of Stewart's actions after *Life* magazine charged him with obstructing justice in the Smith case. Then-Deputy Attorney General Kleindienst forced the FBI to discontinue the investigation.

KLEINDIENST BRIBE OFFER

In 1971, Republican senatorial aide Robert Carson offered Kleindienst $100,000 as a contribution to the Nixon re-election fund if Kleindienst would help block a stock fraud investigation being conducted by SEC. Kleindienst, later to become the nation's chief law enforcement officer, turned down the bribe but did not bother to report it until he learned that the FBI was eavesdropping on Carson's office. Kleindienst later claimed he "did not recognize the offer as a bribe." Carson was convicted of bribe conspiracy and perjury.

MILK MONEY

Dairy interests have poured over $320,000 into the Nixon campaign in return for an Agriculture Department decision to boost milk support payments. The increased price supports were worth about $400 million to the dairy industry and came only 13 days after the Department had announced a policy against such an increase. Later, letters were made public in which officials of the Mid-America Dairymen, Inc.—one of the major campaign sources—claimed that by giving to the Nixon re-election fund they had reversed the milk support decision. Ralph Nader's Public Citizen organization, the Federation of Homemakers, and the D.C. Consumer's Association have filed suit to rescind the milk price support increase on the grounds that the increase was a political payoff.

CARPET CONTRIBUTIONS

A major carpet manufacturer gave the Nixon campaign committee a $94,580 donation after the Administration promised to postpone effective federal flammability regulations for carpeting. The contributions—spread out in 30 separate transactions to avoid contribution limitations—came only a few weeks after Nixon finance chief (and

former Secretary of Commerce) Maurice Stans set up a private meeting between the government and industry representatives.

NIXON'S LAW FIRM

The United States Postal Service chose Nixon's former law firm, (Mudge, Rose, Guthrie, and Alexander) and an investment company which Presidential advisor Peter Flanigan was once Vice-President of to handle a $250 million bond offering. Nixon's law firm was paid $100,000 although an earlier USPS estimate of the job's cost was between $5,000 and $10,000. Flanigan's former firm had little experience in underwriting bonds, but got the job anyway, along with another firm with little experience which happened to have officers who poured extensive contributions into the Nixon campaign in 1968.

POLITICIZING THE FBI

President Nixon and Attorney General Kleindienst have claimed that the FBI investigation of the Watergate incidents is "the most extensive" in the Bureau's history. However, FBI Director Patrick Gray has suppressed any information uncovered by FBI aegnts which is not *directly* related to the Watergate break-in itself. It is believed that information obtained by FBI agents regarding related incidents—such as the broad GOP espionage activities and the collection of illegal campaign contributions by the Nixon Re-elect Committee—has been leaked to the press by disgruntled agents opposed to this politicization of the FBI. Gray has also departed from the nonpolitical tradition of J. Edgar Hoover by giving public speeches praising the Administration and mouthing the Administration's line on crime statistics and other non-crime related topics, including defense spending.

HAMBURGER HELPER

Richard Nixon received over "$255,000 in campaign contributions from hamburger king Ray Kroc, chairman of the board of the Macdonald's chain, after the Administration launched an all out fight to set a subminimum wage for young workers. The Administration-backed measure would apply to 16 and 17 year olds and to students under 21. It would permit Macdonalds to pay their young workers 40¢ an hour less than the minimum wage—a savings of millions of dollars in wages.

PRICE COMMISSION RULING

The Price Commission has made a ruling specifically favorable to the Combined Insurance Company, a corporation headed by Nixon friend and financial angel W. Clement Stone. Chicago multimillionaire Stone has poured over $500,000 into the Nixon campaign and has promised to contribute much more.

SECTION III: SOURCES OF ADDITIONAL INFORMATION

This section presents major sources for further information about the various Nixon scandals. For further information you should check your local library and look at back copies of your local paper and, if available, the *Washington Post* and *New York Times*. After each scandal below some dates are listed in parentheses. These dates refer to the most likely times for newspaper stories about that scandal.

Nixon Scandals Generally:

"The Politics of Wealth and Health," a series of speeches in the Senate by Sens. Stevenson and Moss, *Congressional Record*, September 21, 1972, pages 31655–60.

"Justice—A New Vision," a speech by Sargent Shriver, September 27, 1972. Available from McGovern-Shriver Headquarters.

"Now, More Than Ever," one of a series of editorials in the *Washington Post* on the Administration's corruption, October 12, 1972, page A18.

The Watergate and related incidents (continuing story beginning June 17, 1972, highlighted by *Post* editorials and articles from October 1 onward.)

See newspapers for:

Republican Espionage (October 10–17).

Re-election Slush Fund (August 10–11).

Mexican Banks (June 24–25, August 22–23, September 13–14).

Andreas Bank Charter (August 25–26).

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"FBI Finds Nixon Aides Sabotaged Democrats," *Washington Post*, October 10, 1972, page 1.

Time magazine: July 3, page 10; July 24, page 28; August 14, page 21; August 28, page 20; September 4, page 19; September 11, page 18; September 18, page 18; September 25, page 21; October 23, page 23.

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"Of the Grain Trade, By the Grain Trade and For the Grain Trade," an analysis of the Soviet wheat deal by the Agribusiness Accountability Project, placed in the *Congressional Record*, October 6, 1972, page 34213.

"Unanswered Questions on Russian Wheat Sale," by Rep. John Melcher, *Congressional* Record, October 4, 1972, page 33788.

"United States-Soviet Grain Agreement," Sen. Lloyd Bentsen, *Congressional Record*, September 20, 1972, page 31441.

"The Wheat Sale Scandal," Sen. Frank Church, *Congressional Record*, September 20, 1972, page 31446.

"The Russian Wheat Deal," Sen. J. William Fulbright, *Congressional Record*, September 19, 1972, page 31168.

"Nixon Orders the FBI into the Grain Case: Other Angles That Need Probing," Rep. John Melcher, *Congressional Record*, September 20, 1972, page 31426.

"Sale of Wheat to the Soviet Union," Rep. Graham Purcell, *Congressional Record*, September 14, 1972, page 30801.

"Missouri Farmer Suffers From Secrecy in Grain Deal," Sen. Stuart Symington, *Congressional Record*, October 4, 1972, page 33606.

"Marketing Grain", Rep. Neal Smith, *Congressional Record*, September 21, 1972, page 31867.

"Farmers Union Grain Terminal Association", Rep. John Melcher, *Congressional Record*, September 21, 1972, page 31848.

"Tax Benefits for Grain Exporters", Sen. Harry Byrd, *Congressional Record*, September 25, 1972, page 32065.

Secret Soviet Trade Negotiations—Another Case of Ignoring the Congress and the People in Favor of a Chosen Few", Sen. Symington, *Congressional Record*, September 28, 1972, page 32645.

"American Grain Sales to the Soviet Union", Rep. Edward Roush, *Congressional Record*, September 5, 1972, page 29410.

Time magazine: August 21, page 63; October 2, page 25.

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ITT (February 29 through June 1):

Congressional Quarterly Weekly Report: March 11, 1972, page 522; March 18, 1972, page 575; May 13, 1972, page 1103.

Hearings on the nomination of Richard G. Kleindienst, Senate Judiciary Committee, March and April, 1972.

Jack Anderson's column, February 29, 1972, *Washington Post*.

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"The Flanigan Factor", speeches by Sen. Thomas Eagleton, *Congressional Record*, March 14, 1972, pages 8213, 8217–18.

Time magazine: May 8, page 24; September 18, page 19.

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Antitrust cases:

See Kleindienst Hearings (ITT), Stevenson speech (Nixon Scandals Generally).

Flanigan's Ships (March 9–10, 1970):

"The Future of Shipbuilding in Maryland," speech by Sen Joseph Tydings, *Congressional Record*, vol. 116, pt. 5, p. 6422.

"The 'Sansinena' Affair," speech by Sen. Joseph Tydings, *Congressional Record*, vol. 116, pt. 5, p. 6634.

Congressional Quarterly Weekly Report, March 13, 1970, page 764.

San Diego Prosecution Failure (March 19–20, 1972):

See Kleindienst Hearings (ITT).

Life magazine, March 24, 1972.

Kleindienst Bribe Offer (November 16–17, 1971):

See Kleindienst Hearings (ITT).

Congressional Quarterly Annual 1971, page 20.

Sharpstown Scandals (June 16, 1971, to October 20, 1971, especially October 15–16, 1971):

A series of speeches by Rep. Henry B. Gonzales in the *Congressional Record* between June 16 and October 20, chief of which were: September 8, 1971, page 30873; September 13, 6, 1971, page 35376; October 14, 1971, page 31811; September 15, 1971, page 32000; September 20, 1971, page 32427; September 21, 1972, page 19960; June 20, 1972, page 21546. 34581; October 4, 1971, page 34833; October 6, 1971, page 35376; October 14, 1971, page 36227; October 20, 1971, page 37111; June 7, 1972, page 19960; June 20, 1972, page 21546.

Milk Money (December 1, 1971, through January 24, 1972):

"GOP Money Men Expect to Raise $41 Million for Nixon Campaign," *National Journal*, May 27, 1972, page 882.

Carpet Contributions (October 5–6, 1972):

"Carpet Lobby Said to Pay GOP for Aid," *Washington Post*, October 5, 1972, page 1.

Nixon's Law Firm:

See Stevenson's speech (Nixon Scandals Generally).

YOUR WINDOW IN WASHINGTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DANIELS) is recognized for 30 minutes.

Mr. DANIELS of New Jersey. Mr. Speaker, every year I have provided my constituents with an annual "round-up" of legislative activity in the previous session of Congress in addition to regular newsletters during the year discussing pending issues. These newsletters called "Your Window on Washington" serve several purposes. They provide citizens with information they otherwise do not receive in the newspapers, magazines, television, or radio that do not cover in detail many of the serious issues before Congress. Through my newsletters my constituents are not only apprised of pending issues that affect them, but they obtain a better understanding of how their Congress and their House of Representatives actually works.

Your Window on Washington provides a regular contact between each citizen and his Federal Government. It lets each citizen know that there is an individual, a person to whom he or she can write for assistance, to protest, or to urge a position. No one can seriously argue today that such a contact is not needed.

In addition to his legislative role, a Member of Congress is a focal point of the entire Federal Government for his constituents. This "ombudsman role" of a Congressman recently came under attack by members of the staff of Ralph Nader in the recent book "Who Runs Congress?" The suggestion was made there that if Congress paid more attention to its oversight role over the executive branch agencies, it would not be necessary to spend time with constituent problems. I agree with the proposition that Congress ought to concentrate additional attention to its oversight role. But even in the best of circumstances, even if executive branch agencies did provide more personal attention to citizen requests, an ombudsman would still be required to deal with the vast Federal bureaucracy.

Furthermore, a Congressman serves a manageable number of people. In my own case, I answer between 50 and 75 people each day. I can keep track of these constituents and their problems. With the assistance of a small but efficient and close knit staff I am able to provide personal service to my constituents. Rather than being file numbers they are people to me, many of whose former problems I can recall each time they write. In 14 years, I can recall many people who I have helped, who I provided information, or on whose behalf I have rescued a case from a bureaucratic morass.

Members of Congress are uniquely situated to act as ombudsmen. They deal daily with the agencies concerning legislative problems as well as on behalf of their local municipalities. Thus they have already established contacts with executive branch agencies and understand how they operate. When a constituent has a problem a Member can generally cut through to where the problem lies and resolve it. In my own experience, agency personnel have appreciated my intervention. They realize that they make mistakes or that matters get sidetracked, and appreciate the fact that I can explain the problem to them in their own terms so they can repair the situation.

My newsletter, "Your Window in Washington," follows:

YOUR WINDOW IN WASHINGTON BY
MR. DANIELS OF NEW JERSEY

COMMERCE AND INDUSTRY

Maritime Authorization: subsidies for U.S. Cargo ship construction and operating expenses.

Cargo Safety Commission: on Security and Safety of Cargo.

COMMUNICATIONS

Public Broadcasting Act of 1972: Corporation for Public Broadcasting to promote the utilization and development of telecommunications facilities for educational programs.

CONSUMER AFFAIRS

Federal Meat Inspection Act: increase the amount the federal share toward state meat inspection programs.

Flammable Fabrics Act Amendments of 1971: increased enforcement by requiring manufacturer to certify that product offered for sale meets requirement of applicable standard or regulation based on a testing program.

Fair Credit Billing Act: protect consumers against careless and unfair billing practices.

Consumer Protection Act of 1971: establish within Executive Office of the President an Office of Consumer Affairs to report annually to the President and Congress on the office's activities in coordinating federal programs affecting consumers, assure that consumers' interests were observed in setting policy and operating programs, etc.

Title II—Consumer Protection Agency: establish an independent Consumer Protection Agency administrator appointed to represent consumers in formal proceedings conducted by other federal agencies and in certain court suits, etc.

Consumer Product Warranties: set minimum federal standards for warranties on consumer products.

EDUCATION

Education Amendments of 1971: establish a new program of direct federal assistance to colleges or vocational schools and to qualifying middle-income and other needy students. To provide emergency school aid for school desegregation; to postpone until all appeals have been ruled on, or the time for them had expired, the effective date of all federal district court orders requiring the transfer or transportation of students to achieve racial balance. To limit federal funds for busing intended to overcome racial imbalance or to desegregate a school system to instances when local officials requested federal funds for this use, and for other purposes.

Indian Education Act of 1971.

Vocational Rehabilitation Act Amendments of 1972 assist in the rehabilitation of mentally, physically and socially disabled persons.

FOREIGN AFFAIRS AND NATIONAL DEFENSE

National Week of Concern for Prisoners of War/Missing in Action: authorized the President to proclaim the week of March 21–27 as "National Week of Concern for Prisoners of War/Missing in Action."

Prisoners of War Resolution: to call for humane treatment of American servicemen held prisoner by North Vietnam and its allies and endorsing efforts to win their release.

Radio Free Europe and Radio Liberty Funding.

War Powers of Congress and the President: to require the President to submit a written explanation to Congress if he acted without prior congressional consent in committing U.S. Troops to combat, sending combat-equipped forces to foreign countries or significantly enlarging military forces already stationed abroad.

Treaty for the Suppression of Unlawful Seizure of Aircraft.

International Agreements Dealing with Oil Pollution.

Fishermen's Protective Act Amendment: reimbursement to commercial fishermen for fines incurred by unlawful seizure of U.S. flag vessels by other nations; establish revolving Fishermen's Protective Fund.

Military Selective Service Act Amendments.

Military Procurement Authorizations: authorize funds for defense procurement of weapons systems, research and development. To declare it to be U.S. Policy that all American troops would be withdrawn from Indochina at a date certain pending the release of U.S. prisoners.

War Powers of Congress and the President: to govern the use of Armed Forces by the President in the absence of a declaration of war and allow the President to repel attacks on the armed forces outside the U.S. or its territories but require prior congressional authorization for retaliatory attacks against the nation launching the assault.

GENERAL GOVERNMENT

Obscene Mail: to prohibit the sending of obscene material through the mail. Defined obscene matter which no longer could be mailed to minors under 17 years of age; provide mail patrons with a procedure to prevent delivery of "Potentially offensive sexual materials".

Federal Employees—Rate of Pay: provide an equitable system for fixing and adjusting the rates of pay for prevailing rate bluecollar employees of the Government.

Lowering the Voting Age to 18.

To Disapprove President's Alternate Pay Plan for Federal Employees—resolution would have allowed an estimated 5.5 percent pay raise to go into effect as scheduled on January 1 for federal civilian and military employees. President's plan opposed to raise.

Prohibition of Emergency Detention Camps: to provide that "no citizen shall be imprisoned or otherwise detained by the United States except pursuant to an act of Congress".

Equal Rights Amendment: "Equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex," effective if ratified by the legislatures of three-fourths of the states within 7 years.

Equal Employment Opportunities Enforcement Act.

Federal Constitutional Convention Procedures Act.

Federal Election Campaign Act of 1971: strengthened regulations on spending and reporting of campaign funds.

Protection of Privacy for Federal Employees: guard federal employees from questions about their race, religion and origins and personal habits. Limit the use of psychological and polygraph tests.

Federal Employees Health Benefits Program: increase federal contribution for the cost of health insurance premiums for government employees to 55 percent from 40 percent in 1972 and to provide an additional 5-percent increase each year through 1976, at which time the government contribution would reach 75 percent of the total cost, etc.

HEALTH AND HEALTH INSURANCE

Health Professions Education Assistance Amendments of 1971: grants for schools in the health professions and to encourage construction and expansion of enrollments and student loan and scholarship funds.

Conquest of Cancer Act.

Comprehensive Drug Abuse Prevention and Control Act of 1970 Amendment: increase from $1 million to $4 million in the authorization for the Commission on Marihuana and Drug Abuse.

Health Professions Student Loans and Scholarships Extension.

Medicare-Medicaid Amendment: improve the operating effectiveness.

Nurse Training Act of 1971: Extend federal programs to train nurses.

Drug Listing Act of 1971: require manufacturers and processors of drugs to submit to the Secretary of HEW a list of all drugs manufactured or processed for commercial distribution.

Black Lung Benefits: liberalize eligibility standards for benefits to coal miners and dependents stricken by black lung disease.

Drug Abuse Office and Treatment Act of 1972: provide for a coordinated federal attack on drug abuse.

Vocational Rehabilitation Act Amendments of 1972.

National Sickle Cell Anemia Prevention Act.

National Heart, Blood Vessel, Lung and Blood Act: to establish a 10-point program to be carried out by the Heart and Lung Institute at the National Institute of Health.

National Institute on Arthritis, Metabolism and Digestive Diseases.

Children's Dental Health Act of 1971.

LABOR

Railroad Retirement Annuity Increase: 10 percent increase in railroad retirement annuities retroactive to January 1, 1971.

Settlement of West Coast Dock Strike.

Fair Labor Standards Amendment 1971: two-step increase in the minimum wage to $2 for most non-agricultural workers and to $1.70 for farm workers by the end of 1973.

LAW ENFORCEMENT AND CRIMINAL PROCEDURES

Juvenile Delinquency Prevention and Control Act Extension.

Narcotic Addict Rehabilitation Act Amendments.

Narcotic Treatment Programs in Correctional Institutions.

Institute for Continuing Studies of Juvenile Justice.

MANPOWER TRAINING AND JOB OPPORTUNITY

Emergency Employment Act of 1971: to authorize $2.25 billion to provide public service jobs for the unemployed at the state and local level when the national unemployment rate rose to 4.5 percent or more for three consecutive months.

Manpower Development and Training Act Amendments: to extend Title II of the Manpower Development and Training Act of 1971 for one year.

MONETARY, BANKING, TAX AND FISCAL POLICIES

Wage-Price Controls and Extension of Interest Rate Provisions: extend the President's standby authority to implement wage, price and rent controls to June 1, 1971. To extend to June 1, 1971, authority to regulate the rate of interest paid by lending institutions on savings deposits.

Wage-Price Controls and Extension of Interest Rate Provisions: through April 30, 1972.

Revenue Act of 1971.

Interest Equalization Tax Extension Act of 1971.

Small Business Loan Ceiling Increase.

Assistance for U.S. Citizens Returned from Abroad.

Economic Stabilization Act: extension through April 30, 1972.

NATURAL RESOURCES AND CONSERVATION

Joint Committee on the Environment.

Wildlife Hunting From Aircraft-Prohibit.

Water Resources Planning Act.

National Environmental Data System.

Regulation of Public Exposure to Sonic Booms.

Protection of Wild Horses and Burros.

Federal Environmental Pesticide Control Act of 1971.

Toxic Substances Control Act of 1972.

Natural Gas Pipeline Safety Act Amendments.

Water Pollution Control Extension.

Marine Protection, Research and Sanctuaries Act of 1971.

Noise Control Act of 1972.

Coastal Zone Management Act.

Youth Conservation Corps.

Saline Water Conversion.

Marine Mammal Protection Act of 1971.

SOCIAL SECURITY AND PENSION PLANS

Social Security Amendments: to provide Social Security beneficiaries with a 5 percent increase in benefits effective June 1, 1972.

Social Security Benefits Increase: provide a 10 percent across-the-board increase in Old-Age, Survivors and Disability Insurance (OASDI) benefits, retroactive to January 1, 1971. To raise the minimum monthly payment to $70.40 from $64.00. Effective January 1, 1972.

Social Security Act—Amendments: pay death memorial expenses for an insured individual whose body was unavailable for burial and to require certain welfare recipients to register for work incentive programs.

TRANSPORTATION

Boat Safety Act: to improve recreational boating safety. To require manufacturers to build recreational boats in accordance with performance standards prescribed by the Department of Transportation, with the advice of the Coast Guard.

Maritime Authorization—1972.

Air Traffic Controller Career Programs: authorize new career training at government expense for air traffic controllers with at least five years' experience.

Ports and Waterways Safety Act of 1971: federal controls in marine areas to reduce the increasing frequency of vessel accidents and to avoid pollution of ports, waterways and adjoining shoreline; to authorize the Coast Guard to enforce marine safety and prevent water pollution.

Rail Passenger Corporation (Amtrak).

Airport and Airway Trust Fund: for airport development and airway facilities.

High Speed Ground Transportation: to authorize the Secretary of Transportation to coordinate high speed ground transportation research and development.

VETERANS AFFAIRS

Veterans Drug Treatment and Rehabilitation Act of 1971.

VA Medical School Assistance.

Veteran's Medical Act of 1971: extend hospital and medical care benefits to wives, widows and children of veterans who were either totally and permanently disabled from service-connected causes or who had died as a result of a service-connected disability. To provide for outpatient hospital treatment for veterans and to liberalize VA employee pay.

Uniformed Services Health Professions Revitalization Act of 1971.

Armed Forces Drug Treatment and Rehabilitation Program.

Veterans Hospitals: to limit the authority of the Veterans' Administration and the Office of Management and Budget with respect to the construction, acquisition, alteration, or closing of veteran's hospitals, and to prohibit the transfer of Veterans' Administration real property unless such transfer is first approved by the House Committee on Veterans' Affairs.

Veterans Education and Training Amendments of 1972: increase the monthly allowance for all types of education assistance for veterans and their dependents by approximately 14 percent. To raise the monthly allowances for on-the-job or apprentice trainees by about 48 percent and for other purposes.

WELFARE AND RELATED AREAS

Family Assistance.

Disaster Relief Act of 1971: to make areas suffering from severe unemployment or other economic hardship eligible for emergency federal aid.

Economic Opportunity Amendments, 1971.

Older Americans Act of 1965 Amendments: authorize grants to states to pay up to 90 percent of the cost of establishing nutrition program for the elderly.

Disaster Relief Act Amendments.

Headstart, Child Development and Family Services Act of 1972.

OTHER

National School Lunch Act Amendments.

Cabinet Committee on Opportunities for Spanish-Speaking People.

ACTION FOR SENIORS

The 92d Congress, which is completing its work as *"Your Window on Washington"* goes to press has made many contributions to benefit senior citizens.

Some of the more significant measures are:

A 32% increase in social security—The largest increase in any two year period since the program was established 35 years ago. President Nixon had originally opposed the increase which went into effect on October 1, 1972 as "inflationary" but later he changed his mind and signed the bill into law.

Nutrition for the elderly—This act provides machinery and money to provide a hot, nutritious meal daily, five days a week, to persons aged 60 and over. Meals will also be delivered to elderly persons who cannot leave their homes.

Daniels Emergency Employment Act—My employment measure which I steered through the House provides badly needed public service jobs to unemployed and underemployed elderly persons "who desire to remain in, enter, or re-enter the labor work force." I have always felt that healthy and vigorous seniors who wish to work should work and that every effort should be made to find work for seniors who want work.

Cost of Living Adjustment in Social Security Payments—Regular readers of this newsletter will recall that for many years I have been fighting for a cost of living adjustment in Social Security payments. As Chairman of the committee dealing with Federal Government retirees, I had written into the Daniels Civil Service Retirement bill just such a provision. I have been trying to persuade my colleagues to support a similar provision in the Social Security Law. This year I succeeded and the new law contains just such a cost-of-living escalator.

Beginning in 1975, whenever the cost of living rises by three percent or more there will be an automatic increase in benefits. I didn't like waiting until 1975 but had to accept this provision to get the increase through Congress as it was considered a "closed rule," a parliamentary device which means a Congressman can only vote "aye" or "nay" and cannot offer amendments.

National Institute on Aging—A new National Institute of Aging to be part of the National Institutes of Health will conduct research on the aging process and on the special health problems of older Americans. I have long supported increased action in this area and I am delighted with the increased attention given the special medical problems of older Americans.

STOL PORT

Many Hudson residents have protested the development of short-take-off-landing (STOL) facilities in our area. I have been in contact with the Department of Transportation and they seem to have pulled in their horns. I thought you might be interested in reading a letter I sent to Mrs. Helen Manogue, Coordinator of the Hudson Environmental Coalition back in April, 1972:

DEAR MRS. MANOGUE: This is in response to your recent letter in opposition to a STOL site in Hudson County. . . .

I agree with you that a STOL port facility in the middle of an urban area is ill-advised. I am not confident that it is either a safe means of getting people in and out of the community nor, for that matter, is it economical. It would be far more advisable to develop high speed rapid transit lines to and from central airports and thus eliminate the necessity for this particular automobile transportation on the expressways. Moreover, it would provide needed transportation for non-airport users, thus serving a double function with tremendous cost savings. In addition, existing rail facilities and rights-of-way in Hudson County could be utilized to and from the surrounding areas. . . .

Certainly residents of the community have little to gain from the facility, even in the way of jobs.

Although I have been following the matter for some time, I would like to thank you for bringing the matter once again to my attention. Incidentally, I would like to commend you and your colleagues in the Hudson Environmental Coalition for your good work in raising environmental questions. This is an extremely sensitive area and I am sure

that as problems are raised, we will learn to deal with them and solve them.

Please let me hear from you again.

Sincerely,

DOMINICK V. DANIELS,
Member of Congress.

OLDER AMERICANS

The present 92nd Congress will long be remembered as the Congress which acted to enrich the lives of the nation's older citizens. This Congress—along with the 74th Congress which passed Social Security under Franklin D. Roosevelt . . . and the 89th Congress which passed Medicare and the Older Americans Act under Lyndon B. Johnson—will be known as one of the three great Congresses in legislation for the elderly.

But the 92nd Congress is—in a significant way—different from the 74th and 89th Congresses. For the major legislation passed for America's older citizens during 1971–72 originated not in the White House, but on Capitol Hill. *Congress*, not the Administration, has taken the initiative for action in behalf of America's elderly.

Here are some of the landmark provisions this Congress is passing:

SOCIAL SECURITY INCREASES

Social Security payments were raised by 32 percent in just two years—the largest increases ever voted by a single Congress.

NUTRITION FOR THE ELDERLY

This Act authorizes the machinery and money to provide at least one hot, nutritious meal daily, five days a week, to people aged 60 and over. Meals will also be delivered to elderly persons who are home-bound.

COMPREHENSIVE SERVICES

Low-cost transportation.

Expanded employment and volunteer service opportunities, including strengthening the Retired Senior Volunteer Program and the Foster Grandparents Program.

Senior citizens community centers.

Pre-retirement training.

Health, education and other social services.

Improved system of delivering services to older citizens.

Strengthened role of the Administration on Aging in the Department of Health, Education, and Welfare.

Gerontological centers to study the variety of problems older persons face.

DANIELS' EMERGENCY EMPLOYMENT ACT

This law, which authorizes the Department of Labor to help provide jobs in needed public services to unemployed and underemployed persons, specifically includes "older persons who desire to remain in, enter, or re-enter the labor work-force."

NATIONAL INSTITUTE OF AGING

A new National Institute of Aging, to be a part of the National Institute of Health, will conduct research on the aging process and on the special health problems of older persons.

These five measures constitute more than rhetoric. They represent effective action.

The 92nd Congress, sometimes over Administration opposition, has made a commitment to the principle that our older citizens should be able to live their lives in comfort and dignity.

The historian, Arnold Toynbee, concluded that the quality and durability of a society were best measured by "the respect and care given its elderly citizens."

That respect and care are the inspiration of the legislation which the 92nd Congress has passed on behalf of older Americans.

TAX CREDIT LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 15 minutes.

Mr. BURKE. Mr. Speaker, because of the widespread interest in the tax credit legislation and the ending of this session I felt it would be well to explain the tentative action taken by the House Ways and Means Committee in relation to H.R. 17072. Had the bill been finally acted upon before the House Rules Committee terminated the acceptance by that committee of any further legislation, the report of the House Ways and Means Committee as the result of tentative favorable action would have been as follows:

TAX CREDITS TO PARENTS FOR TUITION PAID ELEMENTARY AND SECONDARY NONPUBLIC SCHOOLS (H.R. 17072)

I. SUMMARY

The purpose of the bill is to provide tax relief to low- and middle-income parents who bear increasingly severe financial costs of educating their children in nonpublic elementary and secondary schools. If this relief is not provided for these parents, it is probable that many of them will be forced to stop sending their children to nonpublic schools, substantially eliminating the benefits received from these schools, and increasing school costs for taxpayers generally.

The bill provides an individual income tax credit for tuition paid by parents (or certain other persons who support schoolchildren) for the elementary and secondary education of their children. The credit is 50 percent of tuition paid up to a maximum credit of $200 per year for each child. The total credit available is reduced by $1 for every additional $20 of the parents' total adjusted gross income over $18,000. To qualify for the credit, tuition must be paid to a school that meets specified standards, and the children must be full-time students as defined in the bill.

II. REASONS FOR THE BILL

Many low- and middle-income parents who now send their children to nonpublic schools bear a very heavy financial burden. The cost of this education has increased substantially in recent years, and it is expected that this increase will continue. At the same time, the cost of public schools also is rising substantially, and taxes keep increasing to meet these cost increases. As a result, nonpublic school parents must pay for the increased costs of both public and nonpublic schools, even though they relieve the public schools of the cost of educating their children. For many of these parents, this financial burden is becoming too great and this undoubtedly is an important factor in accounting for the declining enrollments of many nonpublic schools and in the closing of many of them. The school closings prevent those families that are able to pay from providing their children with nonpublic school education.

Nonpublic schools represent an integral part of our society. Nonpublic schools provide a diversity of choice, and also healthy competition for public education. They provide the means for a number of Americans to express themselves socially, ethnically and culturally through educational institutions, and they provide stability to urban neighborhoods by giving parents important reasons to stay in the cities. Through diversity and innovation in education, these schools stimulate other schools to higher quality. Finally, nonpublic schools relieve the public school system, and thus all taxpayers supporting public schools, of very substantial costs. It has been estimated that the costs to the taxpayers which would arise from the closing of nonpublic schools would be great.[1]

[1] The President's Commission on School Finance estimated that public school operating costs would increase from $1.3 billion to $3.2 billion, and capital costs from $4.7 to $10 billion. President's Commission on School Finance, "Schools, People and Money," p. 55 (1972).

A key to the diversity and competition of nonpublic schools is that they are sustained by the voluntary action of parents and others. Individual initiative has formed and maintained the unique quality of nonpublic schools, and it is important that this basis of support be maintained. As a result the bill provides that any Government assistance given should be in a form which reinforces these voluntary actions. Moreover, historically, the Federal Government has encouraged and assisted individuals who support education by relieving them of part of their Federal income tax. Since 1917, the Federal income tax laws have allowed taxpayers a deduction from taxable income for amounts given to nonprofit educational institutions.

Two commonly accepted methods for easing tax burdens are allowing a deduction for income subject to tax or allowing a deduction for the tax itself (that is, a tax credit). As noted above, the charitable contributions deduction encourages voluntary support of education. Recently, voluntary contributions to political campaigns have been encouraged with the alternatives of a credit or a deduction. The retirement income credit has been used to aid the elderly with relatively low incomes.

It was concluded that in the present situation the credit is the best solution. A credit against tax gives more assistance than a deduction to lower- and middle-income taxpayers who bear the greatest relative financial burden in sending their children to nonpublic schools. This is true because a deduction usually would be available only to those taxpayers who itemize their deductions and these generally are higher-income taxpayers. In addition, because of the progressive rate schedule, a deduction provides the greatest dollar benefit to higher income taxpayers, while a tax credit provides the same dollar benefit to all taxpayers.

It was also concluded that a credit for tuition best serves its purposes when it is a credit for only a proportion of the tuition paid. The 50-percent credit provided by this bill insures that the educational institution must rely on substantial voluntary support, since with a credit on this basis each parent must use his own funds to a substantial extent if he is to send his child to a nonpublic school. If the school does not meet an important need, parents will not spend their own funds for this purpose and the school must improve or close. Also, with the percentage credit, in many situations there will be pressure on the schools not to increase tuition any more than necessary since the parents may be unable to absorb the whole increase through the tax credit. Furthermore, in the case of parents who send their children to religiously affiliated schools, the 50-percent credit also ensures that government does not subsidize secretarian education, since secular education clearly is more than half of the education received in such schools. Finally, the percentage credit ensures that the credit will remain a tax benefit to the parent and not become a payment by the Government to the schools.

The bill limits the maximum credit for tuition to $200 per year per child, in order to minimize the assistance given to parents who send their children to high cost, private schools, the reduction of the credit where taxpayers have adjusted gross income over $18,000 limits still further the tuition assistance for higher income taxpayers. The greater financial burden on parents with several children in school is recognized in this limitation, however, by reducing the aggregate credit available to a taxpayer, rather than the credit per child.

The schools to which tuition is paid must be nonprofit, tax-exempt institutions (referred to in secs. 170(b)(1)(A)(ii) and 501(c)(3) of the code). This requirement follows existing law. For many years, the income tax laws have provided that for tax benefits to be available to schools (and their

contributors) these standards must be met. Moreover, by requiring the qualified nonpublic schools to meet these requirements of the tax law, no payment to a school that discriminates on the basis of race will qualify for the credit.

For the credit to be available, the school to which the tuition is paid must satisfy State compulsory education requirements. This means that the parents will receive the tax benefit only if the school they choose meets established and accepted standards of education quality and curriculum.

This provision has been carefully considered from the standpoint of the requirement of the First Amendment that Congress shall make no law respecting an establishment of religion. The issue arises, of course, because a substantial percentage of nonpublic school students attend religiously affiliated schools. Nevertheless, it is believed that the bill does not in any way violate this Amendment. This view is based on an analysis of the court cases dealing with this Amendment.

The Supreme Court has ruled that government assistance to parents for the education of their children is valid even though the children attend religiously affiliated schools and even though the schools may indirectly or collaterally benefit from this assistance (*Everson* v. *Board of Education*, 330 U.S. 1 (1947); *Board of Education* v. *Allen*, 392 U.S. 236 (1968)). Moreover, the Supreme Court has also ruled that governments may give tax relief to religious institutions in connection with the conduct of their religious activities. (*Walz* v. *Tax Commission*, 397 U.S. 664 (1970)). These decisions make it clear that the Government may give tax relief to parents who send their children to religiously affiliated schools, whether or not the relief may indirectly benefit the schools. Moreover, by limiting the credit to 50 percent, care has been taken in the bill to assist parents in paying for secular education, and not in paying for religious education.

Furthermore, since 1917, the tax laws have given relief through deductions to persons who support nonprofit educational institutions, whether or not these schools are religiously affiliated. This tax relief has never been questioned by the courts. The credit is only a variation of this established and accepted type of tax relief.

There appear to have been only two court decisions (both by lower courts) which have squarely addressed the question of the constitutionality of tax benefits to parents whose children attend nonpublic school. In both cases, the courts held that a tax benefit of this type was constitutional and did not violate the First Amendment to the U.S. Constitution.[2]

Even though it appears clear that the bill is constitutional, because of the questions which are likely to be raised, the bill provides for expedited court review of the constitutionality of the tax credit.

III. GENERAL EXPLANATION

As indicated above, it is important to relieve parents of some of the costs of providing secular education for their children in nonpublic schools. To provide relief, the bill (new sec. 42(a) of the code) allows an individual a credit against income tax for the tuition he pays to a private, nonprofit school for the elementary or secondary education of a full-time student who is a dependent of the individual.

Amount of Credit (sec. 42(b)(1))

The credit allowed under this provision for each dependent is to be 50 percent of the amount of the tuition paid during the taxable year for his education but in no case more than $200. To be eligible for the credit, the amounts must be paid for the elementary or secondary education of a dependent who is a full-time student for a school year. In addition, these amounts must be paid in a taxable year in which the dependent's school year begins or ends. Under the bill, to qualify as full time during a school year, an elementary or secondary student must be a student at one or more private, nonprofit elementary or secondary schools during each of 5 calendar months during the school year (sec. 42(c)(5)). The term "school year" is defined as a one-year period beginning July 1 and ending June 30 (sec. 42(c)(4)).

To limit the amount of the credit to $200 in any one school year, the bill provides that only $400 of tuition is to be taken into account with respect to any one school year. The operation of this provision may be illustrated by the following example. T, an individual who is a calendar year taxpayer paid $1,000 tuition for the nonpublic secondary education of his dependent son, B, in the school year beginning July 1, 1973, and ending June 30, 1974. T paid $500 of this total amount in September, 1973, and the remaining $500 in January, 1974. Since only $400 of tuition may be taken into account during any one school year, the maximum credit T is entitled to for B's school year 1973–74 is $200, even though T made payments in 2 different taxable years. Therefore, if T elects to take a $200 credit (as described below) for taxable year 1973, he cannot take a credit for taxable year 1974 with respect to the amount paid in January, 1974.

The credit is available only to a person who pays the tuition in question. Therefore, where a person is only a conduit, being reimbursed for tuition payment by grant or scholarship or similar gift, he is not entitled to a credit.

Reduction in Credit on Adjusted Gross Income Increases (sec. 42(b)(2))

To avoid giving unnecessary tax benefits to parents with adjusted gross incomes over $18,000, the bill provides for a reduction in the amount of the credit as the adjusted gross income of a taxpayer (and his spouse) increases. Marital status is to be determined under the rules provided in section 143 of the code. The amount of the tax credit is reduced by $1 for every $20 of adjusted gross income of a taxpayer (and his spouse) over $18,000. Under this provision, the aggregate credit available to a taxpayer is reduced, not the credit per child, thereby recognizing the fact that the more children a family has in nonpublic schools the more burdensome is the cost of education to his family. The following table illustrates the effect of this phaseout for various adjusted gross incomes over $18,000.

Adjusted gross income:	Reduction in credit
$18,000	0
19,000	$50
20,000	100
21,000	150
22,000[1]	200
26,000[2]	400
30,000[3]	600

[1] Level at which maximum tax credit is eliminated for 1 dependent.

[2] Level at which maximum tax credit is eliminated for 2 dependents.

[3] Level at which maximum tax credit is eliminated for 3 dependents.

Definition of Private, Nonprofit Elementary or Secondary Schools (sec. 42(c)(2))

To qualify under the bill as a private, nonprofit elementary or secondary school, a school must meet certain criteria. First, the school must be an educational institution (described in sec. 501(c)(3) and sec. 170(b)(1)(A)(ii) of the code) and also exempt from tax (under sec. 501(a)). No school can meet these tests unless it has a racially nondiscriminatory policy and also is "not part of a system of schools operated on a racially segregated basis as an alternative to white students seeking to avoid desegregated public schools."[3] It is intended that a school which is integrally a part of a church or other tax-exempt organization must meet these requirements to the same extent as a tax-exempt school that is organized or operated as a separate entity. It is expected that the Internal Revenue Service will apply the same policy regarding racial discrimination to all schools, whether or not separately organized or operated.

Second, the school must regularly offer education at the elementary or secondary level. Third, the school must satisfy the compulsory education laws of the State with respect to students attending the school who are subject to these laws. However, a student need not be subject to the compulsory education requirements in order for tuition expenses in his case to qualify for the credit (for example, he may be over age 16 in a State where compulsory school attendance is required only to age 16). However, for those students who are subject to compulsory education requirements, the school must satisfy the requirements in their case.

Definition of elementary and secondary education (sec. 42(c)(3))

Under the bill the term "elementary or secondary education" means education beginning at the first grade level and continuing through the 12th grade level. However, the term does not include kindergarten, nursery, or similar preschool training. It also does not include special courses or attendance at a Sunday school class or retreat or weekend or afternoon religious training, or other similar ancillary activities connected with a nonpublic school. As a consequence of the requirement that a student be full-time, tuition paid for dependents who attend only summer school in nonpublic schools will not qualify for the credit. In the case of special education for individuals who are mentally or physically handicapped, the credit is to be allowed to the extent this education serves as a substitute for elementary or secondary education.

Definition of tuition (sec. 42(c)(1))

It is recognized that administrative problems could arise if a credit were allowed for "fees" paid to an elementary or secondary school. Often, schools may not issue detailed receipts for minor amounts paid, and an audit of these claimed fees may lead to unnecessary disputes with the Internal Revenue Service. Moreover, in many cases similar fees are charged at public schools and no deductions are to be allowed in these cases.

As a result, the bill provides that tuition includes any amount required for the enrollment or attendance of a pupil in a private, nonprofit elementary or secondary school but does not include any amount paid directly or indirectly for meals, lodging, transportation, supplies, equipment, clothing, or other personal or family expenses. The treatment of tuition under the bill is not intended to have any bearing on whether tuition is a personal or family expense under any other section of the code. Items such as admission fees to attend extracurricular activities, such as sporting events, are intended to be excluded. Where the amount paid for tuition is not separately stated and includes an amount for any excluded item, the Secretary of the Treasury or his delegate is to prescribe regulations for the determination of that portion of the total amount which is attributable to tuition and that portion

[2] *Committee for Public Education and Religious Liberty* v. *Nyquist*.—F. Supp.—(No. 72 Civ. 2286) (S.D. N.Y., October 2, 1972), and *Minnesota Civil Liberties Union* v. *Minnesota* (Nos. 379526 and 380252) (Dist. Ct. 2d Judicial Dist., Ramsey Co., Minn., July 6, 1972).

[3] Rev. Pul. 71–447, 1971–2 C.B. 230; *Green* v. *Kennedy*, 309 F. Supp. 1127 (D.D.C. 1970); and *Green* v. *Connally*, 330 F. Supp. 1150 (D.D.C., 1970), aff'd, sub. nom. *Coit* v. *Green*, 404 U.S. 997 (1971).

which is attributable to those items for which a credit is not allowed.

Application of credit with other deductions (sec. 42 (e))

It is recognized that in some cases (in the absence of this provision) a payment might qualify for both the tuition credit and a deduction. For example, amounts which can qualify for the tuition credit may also qualify as medical expense deductions (sec. 213) or as child care deductions (sec. 214). To prevent a taxpayer from receiving a double benefit for these payments, the bill provides that any amount taken into account for purposes of the tuition credit is not to be taken into account in determining whether a taxpayer is entitled to a deduction. However, to provide the maximum benefit with respect to these payments, the bill provides for an election with respect to the tax credit. For example, a taxpayer pays $1,000 during a taxable year for the special schooling of a handicapped child and this amount would otherwise qualify both for the tuition credit and the medical expense deduction (sec. 213); if the taxpayer elects to take advantage of the credit $400 of this amount cannot be taken into account for the medical expense deduction, whether or not the credit is reduced because the taxpayer's adjusted gross income is over $18,000. It is intended that this election be reflected by whether the taxpayer claims an amount as a credit for tuition or as a deduction on his individual tax return. It also is intended that the taxpayer will be permitted to change this election at any time during the period for which the statute of limitations for his return remains open.

Application with other credits and regulatory authority (sec. 42 (d) and (f))

The bill provides that the credit for tuition is not to exceed the amount of an individual's tax liability in a taxable year reduced by the sum of most credits allowable under the individual income tax laws (allowable under subchapter A of the code). The tuition credit will not, however, be reduced by the credit for taxes withheld on wages (sec. 31) and the credit for certain uses of gasoline, special fuels and lubricating oil (sec. 39). However, the tuition credit may not offset an individual's tax liability for the minimum tax (sec. 56).

The bill provides that the Secretary of the Treasury or his delegate is to prescribe regulations necessary to carry out the provisions of this bill.

Examination of books and records (sec. 7605(d))

A provision was added to the bill to give assurance that there would be no unnecessary interference with the activities of a church or association of churches where a school is operated in conjunction with it. As a result, the bill provides that the books and records of a school operated in conjunction with a church may be examined by the Internal Revenue Service only to the extent necessary to determine that the school is an exempt educational institution, regularly offers education at the elementary or secondary level and satisfies any State compulsory education laws. In all other respects, the burden then is upon the taxpayer to prove that he is eligible for the tax credit. It is his responsibility, for example, to establish the amount paid and that this amount was paid for tuition, in the same manner as is provided under present law, in verifying charitable contribution deductions.

Judicial Review (sec. 2 of the bill)

Although it is believed that the provisions of this bill are valid legislation under the Constitution, in order to resolve any questions that may arise, it has provided for expeditious disposition of legal proceedings brought with respect to these provisions. Notwithstanding any other law or rule of law, proceedings to test the constitutionality of this provision may be commenced by any taxpayer of the United States in U.S. District Court for the District of Columbia within the 3-month period beginning on the date of enactment. Proceedings under this bill may, at the discretion of the court, be consolidated into a single proceeding.

A three-judge district court is to have jurisdiction over any case brought under this provision and is to hear the case at the earliest practicable date, without regard to whether the taxpayer who brought the action has exhausted any administrative or other remedies provided by law. Any appeal from decisions of the three-judge district court is to go directly to the Supreme Court. It is intended that this provision for expedited judicial review is to be an additional remedy, and that all remedies under present law remain available whether during or after the 3-month period.

Effective date (sec. 1(d) of the bill)

It was concluded that the credit should first be made available for amounts paid at the beginning of the usual school year, rather than the beginning of the calendar year. This will avoid the unequal treatment of parents who prepaid tuition before December 31 (and therefore would receive no benefit) and those who paid after December 31, and therefore would receive the maximum benefit. As a result, the bill provides that the tuition credit is to apply to amounts paid on or after August 1, 1973, and only for school periods beginning on or after this date.

Revenue effect

It is estimated that the bill will reduce Federal income tax liability annually by $362 million at estimated enrollment and tuition levels for school year 1972–73.

DR. GERALD M. EDELMAN—NOBEL PRIZE RECIPIENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 10 minutes.

Mr. ADDABBO. Mr. Speaker, the people of Queens County, N.Y. are very proud of Dr. Gerald M. Edelman who has won the 1972 Nobel prize for medicine. As the Representative of the Seventh District, New York and a resident of Ozone Park where Dr. Edelman went to high school, I am certainly privileged to present to my colleagues in the House the story of Dr. Edelman's brilliant and interesting career.

The October 14, 1972, edition of the Long Island Press contains an informative article on Dr. Edelman and his family which I am inserting in the CONGRESSIONAL RECORD at this point:

STRAIGHT ROAD TO NOBEL—ALREADY A WINNER AT LI HIGH SCHOOL

(By Jeff Forgoston)

The exceptional intellectual qualities which made Dr. Gerald M. Edelman the winner of the 1972 Nobel Prize for medicine were already evident to some people while he was growing up in Queens.

A molecular biologist at Rockefeller University in Manhattan, Dr. Edelman at 17 found himself graduating first in the class of 1946 at John Adams High School in Ozone Park.

His school record shows only one grade below 95—a 90. At graduation, he received the social studies award, mathematics award and physics award as well as honors in French and Latin. He was president of the biology club and the history club. And he played the violin in the school orchestra and was graded 100 per cent in music.

"In anything, he was tremendous," his father, Dr. Edward Edelman, said yesterday. "Whatever he did, he did it with his whole heart; his standards were very high."

In the past 13 years, the younger Dr. Edelman has worked "endless" hours, according to his wife, in his effort to help discover the chemical structure of antibodies, the blood proteins which play a key role in destroying bacteria and viruses in the body.

Dr. Edelman shared the $101,000 world-renowned Nobel Prize, announced Thursday, with Dr. Rodney R. Porter, a professor of biochemistry at Oxford University in Britain. The two men never collaborated directly, but as Edelman put it, their work "was complementary and made the puzzle go click."

Yet, as a teenager, Edelman once considered music rather than medicine as a career. "His first love was music," his father recalled. "I'm sure he could have been first violinist in any American or European symphony orchestra."

The Nobel winner, now 43, perhaps demonstrated the first real promise of his later talent as a research scientist in high school when he found a way to freeze living cells with ultra-violet light so that the cells would not die. "He took my microscope and won a Westinghouse prize," said Edelman's dad, a general practitioner in the same Cross Bay Boulevard location for 47 years.

The elder Dr. Edelman became aware of his son's precociousness at a very early age. He could remember how the youngster "was able to talk to people much older and hold his ground."

And, in the lower grades at Public School 63, Dr. Edelman said, "he would talk back to the teachers, not like a rebel, but to show he had a superior knowledge."

This assessment of the Nobel winner's early intellectual capabilities was verified by a high-ranking school official who knew Edelman, not in the classroom, but in the boy's home.

"He always got A in everything," said Mrs. Rose Schwab, superintendent of Local School District 27 in the Ozone Park area. A teacher when Edelman was in high school, she visited the Edelman home with her husband, who went to medical school with the elder Edelman.

Mrs. Schwab said the future scientist was "a rather quiet, studious boy, but very nice."

Today, Edelman's intense pursuit of research has given him something of a reputation at Rockefeller University for being reserved and perhaps lacking in a sense of humor. Some of his admirers said that his mind is nearly always preoccupied with his work and he has little time or patience for chit-chat.

His wife of 22 years, the former Maxine Morrison, said he comes home for dinner at their East Side home to visit with her and the three children, Eric, 15, David, 12, and Judith, 7. But he frequently returns to the laboratory, sometimes not getting home again until 3 a.m. And he also works on weekends.

"It's pretty much the same 12 months of the year," Mrs. Edelman said. "He never takes vacations because he gets too wound up in his work. He's always worked that way, even as a student.

After graduating from high school, Edelman earned a B.S. in chemistry from Ursinus College in Pennsylvania in 1950. His father said that "he didn't feel he fit" at Harvard University, although today his son is visiting professor there and at Cornell and Princeton Universities.

After Ursinus, Edelman received a degree in internal medicine from the University of Pennsylvania in 1954. He won his Ph. D. from Rockefeller in 1960 and was named a professor in 1966.

Interestingly enough, the elder Dr. Edelman credits his son's "intuitive brain" to his wife Anna, who died six years ago.

"The brain that he has is the gift of his mother," the old G.P. said. "I'm just an ordinary doctor, but he's really something because he's done something for humanity."

HEALTH MAINTENANCE ORGANIZATION ACT OF 1972

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. ROY) is recognized for 15 minutes.

Mr. ROY. Mr. Speaker, after many weeks of hard work and deliberation, the Subcommittee on Public Health and Environment reported, without dissent, the "Health Maintenance Organization Act of 1972" to the Interstate and Foreign Commerce Committee for consideration. As I am the original author of this bill, I was very pleased with the subcommittee's action and grateful for the cosponsorship of Subcommittee Chairman PAUL ROGERS and other members of the subcommittee. There was no opportunity for the full Commerce Committee to review the HMO bill during these busy last days of the 2d session of the 92d Congress.

Several months of research went into the original bill last year, and many additional months of hearings and discussions have preceded the final draft. Basically, this bill authorizes the Federal Government to assist in demonstration projects of up to 150 health maintenance organizations during the next 4 years through programs of grants, loans, loan guarantees, contracts, and through technical assistance.

Although the session is quickly drawing to a close, I would like to share with my colleagues the fruits of the subcommittee's work, H.R. 16782. I hope that this bill will be given careful consideration early in the 93d Congress.

H.R. 16782

A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Health Maintenance Organization Act of 1972".

PUBLIC HEALTH SERVICE ACT AMENDMENTS

SEC. 2. (a) The Public Health Service Act is amended by adding after title XI the following new title:

"TITLE XII—HEALTH MAINTENANCE ORGANIZATIONS

"DEFINITIONS

"SEC. 1201. For purposes of this title:

"(1) The term 'health maintenance organization' means a public or private entity organized to provide, directly or indirectly, basic and supplemental health services to its members in the following manner:

"(A) Each member is to be provided basic health services for a basic health services payment which (i) is to be paid on a periodic basis without regard to the dates health services (within the basic health services) are provided; (ii) is fixed without regard to the frequency, extent, or kind of health service (within the basic health services) actually furnished; (iii) is established under a community rating system, except that if the entity establishes to the Secretary's satisfaction that compliance with this clause would prevent it from competing effectively for the enrollment of new members or for the retention of current members, the Secretary may permit the entity to establish for the first year of its operation, rates for its basic health services payment without regard to this clause; and (iv) may be supplemented by such additional nominal payments which may be required for the provision of specific services (within the basic health services) and which are to be fixed in accordance with the regulations of the Secretary.

"(B) For such payment (hereinafter in this title referred to as 'supplemental health services payment') as the entity may require in addition to the basic health services payment, the entity shall provide to each of its members each health service (i) which is included in the definition of supplemental health services in paragraph (3), (ii) which can reasonably be made available to the members of the entity, and (iii) for the provision of which the member has contracted with the entity.

"(C) The services of health professionals which are provided as basic health services shall be provided through health professionals who are members of the staff of the entity or through a medical group (or groups) or individual practice association (or associations), except that this subparagraph shall not apply in the case of health professionals' services which are provided out of the area served by the entity or which the entity determines, in conformity with regulations of the Secretary, are infrequently used. For purposes of this subparagraph, the term 'health professionals' means physicians, dentists, podiatrists, optometrists, and such other individuals engaged in the delivery of health care as the Secretary may by regulation designate.

"(D) Basic health services (and supplemental health services in the case of the members who have contracted therefor) shall, within the area served by the entity, be available and accessible to each of its members promptly, as appropriate, and in a manner which assures continuity; and such services shall be provided to any member when he is outside such area, or he shall be reimbursed for his expenses in securing such services outside such area, if it is medically necessary that the services be rendered before he can return to such area.

"(2) The term 'basic health services' means—

"(A) physician services (including consultant and referral services by a physician) and services of a licensed dentist when such services legally may be performed by a doctor of medicine or osteopathy or a doctor of dentistry;

"(B) in-patient and out-patient hospital services;

"(C) diagnostic laboratory and diagnostic and therapeutic radiologic services;

"(D) home health services; and

"(E) preventive health services (including preventive dental care for children and children's eye examinations conducted to determine the need for vision correction).

"For purposes of this paragraph, the term 'hospital' has the same meaning as is prescribed for that term by section 645(c); and the term 'home health services' means health services provided at a member's home by health care personnel, as prescribed or directed by the responsible physician or other authority designated by the health maintenance organization.

"(3) The term 'supplemental health services' means—

"(A) services of facilities for long-term care (as such facilities are defined by section 645(h));

"(B) vision care not included under clause (A) or (E) of paragraph (2);

"(C) dental services not included under clause (A) or (E) of paragraph (2);

"(D) mental health services;

"(E) physical medicine and rehabilitative services (including physical therapy); and

"(F) prescription drugs.

"(4) The term 'member' when used in connection with a health maintenance organization means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with the organization under which the organization assumes the responsibility for the provision to such individual of basic health services and of such supplemental health services as may be contracted for.

"(5) The term 'medical group' means a partnership, association, or other group of persons who are licensed to practice medicine, osteopathy, dentistry, podiatry, optometry, or other health profession in a State and who (A) as their principal professional activity and as a group responsibility engage in the coordinated practice of their profession; (B) share medical and other records and substantial portions of major equipment and professional, technical, and administrative staff; (C) utilize such additional professional personnel, allied health professions personnel, and other health personnel (as specified in the regulations of the Secretary) as are available and appropriate for the effective and efficient delivery of the services of the members of the partnership, association, or other group; and (D) arrange for and encourage continuing education in the field of clinical medicine and related areas for the members of the partnership, association, or other group.

"(6) The term 'individual practice association' means a partnership, corporation, association, or other legal entity which has entered into an arrangement (or arrangements) with persons who are licensed to practice medicine, osteopathy, dentistry, podiatry, optometry, or other health profession in a State under which—

"(A) such persons will provide their professional services in accordance with a compensation arrangement established by the entity; and

"(B) to the extent feasible (i) such persons will utilize such additional professional personnel, allied health professions personnel, and other health personnel (as specified in regulations of the Secretary) as are available and appropriate for the effective and efficient delivery of the services of the persons who are parties to the arrangement, (ii) medical and other records, equipment, and professional, technical, and administrative staff are shared by such persons, and (iii) their continuing education is arranged for and encouraged.

"(7) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land, and (B) equipping new buildings and existing buildings, whether or not constructed, acquired, expanded, remodeled, or altered with assistance under this title.

"(8) The term 'section 314(a) State health planning agency' means the agency of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) (hereinafter in this title referred to as a 'section 314(a) plan'); and the term 'section 314(b) area-wide health planning agency' means a public or nonprofit private agency or organization which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) (hereinafter in this title referred to as a 'section 314(b) plan').

"(9) The term 'medically underserved

area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments (if any) of (A) each section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, and (B) each section 314(b) area-wide health planning agency whose section 314(b) plan covers (in whole or in part) such area.

"(10) The term 'community rating system' means a system of establishing rates of basic health service payments. Under such a system rates for basic health service payments may be determined on a per-person or per-family basis and may vary with the number of persons in a family, but, except as otherwise authorized in the next sentence, such rates must be equivalent for all individuals and for all families of similar composition. The following differentials in rates of basic health service payments may be established under such system:

"(A) Nominal differentials in such rates may be established to reflect the different administrative costs of collecting basic health service payments from the following categories of members:

"(i) Individuals (including families).

"(ii) Small groups of members (as determined under regulations of the Secretary).

"(iii) Large groups of members (as determined under regulations of the Secretary).

"(B) Differentials in such rates may be established for members enrolled in a health maintenance organization pursuant to a contract with a governmental authority under section 1079 or 1086 of title 10, United States Code, or under any other governmental program other than (i) the health benefits program authorized by chapter 89 of title 5, United States Code, or any health benefits program for employees of States, political subdivision of States, and other public entities, or (ii) the program of grants and contracts authorized by sections 1206 and 1207 of this title.

"GRANTS AND CONTRACTS FOR FEASIBILITY SURVEYS

"SEC. 1202. (a) The Secretary may (1) make grants to and enter into contracts with public or nonprofit private entities for projects for surveys or other activities to determine the feasibility of developing or expanding health maintenance organizations, and (2) enter into contracts with private entities for projects for surveys or other activities to determine the feasibility of developing or expanding health maintenance organizations which will serve residents of medically underserved areas.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, and submitted in such manner, as the Secretary shall by regulation prescribe, and shall contain—

"(1) assurances satisfactory to the Secretary that, in conducting surveys or other activities with assistance under a grant under this section, the applicant will (A) cooperate with the section 314(b) area-wide health planning agency (if any) whose section 314 (b) plan covers (in whole or in part) the area for which the survey or other activity will be conducted, and (B) consult with the medical society serving such area; and

"(2) such other information as the Secretary may by regulation prescribe.

Each contract entered into under subsection (a)(2) of this section shall require the cooperation and consultation described in paragraph (1) of this subsection.

"(c) In considering applications for grants and contract proposals under this section, the Secretary shall give priority to applications and contract proposals for projects for health maintenance organizations which will serve residents of medically underserved areas.

"(d)(1) Except as provided in paragraph (2), the following limitations apply with respect to grants and contracts made under this section:

"(A) If a project has been assisted with a grant or contract under subsection (a), the Secretary may not make any other grant or enter into any other contract for such project.

"(B) Any project for which a grant is made or contract entered into must be completed within twelve months from the date the grant is made or contract entered into.

"(2) The Secretary may make not more than one additional grant or enter into not more than one additional contract for a project for which a grant has previously been made or a contract previously entered into, and he may permit additional time (up to twelve months) for completion of the project if he determines that the additional grant or contract (as the case may be), or additional time, or both, is needed to adequately complete the project.

"(e) The amount to be paid by the United States under a grant made, or contract entered into, under subsection (a) shall be determined by the Secretary, except that (1) the amount to be paid by the United States under any single grant or contract for any project may not exceed $50,000, and (2) the aggregate of the amounts to be paid by the United States for any project under such subsection under grants or contracts, or both, may not exceed the greater of (A) 90 per centum of the cost of such project (as determined under regulations of the Secretary), or (B) in the case of a project for a health maintenance organization which will serve residents of a medically underserved area, such greater percentage (up to 100 per centum) of such cost as the Secretary may prescribe if he determines that the ceiling on the grants and contracts for such project should be determined by such greater percentage.

"(f) Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(g) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(h) For the purpose of making payments pursuant to grants and contracts under this section, there is authorized to be appropriated $6,000,000 for the fiscal year ending June 30, 1973, and $1,500,000 for the fiscal year ending June 30, 1974. No funds appropriated under any other provision of this Act may be used to make payments under a grant or contract under this section.

"GRANTS, CONTRACTS, LOANS, AND LOAN GUARANTEES FOR PLANNING AND FOR INITIAL DEVELOPMENT COSTS

"SEC. 1203. (a) The Secretary may—

"(1) make grants to and enter into contracts with public or nonprofit private entities, and make loans to public entities, for planning projects for the establishment of health maintenance organizations or for significant expansion of the membership of, or area served by, health maintenance organizations;

"(2) guarantee to non-Federal lenders payment of the principal of and the interest on loans made to any private entity (other than a nonprofit private entity) for such a planning project; and

"(3) enter into contracts with private entities for planning projects for the establishment or expansion of health maintenance organizations for the purpose of serving residents of medically underserved areas.

"(b) The Secretary may—

"(1) make grants to and enter into contracts with public or nonprofit private entities, and make loans to public entities, for projects for the initial development of health maintenance organizations;

"(2) guarantee to non-Federal lenders payment of the principal of and the interest on loans made to any private entity (other than a nonprofit private entity) for such a project; and

"(3) enter into contracts with private entities for projects for the initial development of health maintenance organizations which will serve residents of medically underserved areas.

For purposes of this section, the term 'initial development' when used to describe a project for which assistance is authorized by this subsection includes significant expansion of the membership of, or the area served by, a health maintenance organization.

"(c)(1) No grant, loan, or loan guarantee may be made under subsection (a) or (b) of this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, and submitted in such manner, as the Secretary shall by regulation prescribe, and shall contain such information as the Secretary may by regulation prescribe; except that an application for a grant, loan, or loan guarantee under subsection (a) for a planning project shall contain assurances satisfactory to the Secretary that in carrying out the planning project for which the grant, loan, or loan guarantee is sought, the applicant will (A) cooperate with the section 314(b) area-wide health planning agency (if any) whose section 314(b) plan covers (in whole or in part) the area proposed to be served by the health maintenance organization for which the planning project will be conducted, and (B) consult with the medical society serving such area. Each contract entered into under subsection (a) of this section shall require the cooperation and consultation described in the preceding sentence of this paragraph.

"(2) If the Secretary makes a grant, loan, or loan guarantee or enters into a contract under subsection (a) for a planning project for a health maintenance organization, he may, within the period in which the planning project must be completed, make a grant, loan, or loan guarantee or enter into a contract under subsection (b) for the initial development of that health maintenance organization; but no grant, loan, or loan guarantee may be made or contract entered into under subsection (b) for initial development of a health maintenance organization unless the Secretary determines that (A) sufficient planning for its establishment or expansion (as the case may be) has been conducted by the applicant for the grant, loan, or loan guarantee, or by the person with whom such contract would be entered into, as the case may be, and (B) the feasibility of establishing and operating, or of expanding, the health maintenance organization has been established by the applicant or such person, as the case may be.

"(d) In considering applications for grants and contract proposals under subsections (a) and (b), the Secretary shall give priority to applications and contract proposals for projects for health maintenance organizations which will serve residents of medically underserved areas.

"(e)(1) Except as provided in paragraph (2), the following limitations apply with respect to grants, loans, loan guarantees, and contracts made under subsection (a) of this section:

"(A) If a planning project has been assisted with a grant, loan, loan guarantee, or contract under subsection (a), the Secretary may not make any other grant, loan, or loan guarantee or enter into any other contract for such project.

"(B) Any project for which a grant, loan, or loan guarantee is made or contract entered into must be completed within twelve

months from the date the grant, loan, or loan guarantee is made or contract entered into.

"(2) The Secretary may make not more than one additional grant, loan, or loan guarantee or enter into not more than one additional contract for a planning project for which a grant, loan, or loan guarantee has previously been made or a contract additional entered into, and he may permit additional time (up to twelve months) for completion of the project if he determines that the additional grant, loan, loan guarantee, or contract (as the case may be), or additional time, or both, is needed to adequately complete the project.

"(f)(1) The amount to be paid by the United States under a grant made, or contract entered into, under subsection (a) for a planning project, and (except as provided in paragraph (3) of this subsection) the amount of principal of a loan for a planning project made or guaranteed under such subsection, shall be determined by the Secretary, except that (A) the amount to be paid by the United States under any single grant or contract, and the amount of principal of any single loan made or guaranteed under such subsection, may not exceed $125,000, and (B) the aggregate of the amounts to be paid for any project by the United States under any grants or contracts, or both, under such subsection when added to the amount of principal of any loans made or guaranteed under such subsection for such project may not exceed the greater of (i) 90 per centum of the cost of such project (as determined under regulations of the Secretary), or (ii) in the case of a project for a health maintenance organization which will serve residents of a medically underserved area, such greater percentage (up to 100 per centum) of such cost as the Secretary may prescribe if he determines that the ceiling on the grants, loans, contracts, and loan guarantees (or any combination thereof) for such project should be determined by such greater percentage.

"(2) The amount to be paid by the United States under a grant made, or contract entered into, under subsection (b) for an initial development project, and (except as provided in paragraph (3) of this subsection) the amount of principal of a loan for an initial development project made or guaranteed under such subsection, shall be determined by the Secretary; except that the amounts to be paid by the United States for any initial development project for a health maintenance organization under any grants or contracts, or both, under such subsection when added to the amount of principal of any loans made or guaranteed under such subsection for such project may not exceed the lesser of—

"(A) $1,000,000 or the product of $25 and the number of members that the health maintenance organization will have (as determined under regulations of the Secretary) when it first becomes operational after its establishment or expansion, whichever is the greater; or

"(B) an amount equal to the greater of (i) 90 per centum of the cost of such project (as determined under regulations of the Secretary), or (ii) in the case of a project for a health maintenance organization which will serve residents of a medically underserved area, such greater percentage (up to 100 per centum) of such cost as the Secretary may prescribe if he determines that the ceiling on the grants, loans, contracts, and loan guarantees (or any combination thereof) for such project should be determined by such greater percentage.

"(3) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this section may not exceed such limitations as may be specified in appropriation Acts.

"(4) Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(g) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(h)(1) For the purpose of making payments pursuant to grants and contracts under subsection (a), there is authorized to be appropriated $19,000,000 for the fiscal year ending June 30, 1973, and $5,400,000 for the fiscal year ending June 30, 1974. No funds appropriated under any other provision of this Act may be used to make payments under a grant or contract under subsection (a).

"(2) For the purpose of making payments pursuant to grants and contracts under subsection (b), there is authorized to be appropriated $93,000,000 in the aggregate for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975. Of the sum authorized to be appropriated by the preceding sentence, not more than $45,000,000 may be appropriated for the fiscal year ending June 30, 1973. Sums appropriated under this paragraph for the fiscal year ending June 30, 1973, or for the next fiscal year shall remain available for obligation through the close of the fiscal year next following the fiscal year for which the appropriation was made. No funds appropriated under any other provision of this Act may be used to make payments under a grant or contract under subsection (b).

"(3)(A) For the purpose of making loans under subsection (a), there is authorized to be appropriated to the fund established under section 1212(e) $1,000,000 in the aggregate for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975. No funds appropriated under any other provision of this Act (except section 1212(e)) may be used to make a loan under subsection (a).

"(B) For the purpose of making loans under subsection (b), there is authorized to be appropriated to the fund established under section 1212(e) $3,000,000 in the aggregate for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975. No funds appropriated under any other provision of this Act (except section 1212(e)) may be used to make a loan under subsection (b).

"LOAN AND LOAN GUARANTEES FOR INITIAL OPERATION COSTS

"SEC. 1204. (a) The Secretary may—

"(1) make loans to public or nonprofit private health maintenance organizations to assist them in meeting the costs of the first thirty-six months of their operation;

"(2) make loans to public or nonprofit private health maintenance organizations to assist them in meeting the costs of their operation which the Secretary determines are attributable to significant expansion in their membership or area served and which are incurred during the first thirty-six months of operation after such expansion; and

"(3) guarantee to non-Federal lenders payment of the principal of and the interest on loans made to any private health maintenance organization for the costs referred to in paragraph (1) or (2),

"(b)(1) No loan or loan guarantee may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(2) In the fiscal year ending June 30, 1973, the Secretary may make loans and loan guarantees under this section for the operation of not more than 40 health maintenance organizations; in the fiscal year ending June 30, 1974, he may make such loans and loan guarantees for not more than a number of health maintenance organizations which when added to the number assisted under this section in the preceding fiscal year does not exceed 90; and in the fiscal year ending June 30, 1975, he may make such loans and loan guarantees for not more than a number of health maintenance organizations which when added to the number assisted under this section in the two preceding fiscal years does not exceed 150.

"(c)(1) Except as provided in paragraph (2), the principal amount of any loan made or guaranteed under this section in any fiscal year for the operation of a health maintenance organization may not exceed $1,000,000 and the aggregate amount of principal of loans made or guaranteed, or both, under this section for the operation of any health maintenance organization may not exceed $2,500,000.

"(2) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this section may not exceed such limitations as may be specified in appropriation Acts.

"(d) For the purpose of making loans under this section, there is authorized to be appropriated to the fund established under section 1212(e) $50,000,000 in the aggregate for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975. No funds appropriated under any other provision of this Act (except section 1212(e)) may be used to make a loan under this section.

"LOANS AND LOAN GUARANTEES FOR CONSTRUCTION PROJECTS

"SEC. 1205. (a) To assist in meeting the costs of construction projects for outpatient facilities and hospitals for health maintenance organizations, the Secretary may—

"(1) make loans for such construction projects to public or nonprofit private entities carrying out projects under assistance provided under section 1203(b) for the initial development or expansion of health maintenance organizations,

"(2) make loans for such construction projects to public or nonprofit private health maintenance organizations for which assistance was provided under section 1203(b) or 1204,

"(3) guarantee to non-Federal lenders payment of the principal of and interest on loans made for such construction projects to any private entity carrying out a project under assistance provided under section 1203(b) for the initial development or expansion of a health maintenance organization, and

"(4) guarantee to non-Federal lenders payment of the principal of and interest on loans made for such construction projects to any private health maintenance organization for which assistance was provided under section 1203(b) or 1204.

For purposes of this section, the terms 'hospital' and 'out-patient facility' have the same meaning as is given those terms by paragraphs (c) and (f) of section 645, respectively.

"(b)(1) No loan or loan guarantee may be made under this section unless an application therefor has been submitted to the Secretary before July 1, 1975, and approved by him. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe. In considering applications for loans under this section, the Secretary shall give priority to applications for projects for health maintenance organizations which will serve residents of medically underserved areas.

"(2) No application submitted under this section may be approved for a project unless such application contains reasonable assurances that all laborers and mechanics employed by contractors or subcontractors on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a–276a–5, known

as the Davis-Bacon Act). The Secretary of Labor shall have with respect to the labor standards referred to in the preceding sentence the authority and functions set forth in Reorganization Plan Number 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(c) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this section may not exceed such limitations as may be specified in appropriation Acts.

"(d) For the purpose of making loans under this section, there is authorized to be appropriated to the fund established under section 1212(e) $30,000,000 in the aggregate for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975. No funds appropriated under any other provision of this Act (except section 1212(e)) may be used to make a loan under this section.

"DEMONSTRATION GRANTS AND CONTRACTS FOR ENROLLMENT OF THE INDIGENT

"SEC. 1206. (a)(1) For the purpose of demonstrating the feasibility of expanding the membership of health maintenance organizations to include persons in the areas they serve or could serve who are unable to pay all or a part of the basic health services payment required by the organizations, the Secretary may make grants to, and enter into contracts with, health maintenance organizations. The total number of health maintenance organizations which may receive funds under grants and contracts under this section may not exceed sixteen and of that number not more than eight may be health maintenance organizations which serve primarily residents of urban areas and not more than eight may be health maintenance organizations which serve primarily residents of rural areas.

"(2) A grant or contract under this section shall be used by a health maintenance organization to provide membership—

"(A) for such period (not in excess of thirty-six months and ending before July 1, 1977) as the Secretary shall prescribe, and

"(B) without charge or at a reduced rate, to persons who reside in the area served, or in the area which can be served with a grant or contract under this section, to pay all or a part of the basic health services payment required by the organization.

"(3) No grant may be made or contract entered into under this section for a fiscal year ending after June 30, 1975, for a health maintenance organization which did not receive a grant or contract under this section for the fiscal year ending on that date.

"(b)(1) No grant or contract may be made under this section to a health maintenance organization unless—

"(A) it received or is receiving a grant, contract, loan, or loan guarantee under section 1204 or 1205 or a grant, loan, contract, or loan guarantee was made under section 1202 or 1203 for a project respecting its development, establishment, or expansion; and

"(B) an application has been submitted to, and approved by, the Secretary.

"(2) An application for a grant or contract under this section shall be in such form, and submitted in such manner, as the Secretary shall by regulation prescribe and shall contain—

"(A) an estimate of the number of persons who reside in the area served by the health maintenance organization and in any other area which can be served by the organization with a grant or contract under this section and who are unable to pay all or a part of the basic health services payment of the organization;

"(B) an estimate of the number of such persons who, with a grant or contract under this section, may be provided membership in the health maintenance organization;

"(C) reasonable assurances satisfactory to the Secretary that the health maintenance organization (i) has a contractual or other arrangement with the agency of each State in which it provides services which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act under which arrangement all or a part of the basic health services payment required by the health maintenance organization is paid for its members who are eligible for medical assistance under such a State plan, or has made every reasonable effort to enter into such an arrangement; and (ii) has made and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in provding basic and supplemental health services to its members who are entitled to insurance benefits under title XVIII of such Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or public or private health insurance program; and

"(D) such other information as the Secretary may by regulation require.

"(c)(1) The amount of any grant or contract under this section shall be determined by the Secretary; except that no grant or contract to any health maintenance organization for any fiscal year may exceed 50 per centum of the income (including basic and supplemental health services payments from its members and prepayments and reimbursements from public and private entities) received by or accruing to the health maintenance organization in such fiscal year from and on behalf of its members (other than its members enrolled with a grant or contract made under this section) for the basic and supplemental health services provided to them in such fiscal year.

"(2) Payments under grants and contracts under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(3) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(d)(1) In order to assure that a health maintenance organization which receives a grant or contract under this section does not retain revenues in excess of its expenses with respect to the persons who are enrolled with the organization under such grant or contract at a rate greater than the rate at which it retains revenues in excess of its expenses with respect to its other members, the Secretary shall require, at such time following the expiration of each accounting period of the health maintenance organization which falls within the period for which a grant or contract is made under this section as he may prescribe, that—

"(A) such organization report to him in a certified public statement (in such form and in such detail as he may prescribe) the the amount retained (as defined in paragraph (2) of this subsection) and the rate of retention (as defined in such paragraph) for the preceding accounting period with respect to (i) persons enrolled with such organization under such grant or contract, considered as a group, and (ii) all other persons enrolled with such organization, considered as a group;

"(B) an audit (meeting requirements prescribed by the Secretary) be conducted with respect to any such organization which has a rate of retention with respect to persons enrolled under a grant or contract made under this section which is in excess of 90 per centum of such organization's rate of retention with respect to all other persons enrolled with such organization; and

"(C) such part of the amount retained by any health maintenance organization with respect to persons enrolled under a grant or contract made under this section which is attributable to an excessive rate of retention (as defined in paragraph (2) of this subsection) shall be repaid to the Secretary by such organization.

"(2) For purposes of this subsection—

"(A) the term 'amount retained' means the difference between (i) the revenues (irrespective of the source of such revenues) of the health maintenance organization (for any accounting period as defined in regulations) with respect to any group of persons who are enrolled with such organization and (ii) the expenses of such organization (for such accounting period) with respect to such group of persons;

"(B) the term 'rate of retention' means the ratio of such amount retained to such revenues, expressed as a percentage; and

"(C) the term 'excessive rate of retention' means any rate of retention with respect to persons enrolled under a grant or contract under this section which is greater than a reasonable rate of retention as determined in accordance with regulations, taking into account the rate of retention experienced by comparable organizations with respect to other persons enrolled with such comparable organizations.

"(e) For the purpose of making payments under grants and contracts under this section, there is authorized to be appropriated $2,500,000 for the fiscal year ending June 30, 1973, $9,500,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, $24,000,000 for the fiscal year ending June 30, 1976, and $15,000,000 for the fiscal year ending June 30, 1977. No funds appropriated under any other provision of this Act may be used to make payments under a grant or contract under this section.

"DEMONSTRATION GRANTS AND CONTRACTS FOR SERVICE IN RURAL MEDICALLY UNDERSERVED AREAS AND FOR ENROLLMENT OF HIGH RISK INDIVIDUALS

"SEC. 1207. (a) For the purpose of demonstrating the feasibility of establishing health maintenance organizations in rural medically underserved areas, the Secretary may make grants to, and enter into contracts with, health maintenance organizations in such areas. The total number of health maintenance organizations which may receive funds under grants and contracts under this section may not exceed twenty. A grant or contract under this subsection to a health maintenance organization—

"(1) shall be in such amount (but not to exceed $100,000) as the Secretary determines is necessary to cover the additional costs of the health maintenance organization's operation (including any cost respecting the establishing and operation of transportation and communications systems) which he determines are attributable to its operation in a rural medically underserved area; and

"(2) shall be for such costs for such period (not in excess of thirty-six months and ending before July 1, 1977) as the Secretary shall prescribe.

No grant may be made or contract entered into under this subsection for a fiscal year ending after June 30, 1975, for a health maintenance organization which did not receive a grant or contract under this subsection for the fiscal year ending on that date.

"(b) For the purpose of demonstrating the feasibility of expanding the membership of health maintenance organizations to include individuals who, because of their physical condition or medical history, are unable to purchase health insurance at reasonable rates, the Secretary may make grants to, and enter into contracts with, health maintenance organizations which provide membership to such individuals. The total number of health maintenance organizations which may receive funds under grants and contracts under this section may not exceed eight. A grant or contract under this sub-

section to a health maintenance organization shall be in such amount as the Secretary determines is necessary to cover the difference between the income of the health maintenance organization from the basic health service payment of such individuals (and from any other payments (other than under a grant or contract made under this subsection) to the health maintenance organization made by such individuals or on their behalf) for such period (not in excess of thirty-six months and ending before July 1, 1977) as the Secretary shall prescribe and its expenses in providing basic health services to such individuals during such period. No grant may be made or contract entered into under this subsection for a fiscal year ending after June 30, 1975, for a health maintenance organization which did not receive a grant or contract under this subsection for the fiscal year ending on that date.

"(c)(1) No grant or contract may be made under this section to a health maintenance organization unless—

"(A) it received or is receiving a grant, contract loan, or loan guarantee under section 1204 or 1205 or a grant, loan, contract, or loan guarantee was made under section 1202 or 1203 for a project related to its development, establishment, or expansion; and

"(B) an application has been submitted to, and approved by, the Secretary.

"(2) An application for a grant or contract under this section shall be in such form, submitted in such manner, and shall contain such information, as the Secretary shall by regulation prescribe.

"(3) Payments under grants and contracts under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(4) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(d)(1) For the purpose of making payment pursuant to grants and contracts under subsection (a), there is authorized to be appropriated $200,000 for the fiscal year ending June 30, 1973, $1,000,000 for the fiscal year ending June 30, 1974, $1,500,000 for the fiscal year ending June 30, 1975, $1,300,000 for the fiscal year ending June 30, 1976, and $500,000 for the fiscal year ending June 30, 1977. No funds appropriated under any other provision of this Act may be used to make payments under grants or contracts under subsection (a).

"(2) For the purpose of making payments pursuant to grants and contracts under subsection (b), there is authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1973, $2,000,000 for the fiscal year ending June 30, 1974, $4,000,000 for the fiscal year ending June 30, 1975, $3,000,000 for the fiscal year ending June 30, 1976, and $2,000,000 for the fiscal year ending June 30, 1977. No funds appropriated under any other provision of this Act may be used to make payments under grants or contracts under subsection (b).

"SPECIAL PROJECT GRANTS AND CONTRACTS

"SEC. 1208. (a) The Secretary may make grants to, or enter into contracts with, health maintenance organizations, for which a grant, contract, loan, or loan guarantee was made under section 1202, 1203, or 1204, to assist them in meeting the costs of special projects to—

"(1) develop, operate, and evaluate programs which (A) substantially involve present health professionals in new roles and relationships, or (B) encourage new roles, types, or levels of health personnel;

"(2) develop and institute new and improved health information systems which shall include (A) uniform systems for recording and retrieving diagnostic and therapeutic data, or (B) the transmitting of such data within and between such organizations for the purpose of effective and efficient patient care;

"(3) develop and institute new and improved systems for transporting patients receiving health care services;

"(4) effect significant improvements in programs of health education for the organization members;

"(5) develop and institute innovative programs to educate members with ongoing decisionmaking responsibilities in health maintenance organization management and operation;

"(6) develop, institute, operate, and evaluate programs to periodically screen and assess the level of health of persons obtaining health care from such organizations;

"(7) develop, institute, and evaluate innovative programs of initial medical screening of persons seeking health care; and

"(8) develop and institute methods to assure appropriate levels of care for the convalescent, chronically ill, and aged through predischarge planning, home care, and periodic member evaluations.

"(b)(1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(2) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(c) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5).

"(d) For the purpose of making payments pursuant to grants and contracts under this section, there is authorized to be appropriated $3,000,000 for the fiscal year ending June 30, 1973, $4,500,000 for the fiscal year ending June 30, 1974, and $6,000,000 for the fiscal year ending June 30, 1975. No funds appropriated under any other provision of this Act may be used to make payments under grants or contracts under this section.

"GRANTS FOR HEALTH MAINTENANCE ORGANIZATION MANAGEMENT TRAINING

"SEC. 1209. (a) The Secretary may make grants to public and nonprofit private educational entities wtih approved professional training programs in the management and administration of health maintenance organizations to assist them in meeting the costs of providing training under such programs and of providing fellowships and traineeships for such training. No such program of an educational entity may be approved unless the educational entity has a contractual maintenance organization under which the organization will provide practical training to the fellows and trainees enrolled in such program.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe. The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(c) Payments by recipients of grants under this section for (1) traineeships shall be limited to such amounts as the Secretary finds necessary to cover the cost of tuition and fees of, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the trainees; and (2) fellowships shall be limited to such amounts as the Secretary finds necessary to cover the cost of advanced study by, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the fellows.

"(d) For the purpose of making payments pursuant to grants under this section, there is authorized to be appropriated $3,000,000 for the fiscal year ending June 30, 1973, $4,500,000 for the fiscal year ending June 30, 1974, and $6,000,000 for the fiscal year ending June 30, 1975. No funds appropriated under any other provision of this Act may be used to make a grant under this section.

"PROGRAM EVALUATION

"SEC. 1210. (a)(1) The Secretary shall evaluate (directly or by grants to public or nonprofit private entities or contracts with public or private entities or individuals) programs assisted under this title. Such evaluation shall be concerned with the operation of individual health maintenance organizations, with the operation of distinct categories of health maintenance organizations in comparison with each other, with health maintenance organizations as a group in comparison with other health delivery systems or organizations, and with the impact that these organizations, individually, by category, and as a group, have on the health of the public. The results of such evaluations shall be made available to the general public and to the Congress on at least an annual basis.

"(2) Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(3) No grant may be made under this subsection unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe. The amount of any grant under this subsection shall be determined by the Secretary. Payments under grants under this subsection may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(4) For the purpose of making payments pursuant to grants and contracts under this subsection, there is authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1973, $7,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975. No funds appropriated under any other provision of this Act may be used to make payments under a grant or contract under this subsection.

"(b) For the purpose of assisting the Congress in determining the desirability of providing financial assistance under this title for additional health maintenance organizations subsequent to the period for which such assistance is currently authorized by this title, the Secretary shall evaluate the operations of at least seventy-five of the health maintenance organizations for which assistance was provided under section 1202, 1203, or 1204. The period of operation of such health maintenance organizations which shall be evaluated under this subsection shall not be less than thirty-six months. In conducting the evaluation, the Secretary shall utilize information developed under evaluations under subsection (a) of this section. The Secretary shall report to the Congress the results of the evaluation not later than ninety days after at least seventy-five of such health maintenance organizations have been in operation for at least thirty-six months. Such report shall contain findings with respect to the ability of the organizations evaluated—

"(1) to operate on a fiscally sound basis without continued Federal financial assistance,

"(2) to meet the requirements of section

1211(b)(1) respecting their organization and operation,

"(3) to provide basic and supplemental health services in the manner prescribed by section 1201(1),

"(4) to include the indigent and high-risk individuals in their membership, and

"(5) to provide services in medically underserved areas.

"GENERAL PROVISIONS RESPECTING APPLICATIONS FOR ASSISTANCE

"SEC. 1211. (a)(1) Within the limitations of appropriations under sections 1202 and 1203 (relating to assistance for projects for feasibility studies and for planning and initial development), the Secretary may approve such number of applications for grants, loans, and loan guarantees under such sections, and may enter into such number of contracts under such sections, as he determines is appropriate to carry out the purposes of this title, except that he shall not approve such an application or enter into such a contract if he determines that there is a reasonable probability that, as a result of the completion of the project for which the application is made or for which the contract would be entered into, the number of operational health maintenance organizations in the United States whose development or operation has been or is being assisted under this Act would exceed 40 in the fiscal year ending June 30, 1973, 90 in the fiscal year ending June 30, 1974, or 150 thereafter.

"(2) The Secretary may not approve an application for a grant, contract, loan, or loan guarantee under this title unless he determines that the applicant would not be able to complete the project or undertaking for which the application is made without such grant, contract, loan, or loan guarantee.

"(b)(1) The Secretary may not approve an application submitted under section 1203 or 1204 or enter into a contract under those sections unless he determines that when the health maintenance organization for which such application is submitted or contract proposed is first operational after its establishment or expansion it will—

"(A) have (i) a fiscally sound operation, and (ii) insurance which protects its members against the risk of its becoming insolvent and which is approved by the Secretary or such other provision against such risk (including participation in an insolvency fund established under 1213(b)) as the Secretary determines is adequate;

"(B) be organized in such a manner (as prescribed by regulations of the Secretary) that assures its members a meaningful role in the making of policy for the health maintenance organization, and provide meaningful procedures for hearing and resolving grievances between the members and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services);

"(C) encourage and actively provide for its members (i) health education services, and (ii) education in the appropriate use of health services;

"(D) have organizational arrangements, established in accordance with regulations of the Secretary made after consultation with the National Advisory Council on Health Maintenance Organizations, for an ongoing quality assurance program for its health services which program provides review by physicians and other health professionals of (i) the process followed in the delivery of health services, and (ii) the quality of the results obtained through the health services provided;

"(E) provide in accordance with regulations of the Secretary an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on a periodic basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptablity of its services, (iv) to the extent practical, developments in the health status of its members, and (v) such other matters as the Secretary may require, and disclose, at least annually, such data to its members and to the general public;

"(F) assume full financial risk on a prospective basis for the provision of basic health services; and

"(G) enroll persons who are broadly representative of the various age, social, and income groups in the area it serves.

"(2) The requirement of subparagraph (F) of paragraph (1) does not prohibit a health maintenance organization from obtaining insurance or making other arrangements (A) for the cost of providing to any member basic health services the aggregate value of which exceeds $5,000 in any year, (B) for the cost of providing basic health services to its members while they are outside the area served by the organization, or (C) for not more than 80 per centum of the amount by which its costs for any of its fiscal years exceed 120 per centum of its income for such fiscal year.

"(c)(1) The Secretary may not approve an application submitted under section 1203, 1204, or 1205 or enter into a contract under section 1203 or 1204 unless the section 314(b) area-wide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization for which such application is submitted or contract proposed, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary, been provided an opportunity to review the application or contract proposal and to submit to the Secretary for his consideration its recommendations respecting approval of the application or contract proposal. If under applicable State law such an application may not be submitted or such a contract entered into without the approval of the section 314(b) area-wide health planning agency or the section 314(a) State health planning agency, the Secretary may not approve such an application or enter into such a contract unless the required approval has been obtained.

"(2) The Secretary shall by regulation establish standards and procedures for section 314(b) area-wide health planning agencies and section 314(a) State health planning agencies to follow in reviewing and commenting on applications for assistance and proposals for contracts for health maintenance organizations.

"GENERAL PROVISIONS RELATING TO LOAN GUARANTEES AND LOANS

"SEC. 1212. (a)(1) The Secretary may not approve an application for a loan guarantee under this title unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States, and (B) the loan would not be available on reasonable terms and conditions without the guarantee under this title.

"(2)(A) The United States shall be entitled to recover from the applicant for a loan guarantee under this title the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this title may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(C) Any loan guarantee made by the Secretary under this title shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant engaged in fraud or misrepresentation in securing such guarantee, and (ii) as to any person (or his successor in interest) who makes or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

"(D) Guarantees of loans under this title shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this title will be achieved, and, to the extent permitted by subparagraph (C), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interests of the United States.

"(b)(1) The Secretary may not approve an application for a loan under this title unless—

"(A) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(B) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project or undertaking with respect to which such loan is requested.

"(2) Any loan made under this title shall (A) have such security, (B) have such maturity date, (C) be repayable in such installments, (D) bear interest at a rate comparable to the current rate of interest prevailing, on the date the loan is made, with respect to loans guaranteed under this title, and (E) be subject to such other terms and conditions (including provisions for recovery in case of default), as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(3) The Secretary may, for good cause but with due regard to the financial interests of the United States, waive any right of recovery which he has by reason of the failure of a borrower to make payments of principal of and interest on a loan made under this section, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payment of principal and interest.

"(c)(1) The Secretary may from time to time, but with due regard to the financial interests of the United States, sell loans made by him under this title.

"(2) The Secretary may agree, prior to his sale of any such loan, to guarantee to the purchaser (and any successor in interest of the purchaser) compliance by the borrower with the terms and conditions of such loan. Any such agreement shall contain such terms and conditions as the Secretary considers necessary to protect the financial interests of the United States or otherwise appropriate. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guarantee under this subsection.

"(3) Interest paid on any loan to a public agency guaranteed under this subsection shall be included in the gross income of the purchaser of the loan (or his successor in interest) for the purposes of chapter 1 of the Internal Revenue Code of 1954.

"(d) There is established in the Treasury a loan guarantee fund (hereinafter in this subsection referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts, to enable him to discharge his responsibilities under loan guarantees issued by him under this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required for the fund. To the extent authorized in appropriation Acts, there shall also be deposited in the fund amounts received by the Secretary under this section and in connection with loan guarantees under sections 1203, 1204, and 1205 and other property or assets derived by him from his operations respecting loan guarantees under sections 1203, 1204, and 1205, including any money derived from the sale of assets. If at any time the sums in the funds are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him under this title, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury, but only in such amounts as may be specified from time to time in appropriation Acts. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations issued hereunder and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which the securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from the fund.

"(e) There is established in the Treasury a loan fund (hereinafter in this subsection referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts, to enable him to make loans under this title. To the extent authorized by appropriation Acts, there shall also be deposited in the fund amounts received by the Secretary as interest payments and repayment of principal on loans made under sections 1203, 1204, and 1205 and other property or assets derived by him from his operations respecting loans under those sections and under subsection (c) of this section, including any money derived from the sale of assets.

"PROTECTION AGAINST INSOLVENCY OF HEALTH MAINTENANCE ORGANIZATIONS, THE COST OF PROVIDING UNUSUAL AMOUNTS OF HEALTH SERVICES OR OF PROVIDING OUT-OF-AREA HEALTH SERVICES, AND UNUSUAL LOSSES

"SEC. 1213. (a) For the purposes of assisting in the making of contracts between private insurance carriers (including nonprofit plans for the prepayment of hospital, surgical, medical, or health care) and health maintenance organizations assisted under this title for the provision by such carriers of insurance to a health maintenance organization (or any combination of health maintenance organizations)—

"(1) protecting its members against the risk of the organization becoming insolvent, or

"(2) for (A) the cost of providing to any of its members basic health services the aggregate value of which exceeds $5,000 in any year, (B) the cost of providing basic health services to its members while they are outside the area served by the organization, or (C) not more than 80 per centum of the amount by which its costs for any of its fiscal years exceed 120 per centum of its income for such fiscal year,

the Secretary shall consult with and provide technical assistance to private insurance carriers and such health maintenance organizations (or combinations of such organizations) respecting the negotiation of such contracts; and may take such other action (other than the provision of financial assistance) as he determines is necessary to carry out the purpose of this subsection.

"(b)(1) The Secretary shall consult with, and provide technical and other assistance (other than the provision of financial assistance) to, health maintenance organizations assisted under this title to assist them in establishing and managing an insolvency fund (consisting of payments made by participating health maintenance organizations) for health maintenance organizations assisted under this title which have fiscally sound operations (as determined by the Secretary), from which fund members of contributing health maintenance organizations would be paid or reimbursed, in accordance with paragraph (2), for expenses incurred in securing a basic or supplemental health service which their health maintenance organization is unable, because of insolvency, to provide them. Each health maintenance organization assisted under this title which has a fiscally sound operation (as determined by the Secretary) shall be permitted to participate, on the same basis as each of the other participating health maintenance organizations, in the insolvency fund established with assistance provided under this subsection.

"(2) Payments or reimbursements under an insolvency fund established with assistance provided under paragraph (1) shall be made to a member of a health maintenance organization which contributed to the fund (A) only for health services provided him (i) in the period for which he paid basic health services payments or supplemental health service payments, as the case may be, and (ii) in a period of not exceeding three months following the period referred to in subclause (i), and (B) in such an amount that the member pays only those amounts which he would have been required to pay his health maintenance organization for such services.

"(c) The Secretary may consult with, and provide technical and other assistance (other than the provision of financial assistance) to, health maintenance organizations assisted under this title to assist them in establishing and managing a fund or funds (consisting of payments made by participating health maintenance organizations) for health maintenance organizations assisted under this title which have fiscally sound operations (as determined by the Secretary) from which fund a contributing health maintenance organization would be reimbursed for (1) the cost of providing to any of its members basic health services the aggregate value of which exceeds $5,000 in any year, (2) the cost of providing basic health services to its members while they are outside the area served by the organization, or (3) not more than 80 per centum of the amount by which its costs for any of its fiscal years exceed 120 per centum of its income for such fiscal year. Each health maintenance organization assisted under this title which has a fiscally sound operation (as determined by the Secretary) shall be permitted to participate, on the same basis as each of the other participating health maintenance organizations, in any fund established with assistance provided under this subsection.

"TECHNICAL ASSISTANCE

"SEC. 1214. The Secretary shall directly provide, upon request, such technical assistance and consultative services as he, in his discretion, determines is necessary to any entity (whether public or private) in the planning or development of a health maintenance organization. The Secretary shall give priority to requests for assistance under this section to those entities providing health care previously assisted in whole or in part under one or more programs of Federal financial assistance designed to assist medically underserved areas.

"RESTRICTIVE STATE AND LOCAL LAWS AND PRACTICES

"SEC. 1215. (a) With respect to any organization for which a grant, contract, loan, or loan guarantee was made under section 1202, 1203, or 1204 and which cannot do business in a State in which it proposes to furnish services because the State, or political subdivision thereof, by law, regulation, or otherwise—

"(1) requires as a condition to doing business in that State or political subdivision that a medical society approve the furnishing of services by the organization,

"(2) requires that physicians constitute all or a percentage of its governing body,

"(3) requires that all physicians or a percentage of physicians in the locale participate or be permitted to participate in the provision of services for the organization, or

"(4) requires that the organization meet requirements for insurers of health care services doing business in that State respecting initial capitalization and establishment of financial reserves against insolvency,

the requirements described in this subsection shall not apply to that organization. If a State or political subdivision of a State refuses to permit a health maintenance organization to do business for failure to comply with any such requirement, the Secretary may bring a civil action in the United States district court for the district in which such health maintenance organization is located to enforce compliance with this subsection.

"(b) No State or political subdivision of a State may establish or enforce any law which the Secretary determines prevents a health maintenance organization, for which a grant, contract, loan, or loan guarantee was made under section 1202, 1203, or 1204, from soliciting members through advertising its services, charges, or other non-professional aspects of its operation, but this subsection does not authorize any advertising which identifies, refers to, or makes any qualitative judgment concerning, any health professional who provides services for a health maintenance organization.

"(c) No hospital or other health care facility may—

"(1) arbitrarily refuse or limit practice privileges in its facilities for any physician solely because such physician would utilize such privileges to treat members of a health maintenance organization for which a grant, contract, loan, or loan guarantee was made under section 1202, 1203, or 1204, or

"(2) arbitrarily charge more for its services for members of such a health maintenance organization than it regularly charges for its services to any other person.

If a hospital or other health care delivery facility engages in an activity prohibited by this subsection, the health maintenance organization or any individual adversely affected by such activity may bring a civil action in the United States district court for the district in which such hospital or other

facility is located to enjoin the hospital or other facility from continuing such activity.

"CONTINUED REGULATION OF HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1216. (a) If the Secretary determines that an entity which received a grant, contract, loan, or loan guarantee under this title as a health maintenance organization—

"(1) fails to provide basic and supplemental services to its members,

"(2) fails to provide such services in the manner specified in section 1201(1), or

"(3) is not organized or operated in the manner described in section 1211(b),

the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with any assurances it furnished him respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, when application was made under this title for a grant, loan, or loan guarantee or in connection with a contract under this title.

"(b) The Secretary shall administer this section through an identifiable unit within the Department of Health, Education, and Welfare.

"EMPLOYEES' HEALTH BENEFITS PLANS

"SEC. 1217. Each employer who is required to pay his employees the minimum wage specified by section 6 of the Fair Labor Standards Act of 1938 (or would be required to pay his employees such wage but for section 13(a) of such Act) shall, in accordance with regulations which the Secretary shall prescribe, include in any health benefits plan offered to his employees the option of membership in any health maintenance organization for which assistance was provided under this title and which is serving the area in which his employees reside. No employer shall be required to pay more for health benefits as a result of the application of this section than would otherwise be required by any prevailing collective bargaining agreement or other legally enforceable contract for the provision of health benefits between an employer and his employees. Failure of any such employer to comply with the requirements of this section shall be considered a willful violation of section 15 of such Act.

"NATIONAL ADVISORY COUNCIL ON HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1218. (a) There is established in the Public Health Service a National Advisory Council on Health Maintenance Organizations (hereinafter in this section referred to as the 'Council') consisting of twelve members appointed by the Secretary (without regard to the provisions of title 5 of the United States Code relating to appointments in the competitive service) from persons who are not officers or employees of the United States Government, and who include representatives of health maintenance organization programs, the medical sciences, medical education, hospital or medical administration, the health insurance industry, labor and management, and public affairs. Three of the members shall be practicing physicians and at least three shall be members of health maintenance organizations who are not themselves engaged in the provision of health services. The Secretary shall appoint a chairman for the Council from among its members.

"(b) Each member of the Council shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term, and (2) the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, as follows: Three shall expire at the end of the first year, three at the end of the second year, and three at the end of the third year, after the date of appointment. A member shall not be eligible to serve continuously for more than two terms.

"(c) Members of the Council, while attending meetings or conferences thereof, or otherwise serving on business of the Council, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding for any day the daily equivalent of the effective rate for grade GS–18 of the General Schedule, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"(d) The Council shall advise and assist the Secretary (1) in the development of policy and preparation of regulations relating to programs under this title and to procedures and criteria for the consideration and approval of applications for assistance under this title and of proposals for contracts under this title, and (2) with respect to the consideration and approval of each such application and proposal.

"JOINT ADMINISTRATION

"SEC. 1219. Pursuant to regulations prescribed by the President, where funds are advanced for a single project or program by more than one Federal agency to an organization assisted under this title, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant, contract, or loan requirement (as defined by such regulations) which is not imposed by statute and which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"ANNUAL REPORT

"SEC. 1220. The Secretary shall periodically review the programs of assistance authorized by this title and make an annual report to the Congress of a summary of the activities under each program. The Secretary shall include in such summary—

"(1) a summary of each grant, contract, loan, or loan guarantee made under this title in the period covered by the report,

"(2) the data reported in such period to the Secretary in accordance with section 1211(b)(1)(E), and

"(3) information developed under grants and contracts under section 1210(a).

"LIMITATION ON SOURCE OF FUNDING FOR HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1221. No funds appropriated under any provision of this Act other than this title may be used—

"(1) for grants or contracts for surveys or other activities to determine the feasibility of developing or expanding health maintenance organizations or other entities which provide, directly or indirectly, health care to a defined population on a prepaid basis;

"(2) for grants, loans, or contracts for planning projects for the establishment or expansion of such organizations or entities;

"(3) for grants, loans, or contracts for projects for the initial development or expansion of such organizations or entities;

"(4) for grants, contracts, or loans, or for payments under loan guarantees, to assist in meeting the costs of the initial operation after establishment or expansion of such organizations or entities;

"(5) for loans, or for payments under loan guarantees, for construction projects for outpatient facilities and hospitals for such organizations or entities, except that this paragraph shall not prohibit the provision of assistance under title VI, VII, or VIII for such facilities or hospitals; and

"(6) to make grants or contracts under section 1206, 1207, 1208, or 1209."

CONFORMING AMENDMENTS

SEC. 3. (a) Section 1 of the Public Health Service Act is amended by striking out "Titles I to XI" and inserting in lieu thereof "Titles I to XII".

(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is further amended by renumbering title XII (as in effect prior to the date of enactment of this Act) as title XIII, and by renumbering sections 1201 through 1214 (as in effect prior to such date), and references thereto, as sections 1301 through 1314, respectively.

(c) Section 306(g) of the Federal National Mortgage Association Act (12 U.S.C. 1721(g)) is amended by inserting ", or which are guaranteed under title XII of the Public Health Service Act" after "chapter 37 of title 38, United States Code".

(d) The first section of the Act of August 5, 1954 (42 U.S.C. 2001) is amended by inserting "(a)" after "That" and by adding at the end thereof the following new subsection:

"(b) In carrying out his functions, responsibilities, authorities, and duties under this Act, the Secretary is authorized, with the consent of the Indian people served, to contract with private or other non-Federal health agencies or organizations for the provision of health services to such people on a fee-for-service basis or on a prepayment or other similar basis."

REPORTS RESPECTING MEDICALLY UNDESERVED AREAS

SEC. 4. Within three months of the date of the enactment of this Act, the Secretary of Health, Education, and Welfare shall report to the Congress the criteria used by him in the designation of medically underserved areas for the purposes of title XII of the Public Health Service Act. Within one year of such date, the Secretary shall report to the Congress (1) the areas and population groups designated by him under section 1201(9) of such title as medically underserved areas, and (2) the comments (if any) submitted by State and area-wide comprehensive health planning agencies under such section with respect to any such designation.

ADVANCED RESEARCH ON SST

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

Mr. HECHLER of West Virginia. Mr. Speaker, contracts have just been awarded by NASA to three major aircraft manufacturers in connection with future supersonic commercial aircraft. The following October 13 news release from NASA describes the details of these contracts:

TECHNOLOGY STUDY CONTRACT AWARDED

The National Aeronautics and Space Administration's Langley Research Center today awarded contracts to three major aircraft manufacturers to study the technology requirements for future supersonic commercial aircraft.

As part of the agency's advanced planning under the Office of Aeronautics and Space Technology, the studies are intended to assure the existence of the technology needed to maintain United States leadership in the world aircraft market.

Translating technical advances into the

production of an economically competitive aircraft may involve years of concerted effort, and research now underway is focused on aircraft for the 1985–90 time period.

The three companies selected for the work and the contract value are:

The Boeing Company, Seattle, Wash., $316,415; McDonnell-Douglas Aircraft Corp., St. Louis, Mo., $259,000; and Lockheed Aircraft Corp., Burbank, Calif., $231,015.

Each cost-plus-fixed-fee contract will continue for one year and will involve about 10,000 man-hours of effort. Langley will manage the work through a system of task orders. The first task each company will perform will be an independent and systematic assessment of existing aeronautical technology to determine its state of readiness and to identify promising areas for additional research.

Special emphasis will be placed on such environmental factors as engine noise and combustion products. The contractor studies will seek ways to employ advances in aerodynamics, propulsion, structures, materials, flight controls and configurations.

As part of the coordinated program, parallel studies in advanced propulsion technology will be managed by NASA's Lewis Research Center, Cleveland, Ohio, also under the general guidance of OAST.

Other research at Langley contributing to the effort is in progress in the areas of structures; aerodynamics and configurations; active controls technology; and fly-by-wire techniques.

Langley will manage the contract activities through its Advanced Supersonic Technology Office, headed by David G. Stone.

DISCRIMINATORY DOUBLE TAXATION FOR SOCIAL SECURITY AND UNEMPLOYMENT COMPENSATION

(Mr. BETTS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BETTS. Mr. Speaker, the House should be made aware of a glaring case of double assessment of employer taxes for social security and unemployment compensation purposes.

Many business activities are carried on through separate corporations owned by a holding company. Other large businesses operate through divisions instead of separate corporations. In the case of the multiple corporate structure, the Internal Revenue Service has taken the position that each corporate entity is a separate employer for social security and unemployment tax purposes. For example if corporation X transfers an employee to corporation Y after having paid the taxes for the year, corporation Y, even though a member of the same affiliated group as corporation X, has to again pay social security and unemployment taxes. Under such circumstances, the employee gets a tax credit on his personal tax return for the excess social security tax withheld; but the employer is without recourse from multiple payment of social security and unemployment taxes with respect to the employment activities of the same individual.

Congress recognized the inequity of a similar situation in the case of the railroad industry and provided for the elimination of the multiple tax for the railroad retirement plan and unemployment compensation by permitting joint employers to allocate the amount of tax due between the respective employers of the same employee.

Last February, the American Bar Association endorsed a recommendation of its section on taxation for a proposed amendment to the Internal Revenue Code to eliminate multiple social security and unemployment taxes between employers of an affiliated group as defined in the Internal Revenue Code. Upon learning of this situation Mr. BURLESON and I introduced H.R. 16595 to eliminate such multiple taxation. Time has not permitted the consideration of this bill. At the earliest opportunity, this House should examine the problem and take steps to eliminate the discriminatory assessment of duplicate taxation in the case of affiliated groups of corporations.

THE DEATH OF THE HIGHWAY ACT OF 1972

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

Mr. HARSHA. Mr. Speaker, one of the most needless and incredible legislative casualties of the 92d Congress is the Highway Act of 1972 which succumbed in conference.

It is needless, Mr. Speaker, because as I will show you, the conferees on the part of the House made every effort possible to reach an agreement with the other body. It is incredible, furthermore, because the demise of this extremely important legislation was brought about by seven Senators who took their signals from the Department of Transportation.

The Department of Transportation and its allies, have now made their aim abundantly clear. They do not want a highway bill. They do not want mass transit for the cities. They want to invade the highway trust fund at whatever cost to the Nation's city dwellers who need mass transportation and to the millions of other Americans who need highways.

In short, seven of the conferees made it plain from the outset of the conference that there would be no highway legislation this year if the highway trust fund was not broken into for a token mass transit program.

A quartet of official lobbyists from the Department of Transportation, who prowled the halls and anterooms of the Capitol throughout the conference session, called the signals for this deplorable hatchet job. They were followed obediently by seven conferees—a majority of whom were not even present for most of the conference. This is absentee trust-busting with a vengeance.

Mr. Speaker, I deplore such high-handed dictation to the Congress by the Department of Transportation. I especially deplore the lockstep compliance by a tiny, and absentee, majority of the conferees. I would like to make it quite clear, however, that a minority of the conferees did all in their power to save this legislation.

In other words, Mr. Speaker, a majority of the Members whose ballots were cast to kill the highway program, were not even present for most of the conference, and none were there during the critical periods when the basic and far-reaching acommodations offered by the House were under initial discussion and negotiation.

Time and time again, the House conferees offered major concessions which would have met the need for mass transit far more satisfactorily than anything proposed by the Department of Transportation and its allies. Repeatedly, they were voted down by a pocketful of proxies.

I would like to point out that the contention by these absentee trust-busters that they were fighting for mass transit is clearly refuted by any number of offers advanced by the House conferees. Specifically, I cite the following:

First. A $3 billion authorization with contract authority for capital grants for mass transit out of the general fund with a mandatory 80 percent Federal contribution. In addition $600 million would have been outlayed for direct mass transit operating subsidies.

Second. The complete Cooper-Muskie package of $800 million, any part of which would be available immediately for mass transit purposes, to be deducted from urban system funds out of the general fund.

Third. Complete local control of urban funds, spent for mass transit—including rail.

Fourth. Revision of the priority primary routes provision of the House bill to meet Senate objections.

Fifth. Authorization of Interstate highway funds for fiscal years 1974 and 1975.

Sixth. Authorization of all regular primary and secondary, urban and rural highway funds for fiscal years 1974 and 1975.

In the words of one conferee:

> The big winner would have been mass transit. In other words, our nation's cities and the tens of millions of citizens who inhabit them. Their lives would have been made better. Traffic congestion and air pollution would have been reduced and of course, transit systems improved.

Having thus gone 95 percent of the way toward the original Senate position, having made these fundamental concessions, House conferees were informed by certain conferees that there would be no bill unless we agreed to break open the highway trust fund. In this demand, they were blindly followed by proxy supporters. To this last bust the trust ultimatum, the House specifically ordered its conferees not to accede.

The economic impact of this irresponsible action by a small band of obdurate men will be widespread and severe. For the State highway departments to handle a program of present size, they must have an orderly development of projects from conception through the award of contract and construction, which requires assurance of funding continuity, size and stability.

Preconstruction lead-time currently is measured from 70 to 80 months and involves public hearings and the acquisition of properties. These things require definite and firm commitments from State highway officials as to the time that certain things will be accomplished in the development of a project, and when properties will be required, when people can be expected to be relocated,

and when they will be reimbursed for properties taken and for relocation expenses.

It appears that if there is no highway bill until later on in the next Congress, that within a relatively short time, 36 States will be without Federal-aid funds. It is expensive and most inefficient to turn on and off a program of this size.

Above all, the States must have assurance of continuity and the size of the Federal-aid highway program in order that they can put their own State financing house in order, and make the necessary plans for matching, and their own construction activities.

We are still in a point in our economy, where delays in projects involve substantial increases in costs, and if projects are delayed for as long as a year, plans ready for contract generally have to be revised causing expensive and unnecessary work.

Some interim agreement, whereby the 1972 Interstate cost estimate would be approved by the Congress and apportionments made for the Interstate system based on 1970 authorizations, would not be entirely satisfactory. Furthermore, it is my opinion that in accordance with title 23, apportionments for the primary, secondary and urban extension systems have first priority from the trust fund before any Interstate apportionments can be made.

I believe it is appropriate to clear up one point about which this same group of conferees are confused. They have insisted from the outset on a 6-month to 1-year extension of highway authorizations as a price for a highway bill. They do not seem to realize that, since both House and Senate bills had already agreed upon 2-year extensions of authorization, that any lesser period was not within the scope of the highway conference. To have attempted to alter the time frame of these authorizations would have been to thwart the rules of the House of Representatives.

There is a possibility, whereby the Secretary of Transportation might increase obligational authority for unexpended apportionments already made to the States, some of which might temporarily help. But, this would be limited in the States aided and would not necessarily be in line with the specific needs of the States, who have programed projects for scheduled lettings, which might be of a different system category from the system funds made available to them.

It is noted that as of the last of this September, Tennessee, Kentucky, Oklahoma, Delaware, and New Mexico are among those that have obligated from 72 percent to 98 percent of their 1973 Interstate funds.

The States of Texas, Illinois, California, Alabama, Minnesota, and Massachusetts are among those States that have currently obligated 33 percent or more of their 1973 ABCD funds. This shows the pressing need for a 1972 Federal-aid highway act.

The Federal-aid program is of such size that it practically dictates the States' highway program activities. It, therefore, becomes imperative to give the States that measure of stability, continuity, and assurance which they must have in this country to keep an adequate highway program going to assure that our highway system is adequate to take care the needs of our most dominant and extensive transportation system.

Finally, I am compelled to direct the Congress and the Nation's attention to the shocking fact that more than needed highway construction, more than urban mass transit was killed by their decision. The people who deliberately scuttled the Highway Act of 1972 also sank the most far-reaching, most promising program of highway safety that has ever been produced by the Congress of the United States.

I am convinced that this program, if administered as the House of Representatives intended it to be administered, would have saved 10,000 of the 55,000 lives that are being lost each year on the highways of America. In a sense, Mr. Speaker, the Department of Transportation and its allies who killed this bill must bear the responsibility for this loss.

And that is something to ponder as we close this 92d session of Congress without the highway mass transit and safety legislation the people of this Nation could have had, and should have had.

A LETTER TO RALPH NADER

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

Mr. MINSHALL. Mr. Speaker, I am today sending the following letter to Ralph Nader:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 17, 1972.

Mr. RALPH NADER,
"Congress Project"
Washington, D.C.

DEAR MR. NADER: Pursuant to my secretary Mrs. Rush's telephone conversation with Mr. Wayne Neiman of your staff on October 12th, I wish to confirm that I have not made any attempt to correct the many factual errors and misstatements in your unprofessional assessment of my 18-year record of service in the Congress.

While I have long respected your courageous fight on behalf of consumers, I must join your other critics who believe you have now spread yourself much too thin and are relying upon too many eager, but untrained, youthful aides. They have done you a disservice on this project. Their work is too distorted to be susceptible to accurate correction.

I will continue to rely upon the good judgment of my constituents who have been familiar with my personal integrity, my dedicated service and my voting record since I have been in Congress.

Sincerely yours,

WILLIAM E. MINSHALL,
Member of Congress.

INDOOR SPORTS OUTDOOR ATHLETIC RECREATION FOUNDATION ACT OF 1972

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

Mr. CAREY of New York. Mr. Speaker, as my last of the 92d Congress, I am introducing today the Indoor Sports Outdoor Athletic Recreation Foundation Act of 1972—ISOAR.

Mr. Speaker, I am introducing this legislation on the last day of the Congress because I want the idea to simmer on the hot stove league all winter.

I do not want to attempt to substitute my judgment for that of the dedicated members of the world of athletics, but I do think that much of the money we collect from athletics should be turned into the muscles of the future. We must build athletic facilities, such as playgrounds, soccer fields, vest-pocket parks, basketball courts, roller hockey rinks, and swimming pools, where we do not have them now.

The purpose of ISOAR is to help every child develop his athletic capacity to his full potential. It will provide an alternative to the bored idleness which has condemned too many of our young people to the cycle of drugs and delinquency.

ISOAR money would be used to wipe out the eyesores of vacant lots and littered areas of debris in our cities, and replace them by basketball courts and softball fields and, yes, bocci courts. ISOAR money would be directed primarily to our urban areas.

VETERAN RETURNS MEDALS

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

Mr. DELLUMS. Mr. Speaker, when future generations reckon the cost of our generation's lapse from honor in Indochina, they will see the full dimensions at which we can only guess. A foreign policy based on fear and brutality that has lost us the hard-won respect of the world—the missed chances and thwarted creativity in domestic reform—the further alienation and disillusionment of our most generous spirits—the corruption of our political methods and the decay of the basic trust we need in order for our system to work—all these and more are the American casualties in this infinitely sad episode of our history.

But there is another cost, which perhaps may be said to affect only a small minority, and yet I think it is one of the most tragic results of our involvement. This is the personal despair and unhappiness of those we have forced to do our dirty work in Indochina. While our leaders talk of pride and honor, the soldiers in Indochina know shamefulness and degradation. And when they try to tell us of what they have seen and experienced, we refuse to listen. When the proud heros of our imagination suddenly come to life and tell us what we have done to them, we reject them and some of us even have the nerve to call these men, whose lives we have twisted out of shape forever, unpatriotic malcontents.

Recently I received a letter from a constituent who has found that his bravery and commitment has been shamefully misused by the leaders of the country He can no longer live with the realization that he has been rewarded for participation in the violation of a nation.

And for this reason, he has asked me to forward his medals, including the Purple Heart, back to the Government and the Commander in Chief who gave them to him.

I intend to honor this request, although I realize the pain that such a step involves. What Mr. Furnas is telling us is that we have stolen a few years of his life, that they have gone for nothing, for worse than nothing. Perhaps only when we realize what we have done to Mr. Furnas and the many, many others like him will we see the full madness of still requiring young men, Americans, to throw their lives away in Indochina for our psychic comfort.

Mr. Furnas' letter to the President follows:

BERKELEY, CALIF.,
September 28, 1972.

RICHARD M. NIXON,
President of the United States,
The White House,
Washington, D.C.

MR. PRESIDENT: I am returning the medals and awards given to me while a member of the United States Army. I can no longer live with the realization that I have been awarded for my participation in the mass genocide of the Indo-Chinese people. I bear no grudge toward the people of Indo-China. I cannot justify my role, however slight, in the racist and sexist policies of the United States military in Indo-China. I made many friends in the fourteen months I was stationed in Indo-China. I am doing what I can to educate the people of the United States to the responsibility they bear for the atrocities committed in their name in Indo-China. This is not sufficient means of repaying my friends for my grave injustices, but I know of little else to do.

As a citizen of the United States, I cannot tolerate the continuation of the war against the peoples of Indo-China. I demand that it cease immediately. I cannot tolerate the support of a corrupt military dictatorship in the Republic of Vietnam. The pretense of a democracy is existent only from afar. I knew of no Vietnamese who voluntarily supported the Thieu regime. I demand that no more support of the Thieu regime be made from the resources of the people of the United States. I demand that you exercise your power as Commander-in-Chief of the Armed Forces and President of the United States to immediately cease the bombing of Indo-China and to immediately curtail all military actions against the peoples of Indo-China. I demand that total withdrawal of United States military personnel be accomplished immediately and retribution be made to the peoples of Indo-China to enable them to rebuild their world into a place of love and happiness. For this should be our true goal, not the subjugation or elimination of all that oppose our imperialistic urges.

Toward a greater understanding,
STEPHEN R. FURNAS.

When Abraham Lincoln told us we must never forget what the soldiers of the Civil War had done at Gettysburg and elsewhere, he was referring to a record of selfless sacrifice in a noble cause. I hope Americans will also never forget what we have forced our soldiers to do in Indochina—and I hope this memory will keep us from ever demanding such a cruel and meaningless sacrifice again.

UNWARRANTED THREAT TO CHILD CARE PROGRAMS

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

Mr. DELLUMS. Mr. Speaker, as a strong supporter of child care programs I am quite distressed at what I see as a major threat to the continuation of these services for millions of American families.

Specifically, I am referring to language in the Senate Finance Committee report on H.R. 1 which would direct the Secretary of Health, Education, and Welfare to issue regulations which would eliminate private sources of funds to be used as State's matching requirement for Federal financial participation.

The result of such regulations would be disastrous.

Already I have been contacted by numerous day care programs located within the district I represent, and from each one the story is similar: Such regulations would cause drastic cutbacks in child care and other vital social services.

On a national level such a limitation would affect up to $60 million in social service programs financed through private efforts—and about 60 percent of those services are in child care alone.

But, aside from these horrible effects of such a limitation, the method by which this limitation is being "ordered" raises serious questions.

There is no language anywhere within the Senate or House versions of H.R. 1 which specifically calls for such regulations. There was no debate on such regulations brought before either body. Instead, the "official" fiat for any regulations is contained within a huge document which itself is part of thousands of pages of hearings and reports.

I cannot accept this "order" as the mandate of Congress—or any as "official" part of the legislative history of H.R. 1. If there are to be such regulations, they must first be passed upon by the entire Congress.

LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, we had hoped that the last of the major conference reports would have been before us. They are the toxic substance matter; the noise control matter; the police and fire bill. They all take, as Members know, unanimous consent, and they have been objected to.

At the present time, the Committee on Rules will meet at 8:30 p.m. The Committee on Rules will be called upon to report a rule placing in order the debt limit, if it comes back; the continuing resolution, if it comes back; the highway bill, if there is a conference report.

Also, we must take into consideration the fact that tomorrow there will be a possibility of the water pollution bill coming up.

Also, we must have a quorum here tomorrow. It is expected the sine die resolution will be considered tomorrow.

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

Mr. O'NEILL. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, I am in full accord with the statement made by the distinguished majority whip. I think that is the agreement which was made and understood by all.

If the Committee on Rules writes the rule, we are prepared to take those things that were mentioned by the gentleman from Massachusetts and dispose of them. Then, that is the signal for adjournment sine die tomorrow.

Mr. O'NEILL. The gentleman is correct.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Mississippi.

Mr. COLMER. I thank the gentleman for yielding. I merely want to observe that the Rules Committee meeting is set for 8 o'clock. The signals have been changed, which is nothing new. It is for 8 o'clock, so I did not want any of the Members to stray off.

Mr. O'NEILL. I am very grateful to the gentleman from Mississippi. Sometimes the signals are changed without notice.

Mr. SMITH of California. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from California.

PARLIAMENTARY INQUIRY

Mr. SMITH of California. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SMITH of California. Mr. Speaker, if the debt ceiling is defeated in the Senate and we come back with just simply a $465 billion extension, it would be my opinion, as a halfway parliamentarian, that a simple rule to consider it, without a two-thirds vote, would give us trouble unless we waive points of order against a further conference report on the debt ceiling, because of the fact there is material in there that we had to begin with, which was $250 billion ceiling, and the other body changed that.

I am concerned, Mr. Speaker, as to what will happen if we come back with a simple resolution from the Rules Committee that can be heard the same day. We might find ourselves subject to a point of order because of a further conference report on that material. I should like to have an answer to that.

The SPEAKER. The Chair would like to state that in the first place it is a matter of privilege, on the conference report, and sending it back to the House, and the chairman of the Committee on Ways and Means can call it up.

But the important thing, as the Chair understands it, about the rule which would be obtained tonight is that, if obtained, the House can vote on it tomorrow and pass it by a majority vote. It may not be the only rule obtained, but there will not be rules for any other purpose except dealing with these three items. In so doing it will be in order to bring them up on the very same day on which they come out.

Mr. SMITH of California. That I agree with. Apparently I have not made myself clear. Could I ask the gentleman from Wisconsin (Mr. BYRNES) to explain what we were discussing a while ago, so that I will know, when I go upstairs, just what is the situation.

Mr. BYRNES of Wisconsin. Mr. Speaker, I believe the parliamentary inquiry which the gentleman from California wants to propound relates to it if it becomes necessary for a resolution on the debt ceiling issue to go beyond items that are in conference—and it may be that is what we will have to do in order to reach an agreement. That would require a rule waiving points of order.

The SPEAKER. In all probability it would. The important thing about the rule being sought tonight is that it will enable the leadership to bring it up the self-same day.

Mr. BYRNES of Wisconsin. I understand that, but even if it were brought up the self-same day it would not serve a useful purpose if a point of order could be made to some aspect of it.

The SPEAKER. The gentleman is correct.

Mr. SMITH of California. Then why not waive points of order in the rule, so far as the conference report is concerned, when the debt ceiling matter comes back? That is what I am concerned about

The SPEAKER. The Chair does not know how it will come back.

Mr. O'NEILL. Is that not a substantive matter for the Rules Committee to take up?

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

Mr. O'NEILL. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman yielding. Is there a record of any Member having objected to any of these serious conference reports being considered on the same day since we have been "hastening toward adjournment"?

Mr. O'NEILL. Would the gentleman be kind enough to repeat his question.

Mr. HALL. I asked if anyone knows of any Member who has objected to consideration by unanimous consent of an important conference report that was good legislation in the last few days?

Mr. O'NEILL. There is always a possibility; and we are driving for tomorrow.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Is it the intention, with respect to the Rules Committee passing a rule, to consider it in the House tonight?

Mr. O'NEILL. No. It is the intention to consider it tomorrow.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MATSUNAGA (at the request of Mr. O'NEILL), for today, on account of official business.

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. RANDALL, for 15 minutes, today.

(The following Members (at the request of Mr. CARLSON) to revise and extend their remarks and include extraneous material:)

Mr. TEAGUE of California, for 5 minutes, today.

Mr. GUBSER, for 15 minutes, today.

Mrs. HECKLER of Massachusetts, for 15 minutes, today.

Mr. MCCLOSKEY, for 30 minutes, today.

Mr. HOSMER, for 25 minutes, today.

Mr. CLEVELAND, for 20 minutes, today.

Mr. RAILSBACK, for 5 minutes, today.

Mr. SAYLOR, for 60 minutes, today.

Mr. FINDLEY, for 5 minutes, today

Mr. GERALD R. FORD, for 10 minutes, today.

Mr. MCCORMACK, for 5 minutes, today.

Mr. MCCLURE, for 10 minutes, today.

(The following Members (at the request of Mr. PREYER of North Carolina) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. BRADEMAS, for 5 minutes, today.

Mr. O'HARA, for 10 minutes, today.

Mr. BURTON, for 30 minutes, today.

Mr. DANIELS of New Jersey, for 30 minutes, today.

Mr. BURKE of Massachusetts, for 15 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. ROY, for 15 minutes, today.

Mr. ADDABBO, for 10 minutes, today.

(The following Members (at the request of Mr. MELCHER) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. CONYERS, for 60 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. RODINO, for 10 minutes, today.

Mr. WILLIAM D. FORD, for 5 minutes, today.

Mr. KASTENMEIER, for 15 minutes, today.

Mrs. GRIFFITHS, for 10 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ASPINALL, and to include extraneous material.

Mr. ROUSSELOT, to extend his remarks immediately following the discussion on H.R. 7577.

Mrs. HECKLER of Massachusetts, to extend her remarks prior to adoption of conference report on H.R. 14575, today.

(The following Members (at the request of Mr. CARLSON) and to include extraneous material:)

Mr. MCEWEN in two instances.

Mr. STEIGER of Wisconsin in five instances.

Mr. BROYHILL of Virginia in two instances.

Mr. BELCHER in two instances.

Mrs. HECKLER of Massachusetts in two instances.

Mr. DERWINSKI in three instances.

Mr. SPRINGER.

Mr. JOHNSON.

Mr. MCCLOSKEY in two instances.

Mr. CARTER.

Mr. HOSMER in five instances.

Mr. FRENZEL in two instances.

Mr. VANDER JAGT in five instances.

Mr. WYMAN in two instances.

Mr. MCCLORY in two instances.

Mr. THONE.

Mr. MCDONALD of Michigan in two instances.

Mr. BRAY in three instances.

Mr. CLEVELAND in three instances.

Mr. WINN.

Mr. GUDE in five instances.

Mr. GUBSER.

Mr. BOB WILSON.

Mr. ASHBROOK in three instances.

Mr. PELLY in five instances.

Mr. MCCLURE.

Mr. FISH in three instances.

Mr. BURKE of Florida.

Mr. VEYSEY.

Mr. J. WILLIAM STANTON.

Mr. GROVER.

Mr. SHOUP.

Mr. DON H. CLAUSEN.

Mr. SEBELIUS.

Mr. MILLER of Ohio in six instances.

Mr. CHAMBERLAIN in four instances.

Mr. BYRNES of Wisconsin.

Mr. STEELE.

Mr. KEMP in 10 instances.

Mr. HALL.

Mr. HALPERN in two instances.

Mr. SKUBITZ.

(The following Members (at the request of Mr. PREYER of North Carolina) and to include extraneous matter:)

Mr. BRADEMAS in six instances.

Mr. CAREY of New York in five instances.

Mr. BADILLO in three instances.

Mr. ROY.

Mr. DANIELS of New Jersey.

Mr. PATTEN.

Mr. MORGAN.

Mr. BRINKLEY.

Mr. BARING.

Mr. DE LA GARZA in four instances.

Mr. ROGERS in six instances.

Mr. KEE in two instances.

Mr. BURKE of Massachusetts.

Mr. HELSTOSKI in two instances.

Mr. MCCORMACK in six instances.

Mr. WALDIE in two instances.

Mr. PICKLE.

Mr. ROSENTHAL.

Mr. LEGGETT.

Mr. ZABLOCKI in three instances.

Mr. ANDERSON of California in two instances.

(The following Members (at the request of Mr. MELCHER) and to include extraneous matter:)

Mr. STOKES.

Mr. MOORHEAD in eight instances.

Mr. DENT.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. TEAGUE of Texas in six instances.

Mr. CARNEY.

Mr. WALDIE.

Mr. KASTENMEIER.

Mrs. SULLIVAN in three instances.

Mr. ROONEY of Pennsylvania in six instances.

Mr. GALIFIANAKIS in two instances.

Mr. ANNUNZIO in six instances.

Mr. FUQUA in five instances.

Mr. MOSS in two instances.

Mr. KEE in two instances.

Mr. BEGICH in two instances.

Mr. MURPHY of New York in three instances.

Mr. RODINO in two instances.

Mr. MONAGAN.

Mr. BLATNIK.

Mr. SARBANES in five instances.

Mr. ROBERTS.

Mr. HANNA.

Mr. PERKINS.
Mr. EDWARDS of California.
Mr. DOW.
Mr. ROE in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1971. An act to declare a portion of the Delaware River in Philadelphia County, Pa., non-navigable; To the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3786. An Act to provide for the free entry of a four octave carillon for the use of Marquette University, Milwaukee, Wis.;

H.R. 5066. An act to authorize appropriations for fiscal year 1973 to carry out the Flammable Fabrics Act;

H.R. 7093. An act to provide for the disposition of judgment funds of the Osage Tribe of Indians of Oklahoma;

H.R. 8273. An act to amend section 301 of the Immigration and Nationality Act;

H.R. 8395. An act to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes;

H.R. 10384. An act to release certain restrictions on the acquisition of lands for recreational development and for the protection of natural resources at fish and wildlife areas administered by the Secretary of the Interior;

H.R. 10880. An act to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery;

H.R. 11032. An act to enable the blind and the otherwise physically disabled to participate fully in the social and economic life of the District of Columbia;

H.R. 11563. An act to amend chapter 87 of title 5, United States Code, to waive employee deductions for Federal Employees' Group Life Insurance purposes during a period of erroneous removal or suspension.

H.R. 12186. An act to strengthen the penalties imposed for violations of the Bald Eagle Protection Act, and for other purposes;

H.R. 12674. An act to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes;

H.R. 12807. An act to amend the Federal Property and Administrative Services Act of 1949 in order to establish Federal policy concerning the selection of firms and individuals to perform architectural, engineering, and related services for the Federal Government;

H.R. 12828. An act to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons: to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes;

H.R. 13158. An act to name a bridge across a portion of Oakland Harbor, Calif., the "George P. Miller-Leland W. Sweeney Bridge";

H.R. 13895. An act to amend title 5, United States Code, to revise the pay structure for nonsupervisory positions of deputy U.S. marshal, and for other purposes;

H.R. 14911. An act to amend titles 10 and 37, United States Code, to authorize members of the armed forces who are in a missing status to accumulate leave without limitation, to amend title 10, United States Code, to authorize an additional Deputy Secretary of Defense, and for other purposes;

H.R. 15375. An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for fiscal year 1973;

H.R. 15461. An act to facilitate compliance with the treaty between the United States of America and the United Mexican States, signed November 23, 1970, and for other purposes;

H.R. 15597. An act to authorize additional funds for acquisition of interests in land within the area known as Piscataway Park in the State of Maryland;

H.R. 15657. An act to strengthen and improve the Older Americans Act of 1965, and for other purposes;

H.R. 15735. An act to authorize the transfer of a vessel by the Secretary of Commerce to the Board of Education of the city of New York for educational purposes.

H.R. 15763. An act to amend chapter 25, title 44, United States Code, to provide for two additional members of the National Historical Publications Commission, and for other purposes;

H.R. 15965. An act to amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries, to provide certain revisions in the retirement benefits of public school teachers, and for other purposes;

H.R. 16675. An act to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to extend for one year the program of grants for State and local prevention, treatment, and rehabilitation programs for alcohol abuse and alcoholism.

H.R. 16804. An act to rename the Mineola Dam and Lake as the Carl L. Estes Dam and Lake.

H.R. 16883. An act relating to compensation of members of the National Commission on the Financing of Postsecondary Education;

H.R. 17038. An act designating the Oakley Reservoir on the Sangamon River at Decatur, Ill., as the William L. Springer Lake.

H.J. Res. 733. Joint resolution granting the consent of Congress to certain boundary agreements between the States of Maryland and Virginia;

H.J. Res. 748. Joint resolution amending Title 38 of the United Code to authorize the Administrator of Veterans' Affairs to provide certain assistance in the establishment of new State medical schools and the improvement of existing medical schools affiliated with the Veterans' Administration; to develop cooperative arrangements between institutions of higher education, hospitals and other nonprofit health service institutions affiliated with the Veterans' Administration to coordinate, improve, and expand the training of professional and allied health and paramedical personnel; to develop and evaluate new health careers, interdisciplinary approaches and career advancements opportunities; to improve and expand allied and other health manpower utilization; to afford continuing education for health manpower of the Veterans' Administration and other such manpower at Regional Medical Education Centers established at Veterans' Administration hospitals throughout the United States; and for other purposes, and

H.J. Res. 1301. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages under the National Housing Act.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 27. An act to establish the Glen Canyon National Recreation Area in the States of Arizona and Utah;

S. 141. An act to establish the Fossil Butte National Monument in the State of Wyoming, and for other purposes;

S. 655. An act for the relief of certain postal employees at the Elmhurst, Ill., Post Office;

S. 909. An act for the relief of John C. Rogers;

S. 1198. An act to authorize the Secretary of Agriculture to review as to its suitability for preservation as wilderness the area commonly known as the Indian Peaks Area in the State of Colorado;

S. 1462. An act to provide for the disposition of funds appropriated to pay judgment in favor of the Mississippi Sioux Indians in Indian Claims Commission dockets Nos. 142, 359, 360, 361, 362, and 363, and for other purposes;

S. 2147. An act for the relief of Marie M. Ridgely;

S. 2270. An act for the relief of Magnus David Forrester;

S. 2275. An act for the relief of Wolfgang Kutter;

S. 2318. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, and for other purposes;

S. 2469. An act for the relief of Kenneth J. Wolff;

S. 2714. An act for the relief of M. Sgt. William C. Harpold, U.S. Marine Corps (retired);

S. 2753. An act for the relief of John C. Mayoros;

S. 2822. An act for the relief of Alberto Rodriquez;

S. 3055. An act for the relief of Maurice Marchbanks;

S. 3230. An act to provide for the division and for the disposition of funds appropriated to pay a judgment in favor of the Assiniboine Tribes of the Fort Peck and Fort Belknap Reservations, Mont.;

S. 3240. An act to amend the Transportation Act of 1940, as amended, to facilitate the payment of transportation charges;

S. 3257. An act for the relief of Gary Wentworth, of Staples, Minn.;

S. 3326. An act for the relief of the Appalachian Regional Hospitals, Inc.;

S. 3358. An act to prohibit the use of certain small vessels in U.S. fisheries;

S. 3419. An act to protect consumers against unreasonable risk of injury from hazardous products, and for other purposes;

S. 3483. An act for the relief of Cass County, N. Dak.;

S. 3524. An act to extend the provisions of the Commercial Fisheries Research and Development Act of 1964, as amended;

S. 3545. An act to amend section 7 of the Fishermen's Protective Act of 1967.

S. 3583. An act for the relief of Gerald Vincent Bull;

S. 3671. An act to amend provisions of law relating to the Administrative Conference of the United States;

S. 3843. An act to authorize the Secretary of Transportation to make loans to certain railroads in order to restore or replace essen-

tial facilities and equipment damaged or destroyed as a result of natural disasters during the month of June 1972;

S. 3943. An act to amend the Public Buildings Act of 1959, as amended, to provide for the construction of a civic center in the District of Columbia, and for other purposes;

S. 3959. An act to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments;

S. 4022. An act to provide for the participation of the United States in the International Exposition on the Environment to be held in Spokane, Wash., in 1974, and for other purposes;

S. 4062. An act to provide for acquisition by the Washington Metropolitan Area Transit Authority of the mass transit bus systems engaged in scheduled regular route operations in the National Capital area, and for other purposes;

S. 4059. An act to provide that any person operating a motor vehicle within the District of Columbia, shall be deemed to have given his consent to a chemical test of his blood, breath, or urine, for the purpose of determining the alcohol content; and

S. J. Res. 221. Joint resolution to designate Benjamin Franklin Memorial Hall at the Franklin Institute, Philadelphia, Pa., as the Benjamin Franklin National Memorial.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On October 14, 1972:

H.R. 7117. An Act to amend the Fishermen's Protective Act of 1967 to expedite the reimbursement of United States vessel owners for charges paid by them for the release of vessels and crews illegally seized by foreign countries, to strengthen the provisions therein relating to the collection of claims against such foreign countries for amounts so reimbursed and for certain other amounts, and for other puropses;

H.R. 8756. An act to provide for the establishment of the Hohokam Pima National Monument in the vicinity of the Snaketown archeological site, Arizona, and for other purposes;

H.R. 9554. An act to change the name of the Perry's Victory and International Peace Memorial National Monument, to provide for the acquisition of certain lands, and for other purposes;

H.R. 9727. An act to regulate the transportation for dumping, and the dumping, of material into ocean waters, and for other purposes;

H.R. 10729. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes;

H.R. 13067. An act to provide for the administration of the Mar-A-Lago National Historic Site, in Palm Beach, Fla.;

H.R. 13694. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended;

H.R. 14128. An act for the relief of Jorge Ortuzar-Varas and Maria Pabla de Ortuzar;

H.R. 14370. An act to provide fiscal assistance to State and local governments, to authorize Federal collection of State individual income taxes, and for other purposes;

H.R. 14424. An act to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging;

H.R. 14989. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1973, and for other purposes;

H.R. 15641. An act to authorize certain construction at military installations, and for other purposes;

H.R. 16593. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1973, and for other purposes; and

H.R. 16754. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1973, and for other purposes.

On October 16, 1972:

H.R. 10556. An act to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Georgia to Thomas A. Buiso, the record owner of the surface thereof;

H.R. 14542. An act to amend the act of September 26, 1966, Public Law 89–606, to extend for four years the period during which the authorized numbers for the grades of major, lieutenant colonel, and colonel in the Air Force may be increased, and for other purposes;

H.R. 15280. An act to amend the act of August 16, 1971, which established the National Advisory Committee on Oceans and Atmosphere, to increase the appropriation authorization thereunder;

H.R. 16444. An act to establish the Golden Gate National Recreation Area in the State of California, and for other purposes; and

H.R. 16987. An act to amend the act to authorize appropriations for the fiscal year 1973 for certain maritime programs of the Department of Commerce.

ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 59 minutes p.m.) the House adjourned until tomorrow, Wednesday, October 18, 1972, 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:

2425. A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' Home for fiscal year 1971, and a copy of the report of Annual General Inspection of the Home, 1971, pursuant to 24 U.S.C. 59, 60; to the Committee on Armed Services.

2426. A letter from the Secretary of Health, Education, and Welfare, transmitting a report of actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment purposes, covering the quarter ended September 30, 1972, pursuant to section 201(h) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

2427. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on the effect of the formula now in use for allotment to the States of new construction funds in the Hill-Burton program, pursuant to section 103(c) of Public Law 91–296; to the Committee on Interstate and Foreign Commerce.

2428. A letter from the vice president for public affairs, National Railroad Passenger Corporation, transmitting reports on (1) the average number of passengers per day on board each train operated by Amtrak, and (2) the on-time performance at the final destination of each train operated, by route and by railroad, covering the month of September 1972, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2429. A letter from the Attorney General, transmitting the first annual report on Federal law enforcement and criminal justice assistance activities, pursuant to section 12 of Public Law 91–644; to the Committee on the Judiciary.

2430. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

2431. A letter from the Secretary of Health, Education, and Welfare, transmitting the third annual report on services to AFDC families, pursuant to section 402(c) of the Social Security Act, as amended; to the Committee on Ways and Means.

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. MILLS: Committee of conference. Conference report to accompany H.R. 1467 (Rept. No. 92–1607). Ordered to be printed.

Mr. ASPINALL: Committee of conference. Conference report to accompany S. 3230 (Rept. No. 92–1608). Ordered to be printed.

Mr. EVINS of Tennessee: Select Committee on Small Business. Report on the position and problems of small business in Government procurement (Rept. No. 92–1609). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. Report on U.S. assistance programs in Vietnam (Rept. No. 92–1610). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee of conference. Conference report on House Joint Resolution 1331. (Rept. No. 92–1611). Ordered to be printed.

Mr. RODINO: Committee of conference. Conference report to accompany S. 2087. (Rept. 92–1612). Ordered to be printed.

Mr. COLMER: Committee on Rules. House Resolution 1168. Resolution providing for the consideration of conference reports on the same day reported and waiving the rule requiring a two-thirds vote for the consideration of reports from the Committee on Rules on the same day reported on October 18, 1972. (Rept. No. 92–1613). 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. BIAGGI:

H.R. 17190. A bill to provide for a Federal loan guarantee and grant program to enable educational institutions and individuals to purchase the optacon, a reading aide for the blind; to the Committee on Education and Labor.

By Mr. BRADEMAS:

H.R. 17191. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on fuels containing sulfur and on certain emissions of sulfur oxides; to the Committee on Ways and Means.

By Mr. CAREY of New York:

H.R. 17192. A bill to amend the Internal Revenue Code of 1954 to provide that contributions to the Indoor Sports and Outdoor Athletic Recreation Foundation shall be de-

ductible for purposes of the Federal income and estate and gift taxes, and to create a trust fund to receive contributions to such foundation which may be used to improve sports and recreational facilities; to the Committee on Ways and Means.

By Mr. CURLIN (for himself, Mr. CARTER, and Mr. STUBBLEFIELD):

H.R. 17193. A bill to amend the Federal Seed Act, to provide that the term "Kentucky Bluegrass" shall be used only in the labeling and advertising of bluegrass seeds grown in the State of Kentucky; to the Committee on Agriculture.

By Mr. DELLUMS (for himself and Mr. RODINO):

H.R. 17194. A bill to authorize the establishment of the Desert Pupfish National Monument in the States of California and Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAM D. FORD:

H.R. 17195. A bill to amend title 39, United States Code, with respect to the financing of the cost of mailing certain matter free of postage or at reduced rates of postage, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, Ms. ABZUG, Mr. BADILLO, Mr. COLLINS of Illinois, Mr. CONYERS, and Mr. DIGGS):

H.R. 17196. A bill to amend the Social Security Act to provide for a system of children's allowances, and for other purposes; to the Committee on Ways and Means.

By Mr. GROVER:

H.R. 17197. A bill to authorize the Secretary of the Interior to establish a National Law Enforcement Heroes Memorial within the District of Columbia, and for other purposes; to the Committee on House Administration.

By Mr. KUYKENDALL:

H.R. 17198. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any non-market-economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration, to the Committee on Ways and Means.

By Mr. LENNON:

H.R. 17199. A bill to prevent certain vessels built or rebuilt outside the United States or documented under foreign registry from carrying cargoes restricted to certain vessels of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. McCLOSKEY:

H.R. 17200. A bill to amend the Fish and Wildlife Coordination Act in order to provide assistance for the preservation of natural game fish streams in the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. McKEVITT:

H.R. 17201. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any non-market-economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. PELLY (by request):

H.R. 17202. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 17203. A bill to amend the National Defense Education Act of 1958 to provide that law schools approved by the State bar of any State be considered institutions of higher education; to the Committee on Education and Labor.

By Mr. SAYLOR:

H.R. 17204. A bill to amend the Wild and Scenic Rivers Act; to the Committee on Interior and Insular Affairs.

H.R. 17205. A bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCHEUER (for himself, Mrs. MINK, Mr. BADILLO, Mr. REID, Mrs. HICKS of Massachusetts, Mr. MAZZOLI, Mr. HANSEN of Idaho, and Mr. LANDGREBE):

H.R. 17206. A bill to amend the Environmental Education Act; to the Committee on Education and Labor.

By Mr. STEELE (for himself, Mr. COUGHLIN, and Mr. FRASER):

H.R. 17207. A bill to provide for the creation of the National Fire Academy, and for other purposes; to the Committee on Science and Astronautics.

H.R. 17208. A bill to provide the Secretary of Commerce with the authority to make grants to States, counties, and local communities to pay for up to one-half of the costs of training programs for firemen; to the Committee on Science and Astronautics.

H.R. 17209. A bill to provide the Secretary of Commerce with the authority to make grants to accredited institutions of higher education to pay for up to one-half of the costs of fire science programs; to the Committee on Science and Astronautics.

H.R. 17210. A bill to provide financial aid to local fire departments in the purchase of advanced firefighting equipment; to the Committee on Science and Astronautics.

H.R. 17211. A bill to provide financial aid for local fire departments in the purchase of firefighting suits and self-contained breathing apparatus; to the Committee on Science and Astronautics.

H.R. 17212. A bill to extend for 3 years the authority of the Secretary of Commerce to carry out fire research and safety programs; to the Committee on Science and Astronautics.

H.R. 17213. A bill to establish a National Fire Data and Information Clearinghouse, and for other purposes; to the Committee on Science and Astronautics.

H.R. 17214. A bill to amend the Flammable Fabrics Act to extend the provisions of that act to construction materials used in the interiors of homes, offices, and other places of assembly or accommodation, and to authorize the establishment of toxicity standards; to the Committee on Interstate and Foreign Commerce.

H.R. 17215. A bill to amend the Hazardous Materials Transportation Control Act of 1970 to require the Secretary of Transportation to issue regulations providing for the placarding of certain vehicles transporting hazardous materials in interestate and foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. BERGLAND, Mr. GUBSER, and Mr. McCLOSKEY):

H.R. 17216. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any non-market-economy county which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. FUQUA:

H. Con. Res. 725. Concurrent resolution requesting the President to proclaim the second full week in May of each year as "National Art Week"; to the Committee on the Judiciary.

By Mr. PATTEN:

H. Res. 1167. Resolution designating May 3 as "Polish Constitution Day"; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. DOW:

H.R. 17217. A bill for the relief of Rose Levine; to the Committee on the Judiciary.

By Mr. FAUNTROY:

H.R. 17218. A bill for the relief of Wilmoth N. Myers; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 17219. A bill for the relief of Raymond Szytenchelm; to the Committee on the Judiciary.

By Mr. MACDONALD of Massachusetts:

H.R. 17220. A bill for the relief of Fioravante Leo, his wife, Annunciata Leo, and their minor child, Laurie Leo; to the Committee on the Judiciary.

By Mr. OBEY:

H.R. 17221. A bill for the relief of estate of James J. Caldwell; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

TODAY AND TOMORROW IN OUR EVER CHANGING AMERICA

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, October 17, 1972

Mr. RANDOLPH. Mr. President, as we approach the end of this second session of the 92d Congress, each of us can look back with satisfaction to some particular piece of legislation that might help some individual or group or class of citizens.

Few of us are under the delusion that all the legislation we are involved in will move the world an inch or change the course of history. Yet, when we cast a vote, each of us must always be aware that what we do here might have a far-reaching impact on many millions of Americans, present and future. One of the problems we face is an attempt to treat the United States as a single entity, because few persons can really grasp the size, the scope and complexity of this Nation and its citzens.

An article in a recent issue of the Journal of the Industrial Designers Society of America, written by industrial design consultant Richard Hollerith, contains some interesting statistics, rounded for comparative purposes, which tend to summarize the physical strengths of America. Much of the article is aimed at showing the relationship of industrial design in modern society. It is the summarization of the physical, material, and categorical units of persons and professions that I find most intriguing. It is an attempt to capsulize a great nation into individual components.