HOUSE OF REPRESENTATIVES—*Monday, March 13, 1972*

The House met at 12 o'clock noon.

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

As we have opportunity, let us do good unto all men.—Galatians 6: 10.

O God, our Father, whose guidance we need and whose strength we seek as we face the hours of this day grant that amid differences we may be statesmen of good will and among men who disagree we may always champion the principles of justice and freedom.

Incline our hearts to walk with Thee the heroic way of faith that the humblest work may shine, the rough places be made smooth and through the gloom of dark days can be seen the light that leads us home.

May truth be in our minds, love in our hearts, and action in our hands as we endeavor to work with other nations to establish peace on earth, justice among men, and freedom in our world.

"With peace that comes of purity,
And strength to simple justice due,
So runs our loyal dream of Thee.
God of our Fathers! Make it true."

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 a concurrent resolution of the House of the following title:

H. Con. Res. 554. Concurrent resolution to provide for a correction in the enrollment of the bill H.R. 1746.

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

S. 888. An act for the relief of David J. Crumb.

CALL FOR REPORT ON WASTE OF TAXPAYER'S MONEY

(Mr. PIKE asked and was given permission to address the House for 1 minute.)

Mr. PIKE. Mr. Speaker, I hate to take the time of the House on 1-minute speeches. I have not done so all year. But I am going to do it every day until the Army releases a report made by the General Accounting Office involving what may be a great waste of the taxpayer's money.

Since last May I have been trying to get information on the subject, and the Army has resisted.

Since last July the GAO has been trying to complete a report on the subject and the Army has held back documents.

For over a month the report has been completed, but the Army has been sitting on it, saying they cannot release it to a member of the Armed Services Committee until it is declassified. It does not involve great secrets; just waste. I do not know how much. But I will be with you daily until I find out.

BUFFALO CREEK, W. VA., DISASTER

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, there are 116 identified dead and more than 50 still missing from the terrible disaster that has struck West Virginia. Many major tragedies have occurred in my State, directly related to the most hazardous occupation in this Nation, that of mining coal.

However, the Bureau of Mines apparently has its lawyers working overtime to try to discover how they can avoid, evade, or escape any responsibility for action in order to prevent future disasters such as occurred on Buffalo Creek on February 26.

On February 28, the first day that Congress was in session after the disaster, I took the floor to denounce the manner in which Federal and State officials have handled the coal industry with kid gloves and allowed them to get away with close to murder whether it concerns slag piles, mine safety, or strip mining.

On page No. 5716 of the CONGRESSIONAL RECORD of February 28, 1972, I put in the text of a telegram which I sent to Dr. Elburt F. Osborn, the Director of the Bureau of Mines, asking him to conduct an investigation to determine whether the specific regulations promulgated on May 22, 1971, had been violated. These regulations provide very specifically "If failure of a water or silt-retaining dam will create a hazard, it should be of substantial construction and shall be inspected at least once each week." I received neither acknowledgement nor an answer to that February 28 telegram or subsequent telegrams and letters of February 29 and March 6. The Bureau of Mines appears to be asleep while this disaster strikes our people.

THE LATE HONORABLE JAMES W. TRIMBLE

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute.)

Mr. HAMMERSCHMIDT. Mr. Speaker, it is with deep regret that I inform the House of Representatives of the death of former Member James W. Trimble. I plan to request a special order Wednesday, March 15, to allow Members an opportunity to eulogize the "Judge," who many Members remember and revere as a beloved individual and a likable colleague.

APPLY PRICE CONTROLS ON MEAT AND FRESH FOODS

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

Mr. VANIK. Mr. Speaker, last Friday the Labor Department announced that wholesale prices went up 0.7 percent in February—an increase of this dimension works out to an annual rate of 8.4 percent from which we can predict a huge increase in consumer prices.

According to the Chairman of the Council of Economic Advisers, one-half of the increase in wholesale prices resulted from the increase in the price of livestock, poultry, meats, and fish. A good part of the remainder results from higher prices for fruits and vegetables.

This early warning signal of a renewed inflationary spiral can only be avoided by applying immediate price controls on meat and fresh foods. If price restraints are to be effective—we cannot afford to grant any special interest groups the privilege of hit-skip assaults on the consumer.

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT PROBLEMS AFFECTING SMALL BUSINESS, SELECT COMMITTEE ON SMALL BUSINESS, TO SIT DURING DEBATE

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environmental Problems Affecting Small Business of the Select Committee on Small Business, which is holding hearings today on small business opportunities and outdoor recreation and tourism, may sit this afternoon while the House is in session.

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

There was no objection.

RESOUNDING SUCCESS OF BIRMINGHAM'S FESTIVAL OF ARTS

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

Mr. BUCHANAN. Mr. Speaker, those who are wise enough to understand that I represent the finest city in the United States will find it no surprise that Birmingham's 21st annual Festival of Arts is once again a resounding success.

Each year Birmingham honors a different nation featuring the art and culture of that nation in the Festival of Arts. Last year we honored Spain and next year France will be the honoree.

This, however, is Birmingham's centennial year and was chosen as the year to honor our own country.

Highlight of the Festival was the visit to our city last weekend of United Nations Ambassador and Mrs. George Bush and the opening in our city of America's first Hall of Fame for the arts.

Named to the Hall of Fame were singers Marian Anderson and Nell Rankin, actress Tallullah Bankhead, authors Carl Sandburg and Thomas Wolfe, and Ted Shawn, who may be called the father of the dance in America.

Birmingham ended its first 100 years by winning the coveted All-America City Award from Look magazine and the National League of Municipalities.

President L. Rush Jordan and Chairman Mrs. William B. Scott are to be congratulated for making the 1972 Festival of Arts a fitting beginning for Birmingham's second century of progress.

CONFERENCE REPORT ON H.R. 12910—PUBLIC DEBT LIMIT

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 12910) to provide for a temporary increase in the public debt limit.

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

Mr. HALL. Mr. Speaker, reserving the right to object, I would call the attention of the gentleman to the fact that week before last, for good and sufficient reason, I saw reason to object to the filing, or permission to file several days in advance of the completion of the work of the Committee on Banking and Currency a report to further devalue the dollar, and/or increase the price of gold. A rule was granted in the proper course and under the proper procedures of the House that was scheduled for consideration this week on Wednesday, I believe.

It was announced by the majority leader on last Thursday that that bill would not be called up this week under the rule, or otherwise. Therefore, it was not such an emergency after all.

Mr. Speaker, clause 27(d)(4) of rule XI of the House as adopted under the Reorganization Act of 1970 clearly and specifically sets forth exceptions as to committees, and exemptions as to substance of bills, and/or conference reports coming back before the House to the effect that they be printed and available to the membership for 3 calendar days before they can be brought up by the responsible chairman.

As has been previously reported Mr. Speaker, this is to be "the week that was," so far as our monetary system is concerned. We are bringing in a conference report for increasing and legalizing the debt ceiling, which I understand, and now have the report in my hand consisting of only a one-page report—and is not fully printed on either side.

I would certainly agree with the chairman of the Committee on Ways and Means, the gentleman from Arkansas (Mr. MILLS), Mr. Speaker, in his statement the other day that the other body had receded, and it is simply as passed by the House. But the question here is one of principle, and of the rights of individual Members. Indeed, that is why we ask unanimous consent.

So, I would ask my friend, the gentleman and my neighbor from south of the Missouri border, if there is some outstanding or particular reason why we should take this up as an emergency, or make it an exception to the rule, or of the privilege of his committee, or of substance, in the conference report?

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

Mr. HALL. I will be glad to yield to my friend, the gentleman from Arkansas.

Mr. MILLS of Arkansas. There is an emergency, yes; but before discussing that let me assure my friend, the gentleman from Missouri, that I would not at all suggest this rather unusual procedure of not allowing the conference report to lay over for the full 3 days which the rule provides if it were not for the fact, first, that, as the gentleman from Missouri says, the conference report contains nothing more than the identical bill which passed the House. There is no amendment to it at all. There is no amendment to the language of the House-passed bill. The Senate did try to write in some expenditure ceiling language which the Treasury Department and others felt was not at all adequate, and gave no protection at all. The Senate receded on that, serving notice on us that there would be another debt ceiling bill on down the road that they might want to use as the future vehicle for such an amendment.

But, second, we have been assured all along that the Treasury would hit the ceiling of $430 billion some time between the 10th of March and the 14th or 15th of March. As I understand, and I think my friend, the gentleman from Wisconsin (Mr. BYRNES) has more recent information than even I have, this is considered to be an emergency situation; otherwise I would again assure the gentleman that I would not have resorted to this unusual procedure.

Mr. HALL. I appreciate the gentleman's statement, Mr. Speaker. But as I understand his statement, it does not come under (B) of clause 27(d4) of rule XI, which says: "Any executive decision, determination, or action," may be exempted from the 3-day rule.

Mr. MILLS of Arkansas. If the gentleman will yield further, the gentleman is correct. I am not contending that there is any such exception for the conference report.

Mr. HALL. Does the gentleman think, Mr. Speaker, that it would defile the pursestring function of the Congress if maybe we had another payless payday, or if we did exceed this trumped-up and illegitimate, but legalized debt ceiling, would lead to an international monetary situation that would be harmful to the shambles and deficit in our Treasury at this time?

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

Mr. HALL. I yield to the gentleman from Arkansas.

Mr. MILLS of Arkansas. I think actually I must admit to the gentleman that this is not a question of meeting payrolls, nor necessarily a question of meeting contractual obligations within this period of time. There has been in the past another type of problem that I think we would have again, and that is interfering with the orderly marketing of governmental securities, including the announcement of the marketing of those securities, that would interfere with the regular business of the Treasury, and could cost us some additional funds so far as interest rates are concerned.

Mr. HALL. Mr. Speaker, I thank the gentleman.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman, my friend from Wisconsin, the ranking minority member.

Mr. BYRNES of Wisconsin. Mr. Speaker, I would add to the point that the chairman just made that I think it should be understood that it is estimated as of today, the debt subject to limitation is $429,800,000,000. Tomorrow it is estimated that it will be $429,900,000,000. That means we are within $200 million of the present ceiling.

Now there are some social security funds that should be invested in Government bonds. But the limitation is going to be there that all you can invest as of tomorrow is $100,000,000, because that is all you have left in borrowing latitude.

So the delay you cause here is not going to make any grandiose change. In fact, we are going to pass it on Wednesday, I would assume since the House passed the identical bill by a vote of 247 to 147. I would assume that not many have changed their minds in the meantime on the identical bill where there is not a comma that has been added nor a "t" crossed and not a bit of change except, if we delay it, there is this one consequence of some revenue that the social security fund should have that it will not have and the disruption for a couple of days of being under pressure as to refinancing that does create some problems in the market.

Chaos is not to develop if we do not raise the limit between now and Wednesday. But there is really no point I can see in causing the confusion and disruption even for a couple of days, if I may point that out to the gentleman from Missouri.

Mr. HALL. I thank the gentleman. I am not very impressed by the allegation of necessity for rollovers, because if I do say so, it does not amount to very much except when huge amounts are invested, anyway.

I think I would be satisfied to say I am not a down-the-liner as to a single unified budget concept. I do not even believe we should be borrowing through participation sales certificates, direct loans, or other devices from the various trust funds into the general Treasury. May I suggest to the gentlemen who share that opinion anyway and want to support it, in fact, I think we ought to live within our income.

But I am a practical man and inasmuch as it will undoubtedly be brought up properly and passed on Wednesday anyway; if there is any benefit to be accrued; and particularly because of the succinctness of the committee's conference report, No. 92-910; and finally because of my heartfelt appreciation of the gentleman from Arkansas being here

today, instead of in Florida, Mr. Speaker, I withdraw my reservation of objection.

Mr. BURTON. Mr. Speaker, further reserving the right to object, I would like to direct a question to the chairman of the committee.

As I understand it, some time ago you requested the administration respond to your letter, which noted the restlessness in the House with reference to approving any further increase in the debt limit without some definitive response from the administration in terms of reforming the tax structure in areas of income, gift, and estate taxes.

It is further my recollection that the distinguished chairman of the Committee on Ways and Means requested that the administration respond to this letter by March 15.

So my first question is—has the administration responded to the chairman's letter?

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

Mr. BURTON. I yield to the gentleman.

Mr. MILLS of Arkansas. They acknowledged receipt of the letter, but no suggestion has come to the chairman as yet of any tax reform program or any parts of it.

Mr. BURTON. I would like to pose, if I may, a question to the distinguished ranking member of the Committee on Ways and Means.

Do you have any knowledge as to whether or not the administration intends to give a definitive response to the questions posed by the distinguished chairman of the full Committee on Ways and Means, the gentleman from Arkansas (Mr. MILLS)?

Mr. BYRNES of Wisconsin. Mr. Speaker, let me say this. It is my understanding that the administration does intend to respond in more detail than the acknowledgement the chairman received. Certainly, when it receives a letter from the chairman of the Committee on Ways and Means, it is going to respond to it. They are not going to ignore it. Further than that I cannot tell you what they are going to say, how long a letter it will be, or anything else.

Mr. BURTON. Am I correct in my recollection that Wednesday is the 15th of March?

Mr. MILLS of Arkansas. That is correct.

Mr. BURTON. This conference report, in normal course, would be taken up on Wednesday in the absence of unanimous consent to take it up earlier; is that not correct?

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

Mr. BURTON. I yield to the gentleman from Arkansas.

Mr. MILLS of Arkansas. That is correct, but let me assure the gentleman that there is no connection whatsoever between my unanimous-consent request and the letter that we wrote asking the President if he intended to submit such a program, and if such a program would be made available by the 15th of March. The instant situation is one that could result in loss of income to the social security trust fund if there is a delay. It could cause some juggling within the Treasury for the payment of certain bills that might become due before we could get the bill signed by midnight of March 15.

Mr. BURTON. Proceeding further, it would be my intention to object in the absence of receiving some assurance that we will get a definitive response from the administration to the chairman's letter by the 15th. I personally applaud the chairman's effort to execute his responsibilities in this respect. The administration was long forewarned about the March 15 deadline for a response, and if the administration chooses not to be inconvenienced by responding to the chairman, or I do not receive assurance that we will get a definitive response to the chairman's request, I at this time would, in the absence of such assurances, interpose an objection.

Now, there is one way we can handle this matter, if the chairman will bear with me for just a moment. Rather than foreclose consideration today—and I know the chairman is a very busy man—if this request were to be postponed until later in the day, we would provide the administration with an additional opportunity to inform the minority leader or the ranking member of the Ways and Means Committee as to whether such assurance could be forthcoming. In the event the request is pursued at this time, however, I shall then exercise my right to object.

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

Mr. BURTON. I yield to the gentleman from Arkansas.

Mr. MILLS of Arkansas. I doubt that there would be any change in the situation by delaying the request until later in the day. Let me, if the gentleman will continue to yield, call the gentleman's attention to the fact that the administration has already submitted a program for revising the laws with respect to pension funds and also with respect to the deferment of taxes on annuities purchased by the self-employed. One large area we have not gone into since we wrote the Tax Reform Act in 1969 is the area of estate and gift taxes. So far as I am aware, there have been no conclusions reached downtown on that matter, and there have been no conclusions reached by the staffs that work with the Ways and Means Committee.

I would not hesitate to ask the committee to consider any reform in the area of estate and gift taxes at such time as our own staff people can come forward with certain recommendations that we could use as a basis for hearing before the committee.

This, of course, could happen without any overt act on the part of the administration, because we must admit that as members of the Ways and Means Committee, we have as much responsibility in this area as they have downtown. I was not trying to shirk our own responsibility when I wrote the President asking him if he had any thoughts in the area of tax reform to send them to us in time for us to legislate this year. However, as I have indicated, we have not heard substantially from him as to any recommendations he may have.

Mr. BURTON. I would like to pose a question to the distinguished ranking minority member: Does the ranking member concur with the chairman that delaying this matter for a few hours would serve no useful purpose today? In the event that is the response, then I shall object.

Mr. BYRNES of Wisconsin. I cannot speak for the administration with respect to exactly when the letter is going to come up. Even the response I made to the gentleman before represents a general impression and a knowledge that they do intend to respond appropriately to the letter from the chairman.

I do not quite understand the procedure that is suggested here: That we are not going to do the business of the Congress and the business that the country needs to have done except as the President answers a letter that was sent to him.

I think I can give the gentleman assurance that the letter will be answered, and answered within a very reasonable time. It may come up today or tomorrow or the next day. I cannot give the gentleman an exact time.

Mr. BURTON. Mr. Speaker, I appreciate the remarks of both the chairman and the ranking minority Member. I think there is no point in taking more of our time. Perhaps the administration will find some time to process its answer this afternoon.

Mr. Speaker, on February 4, I and many of my colleagues announced that we would vote against the pending increase in the public debt ceiling unless the legislation required the President to submit tax reform recommendations to Congress.

Three days later, the distinguished chairman of the House Ways and Means Committee, Representative MILLS, wrote the President and requested him to submit to Congress by March 15 his proposals for reforming the Federal income, estate and gift tax systems.

We welcomed Chairman MILLS' action and in light of his letter dropped our effort to amend the debt ceiling legislation.

Now March 15 is nearly upon us and there is every indication that the administration does not intend to act.

At a press conference a few days after Chairman MILLS sent his letter, the President implied that no recommendations would be sent to Congress because it would be "impossible" for Congress to act on tax reform legislation this year. The President was asked whether he intended to respond to the request for tax reform. He answered:

> It is obvious that even if the Administration were to recommend tax reform this year, it would be impossible for Congress, particularly the Ways and Means Committee, as much as it has on its plate, and the Finance Committee with welfare reform, revenue sharing, and the rest, ever to get to it.

On February 28 another member of the administration made his views on tax reform known. During testimony before the Senate Finance Committee, Treasury Secretary Connally repeatedly evaded the simple question of whether the administration would submit tax re-

form suggestions this year and left no doubt that the administration had no intention of submitting such proposals "at this particular moment." The Secretary further testified that he did not consider the oil depletion allowance and tax-free municipal bonds "loopholes." At this point I include in the RECORD the testimony of Secretary Connally at those hearings.

It is clear, Mr. Speaker, that the administration does not understand the seriousness with which we regard the need for tax reform. For 2 months we have asked for their ideas; for 2 months they have brushed off our requests. Today we object to the early consideration of the debt ceiling conference report to emphasize our point to the President: We are serious about tax reform.

We have investigated the effect of a 2-day delay of this debt ceiling increase. It is our judgment that its impact will be basically one of bookkeeping problems at the Department of the Treasury. These problems are dwarfed by the need for a revenue-raising, loophole-plugging program to reform the Federal tax structure. We assert that massive losses of Federal revenues through the loopholes in that structure can no longer be tolerated. While our domestic problems fester and our cities and States fight off fiscal disaster, many high-income corporations and individuals pay little or no tax and much needed moneys are siphoned into private pockets.

Representative MILLS today has honored the administration's request to expedite House consideration of the debt ceiling increase. We understand that by bringing this to the House floor he in no way undermines his expressed commitment he has shown for prompt and timely consideration by the House of meaningful tax reform. We appreciate his leadership and guidance in this important area.

We hope this delay will impress upon the President that we intend to continue to push for tax reform. As long as the rich are able to evade their fair share while many middle- and lower-income Americans feel the sharp bite on the tax system, there will be no true tax justice. In the past the debt ceiling has been raised because congressional Democrats have supported the President. We have already put the President on notice that our future support hinges on his actions in filling the drain on Federal revenues. Today we underscore that point.

I include the following:

Senator NELSON. On September 9, the President, in a statement to a joint session of Congress, said:

"That is why in the next session of Congress, I shall present new proposals in both these areas, tax reform to create new jobs, and new programs to insure the maximum enlistment of America's technology in meeting the challenges of peace."

Then I notice that on February 7, Mr. Wilbur Mills sent a letter to the President, making reference to that statement of September 9, 1971. The letter said in part:

"To me and most others, this term means a program of further elimination of preferences and so-called loopholes in the Federal income, estate, and gift tax system. If this is what you had in your mind, and I am sure it is, let me call your attention to the fact that in order for the Congress to complete action on any such proposal, you should give us the benefit of your thinking in a message either delivered in person to the Congress, or submitted by messenger to the Congress, not later than March 15, 1972.

"My suggestion is not with respect to any new type of tax such as the value added tax, which I am sure you did not mean to include in your definition of tax reform in your appearance before the Congress.

"Since your statement advising us of your intention, this matter has become all the more important because of developments in the House in recent days raising the question about the support of continued increases in the debt ceiling unless such requests are coupled with tax reform ostensibly that would produce additional revenues."

As we all know, a substantial package of reform proposals has been developed in the Treasury Department over the past few years. With the revenues raised from closing loopholes, we could reduce taxes by some $15 billion or thereabouts.

My question is this: *Does the Administration intend to send to Congress a tax reform bill this session in accordance with the commitment of the President last September 9?*

Secretary CONNALLY. Well, first let us go back—I do not want to try to read the President's mind about what he intended to do. So far as I know, in talking on September 9, he was then concerned, and still is concerned, about the inordinate increase in property taxes on homes throughout this Nation. He still is concerned about the high tax increases—both local and State, as well as other types of taxes by school districts, water districts, and so forth—on people's homes in this country.

He thinks it has important social implications. He has been searching for weeks and months, as we have been, to find out what position the Federal Government can take to help alleviate these onerous taxes, this great tax burden that is now borne by homeowners in this country.

I think that is probably what he had in mind. I do not think he had in mind a reform bill such as you now say you think he had in mind. We have had two of those in recent years. In 1969—we alluded to it a little earlier, Senator Nelson—Congress spent the entire year, both the House and Senate, talking about tax reforms and very, very substantial tax reforms were made.

Senator, the reform and relief provisions in the 1969 act reduced individual income tax receipts for the fiscal years 1970 through 1973 by nearly $20 billion. Tax increases on corporations have resulted in approximate increases of around $3½ billion during the same period.

The net of it is that the Treasury has lost enormous revenue each time a reform bill is up and we do not now anticipate that there is going to be a reform bill such as you apparently have in mind.

Senator NELSON. Mr. Secretary, all the things you make reference to had been accomplished, or were nearly accomplished, by the time of the President's message. We were well on our way to passing the tax reduction bill, which I had never heard anybody call a reform bill before. That bill passed in November. We are talking about a statement of the President's on September 9 making reference to this session.

It says:

"That is why, in the next session of the Congress, I shall present new proposals in both these areas, tax reform to create new jobs, and new programs to insure the maximum enlistment of America's technology in meeting the challenge of peace."

So on September 9, the President was not talking about the tax bill that was in the mill and that passed within a month of his statement. He was talking about a message to this session of the Congress—this year, 1972.

All I am trying to get clear is this: Does the President intend to present it, or does he not?

Secretary CONNALLY. At this time, we are not prepared to present it, Senator. We are very early in the session. You have only been in session approximately 45 days, and there is lots of time left, if indeed we can devise a solution, whereby we can indeed help State and local governments with respect to the onerous tax burdens that homeowners now have.

The other part of the question to which you refer deals with tax incentives to promote research and development on the theory of the President that part of the economic strength and vitality of this Nation—the continued expansion of our economy, the ability of industry to provide jobs for the American people—has always depended upon the great advantage that we have had in the technological field.

We have lost much of this advantage. The Federal Government—because of its cutback in the space program, because of its cutback in defense procurement—has likewise cut back enormously on its own contributions to basic research. Industry has not increased its contributions to research and development to the point where we have any assurance whatever that we are going to be able to stay ahead of the competition in terms of new products, new developments, new technologies.

We are searching, very frankly—we have been for months—searching to develop a feasible way to provide some incentive, some encouragement, some stimulant that makes sense, that will be effective to increase the research and development which is so essential, in our judgment, to the continued economic leadership of the United States. We do not have it yet. We have not found the answer to it yet.

Senator NELSON. Well, I am still not clear about this, Mr. Secretary. The President's language is, "I shall present tax reforms" in this session. There are a lot of us here interested in tax reforms. A lot of people, and I think most economists in this country, consider that the tax loopholes in the present tax law are disgraceful. So I would ask you this: Did the President make a commitment that you now find, after exploring it, you are not able to keep?

Are we or are we not going to have tax reform proposals? You state that it is early in the session. Well, I think it is kind of late in the session, and Mr. Mills himself, who I suppose is as expert a anybody here on the mechanics of dealing with tax legislation, states that it would be necessary for the Congress to have these proposals by March 15. That is only 15 days away.

I am just curious to know: Are we going to have a tax reform proposal or are we not?

Secretary CONNALLY. Well, we are certainly not prepared to submit one at this time. I do not want to get into an argument with the distinguished chairman of the Ways and Means Committee, who certainly knows more about the time required for tax reforms than I, but Congress made very significant tax changes last year in a matter of about 6 weeks. So when I say that there is ample time left in the session, I do not think that there is any great problem insofar as time is concerned.

Senator NELSON. Is there any reason why the Treasury does not send down to the Congress these proposals that have been pending there for sometime? What about such loopholes as the oil depletion allowance, the accelerated depreciation, and the

various other loopholes that run throughout the system that are discussed day after day?

Secretary CONNALLY. Senator, I am glad we came face-to-face with our respective definitions of "reform," because obviously yours and mine do not jive.

In 1969, as you well recall, you had a reform bill of great magnitude. You changed the depletion allowance from 27.5 to 22 percent. This resulted in increased taxes on American oil companies of approximately $670 million.

You passed a minimum tax; you affected the real estate taxes; you changed the capital gains tax. You have an enormous Tax Reform Act.

As a matter of fact, I think it is the most sweeping tax reform in the history of the Nation, and it is the first time in the history of the United States that the Congress ever passed a Tax Reform Act in 1 year. So this reform is under very great pressure of time.

The distinguished Chairman will recall that when this committee got it, at approximately Labor Day, you were under pressure of the Senate itself to report it by November 1 of that same year. And, frankly, as I recall, Senator, witnesses had to beg and plead to come here and testify for a matter of 10 minutes on matters that were extremely essential and very important to them. Now, this is the time pressure that you were under for reform.

As a result of that, you made massive changes. Now, when you talk about loopholes, I do not consider a capital gains provision of the tax law as a loophole. I do not consider depletion allowances as a loophole. This is a very conscious decision made by this Congress over almost half a century to stimulate the development of mineral resources of the country. If there was ever a time when we needed to stimulate it, it is now. We do not need to reduce it.

The truth of the matter is, if we were looking at the interest of the United States, we would probably provide a greater incentive. When you talk about allowing State and local taxes as a chargeoff against Federal taxes, this is a very conscious decision.

There was a provision in that tax reform bill to disallow tax-free municipal bonds, but you could not pass it and you ought not to pass it. A number of people appeared against it. I am not for it. The Treasury is not for it. The Congress years ago made a conscious decision that you were going to permit tax-free municipal bonds as a means for State and local governments to finance their operations. If you want to change that, you are going to get into massive reform, but it is not a loophole. Nothing about it is a loophole.

We are not going to submit any proposals to you at this particular moment, regarding these things. If you can find a means by which the Federal Government can assist State and local governments to meet their tax responsibilities and their financial responsibilities, at the same time encouraging them to repeal their taxes on homes throughout this country, we are going to try to do it and it will be a major reform. It is one of the things the President is talking about.

The other is this incentive for research and development. Those are the things that he addressed himself to, and we are not prepared to submit them to you yet.

Senator NELSON. I understand my time is substantially over. But I think it would be helpful if the administration would take a good, hard look at the whole package of proposals in the Treasury Department, developed over a period of years, and supported by, I think, the vast majority of the economists in this country, and tell us which loopholes you, as Secretary feel are not loopholes. I think this is worth giving some consideration to, because most economists who look at our system are satisfied that it is an absolute disgrace in that it permits all kinds of people to get large amounts of unearned income and not pay any taxes on it.

Moreover, the tax system is not progressive, as the Secretary knows. People in the lower income brackets are paying as high a percentage of their income in taxes as those in the higher income brackets. If what the administration means by tax reform is a general sales tax under the guise of a value added tax, I submit that this is not what the country understands as reform nor what the economists of this country understand as reform.

Secretary CONNALLY. Well, we certainly, Senator—and I do not want to use too much of your time, but I want to point out to you—we study every one of these proposals. We are studying the value added tax, the Treasury has been for 2 years. We study every suggestion that is made that we hear about.

We are studying the value added tax for a number of reasons, largely because a great many people who, for one reason or another, constantly criticize us—by "us," I am talking about the United States—for not following the great wisdom of the European Community. They do this in trade matters; they do it in monetary affairs. We are being criticized very sharply now, even within our own country, because we do not raise interest rates, because Europe has high interest rates.

We get all kinds of criticisms like this. So we—acting on the assumption that these people who believe in the wisdom of the Europeans—are looking very strongly at the value added tax. Nearly every major industrial country in Europe has the value added tax—they have imposed it, with all their wisdom—there must be some great merits in it. So we are investigating it.

Now, as far as other areas, you talk about some of the loopholes. Again, the Congress has in its wisdom, in my judgment, permitted the deduction of interest paid, although in the Tax Reform Act of 1969 you changed that provision. You permitted the interest deduction only to the extent that there is investment income to offset. If you did not have that kind of provision—this is labeled by many as an inordinate loophole—it seems to me that you would create a tax system in this country that would do nothing but permit inherited wealth to continue and prevent anyone else from ever building any kind of estate.

If a fellow who starts with nothing cannot go out and build something—build an estate, build a business, build an industry, and charge interest expense off, which he is now permitted to do, you are going to prevent anybody from ever again building an estate in this country. So I do not count it as a loophole. I think this is basically where you and I disagree, Senator.

Mr. Speaker, I object to the consideration of the conference report.

The SPEAKER. Objection is heard.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. 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. 71]

Abourezk	Annunzio	Baring
Abzug	Archer	Bell
Addabbo	Arends	Biaggi
Anderson, Ill.	Ashbrook	Bingham
Anderson, Tenn.	Aspinall	Blanton
	Badillo	Blatnik
Brasco	Goldwater	Podell
Caffery	Grasso	Pryor, Ark.
Chisholm	Green, Oreg.	Pucinski
Clark	Halpern	Quie
Clausen, Don H.	Hawkins	Quillen
Clay	Hull	Railsback
Collins, Ill.	Ichord	Rees
Conyers	Jarman	Reid
Cotter	Jones, Ala.	Riegle
Crane	Kee	Rostenkowski
Curlin	Keith	Rousselot
Davis, S.C.	Landrum	Ruth
Dellums	Lloyd	St Germain
Denholm	Long, La.	Scheuer
Dent	Lujan	Schwengel
Diggs	McDonald, Mich.	Stanton, James V.
Dorn	McKay	Steele
Dow	McKevitt	Stephens
Dowdy	McKinney	Stokes
Dwyer	McMillan	Stubblefield
Eckhardt	Madden	Talcott
Edwards, La.	Mann	Teague, Calif.
Findley	Melcher	Thompson, N.J.
Fish	Metcalfe	Tiernan
Fisher	Miller, Calif.	Van Deerlin
Foley	Mills, Md.	Vigorito
Fraser	Mink	Ware
Frelinghuysen	Moorhead	Whalley
Frenzel	Murphy, Ill.	Wiggins
Frey	Murphy, N.Y.	Wilson, Charles H.
Fuqua	Nelsen	Winn
Gallagher	Pelly	Zion
Gaydos	Pepper	Zwach
Gettys	Pike	

The SPEAKER. On this rollcall 313 Members have answered to their names, a quorum.

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

REIMBURSEMENT OF COSTS OF RELOCATION OR ABANDONMENT LOSSES

Mr. CABELL. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 13533), to amend the District of Columbia Redevelopment Act of 1945 to provide for the reimbursement of public utilities in the District of Columbia for certain costs resulting from urban renewal; to provide for reimbursement of public utilities in the District of Columbia for certain costs resulting from Federal-aid system programs; and to amend section 5 of the act approved June 11, 1878—providing a permanent government of the District of Columbia—and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 13533

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

SECTION 1. This Act may be cited as the "District of Columbia Public Utilities Reimbursement Act of 1972".

SEC. 2. Section 5 of the District of Columbia Redevelopment Act of 1945 (D.C. Code, sec. 5–704), is amended by adding at the end thereof the following new subsections:

"(c) Notwithstanding any provisions of law to the contrary, whenever, as the result of urban redevelopment, any utility facilities are required to be relocated, adjusted, replaced, removed, or abandoned in order to meet the requirements of or to conform to a redevelopment plan, or any modification of such plan adopted pursuant to this Act, the utility owning such facilities, shall relocate, adjust, replace, remove, or abandon the

same, as the case may be. The cost of relocation, adjustment, replacement, or removal, and the cost of abandonment of such facilities shall be paid to the utility by the Agency as part of the cost of the redevelopment project.

"(d) As used in this section—

"(1) The term 'utility' means any gas plant, gas corporation, electric plant, electrical corporation, telephone corporation, telephone line, telegraph corporation, telegraph line, and pipeline company, whether publicly or privately owned, as those terms are defined in paragraph 1 of section 8 of the Act of March 4, 1913 (relating to appropriation for expenses for the government of the District of Columbia) (D.C. Code, secs 43–112—43–121).

"(2) The term 'utility facility' means all real and personal property, buildings, and equipment owned or held by a utility in connection with the conduct of its lawful business.

"(3) The term 'cost of relocation, adjustment, replacement, or removal' means the entire amount paid by such utility properly attributable to such relocation, adjustment, replacement, or removal, as the case may be, less any increase in value on account of any betterment of the new utility facilities over the old utility facilities, and less any salvage value derived from the old utility facilities.

"(4) The term 'cost of abandonment' means the actual cost to abandon any utility facilities which are not to be used, relocated, adjusted, replaced, removed, or salvaged, together with the original cost of such abandoned facilities, less depreciation."

SEC. 3. Section 7(h) of the District of Columbia Redevelopment Act of 1945 (D.C. Code, sec. 5–706(h)) is amended by inserting immediately after the words "include in the cost payable by it" a comma and the phrase: "in addition to the costs provided for in section 5(c) hereof,".

SEC. 4. (a) Notwithstanding any provisions of law to the contrary, whenever the Commissioner of the District of Columbia shall determine that the construction or modification of a project, on or a part of the National System of Interstate and Defense Highways within the District of facilities over the old utility facilities, and less any salvage value derived from the old utility facilities.

(4) The term "cost of abandonment" means the actual cost to abandon any utility facilities which are not to be used, relocated, adjusted, replaced, removed, or salvaged, together with the original cost of such abandoned facilities, less depreciation.

SEC. 5. Section 5 of the Act entitled "An Act providing for a permanent form of government for the District of Columbia", approved June 11, 1878 (D.C. Code, sec. 7–605), is amended by inserting at the end thereof after the word "direct" a comma and the following phrase: "except as provided in sections 5(c) and 7(h) of the District of Columbia Redevelopment Act of 1945 and section 4 of the District of Columbia Public Utilities Reimbursement Act of 1972".

The SPEAKER. The gentleman from Texas is recognized.

Mr. CABELL. Mr. Speaker, the purpose of H.R. 13533—as stated in House Report No. 92–906—is to provide for reimbursement to the privately owned public utilities in the District of Columbia of their costs of relocation, or losses from abandonment, due to urban renewal projects, or projects under the National System of Interstate and Defense Highways (Federal-Aid Highway projects).

The bill provides reimbursement to these utilities for nonbetterment costs, or losses with respect to properties, facilities, or structures required to be abandoned, adjusted, relocated, or removed as a part of such projects. No reimbursement is provided for any betterment or improvements of any facilities.

In general, the bill would prevent the present practice of charging such unusual or extraordinary expenses and losses to the rate payers or consumers and enable the preservation of the investment of public utilities in the District in their properties and their facilities devoted to public service.

As indicated, customers of these utilities are currently bearing these extraordinary costs and losses through the rates they pay for their utility services, despite the fact that these projects benefit the entire metropolitan community and therefore should be supported by the general tax dollars.

URBAN RENEWAL PROJECT

Section 2 of H.R. 13533 would amend the District of Columbia Redevelopment Act of 1945 to require payment by the RLA of the cost of relocating, adjusting, replacement, removing, and abandoning utility facilities whenever such actions become necessary because of an urban redevelopment plan or modification thereof. Payment of such costs would be made to the utility owning such facilities and would be treated as an allowable cost of the Urban Renewal redevelopment project.

Generally in the District of Columbia, costs incident to the removal or relocation of electric, telephone, and gas utility facilities, when such removal or relocation is necessitated by governmental action, have been borne by the public utilities affected thereby. This long-standing requirement is based on the view that utility companies acquire no vested interests in the public space of the District of Columbia by the grant to them of franchises to construct and maintain utility lines, conduits, pipes, and related facilities. Hence, when the needs of the District or Federal Government so require in connection with the construction of public buildings and other public works, such utilities are now obliged to remove, divert, or relocate their facilities without cost to the respective governments.

Under H.R. 13533, utility relocation costs or losses from abandonment resulting from Urban Renewal projects in the District would be included in the cost of the project and passed on to the purchaser—as is now done with regard to the costs of relocating publicly owned water and sewer facilities—and thereafter recovered in the sale or lease price of the project of private developers.

As it now stands in the District, ultimate purchasers or lessees of property from the Redevelopment Land Agency may get a windfall because part of the cost of the project, namely utility relocation or abandonment costs, have been absorbed by local utility customers.

Concededly, Urban Renewal projects require condemnation and the redesigning of large areas of the District, wherein some existing buildings must be demolished for new ones to be constructed. As a part of this process of redevelopment, certain streets and ways must be closed or re-routed to accommodate the redesigns and as a necessary incident thereto, adjustments must be made in public utility facilities which are located in some streets and ways; and, of course, the costs resulting therefrom should be included and paid as part of the cost of the whole project.

At the present time, at least eight States have enacted laws permitting payment for utility adjustment costs in Urban Renewal projects, namely: Connecticut, Georgia, Kansas, Maryland, Massachusetts, New Jersey, Texas, Oklahoma.

In adjacent Maryland, the State's constitution was amended in 1960 to permit the General Assembly to authorize and empower any county or any municipal corporation to carry out urban renewal projects, and since that date five counties and 33 cities and towns in Maryland have been so empowered, with provisions for payment to utilities of costs of relocating their facilities when such relocations are required by urban renewal projects. Thus, Montgomery and Prince Georges Counties, and many of the cities and towns in the Washington Metropolitan Area, have already provided for payment of such costs to the utilities.

Further, the United States Department of Housing and Urban Development permits payment of relocation costs of privately owned utilities as a part of the project costs.

NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

Section 4 of H.R. 13533 also authorizes payment by the District of Columbia to public utility companies of the cost of relocating, adjusting, replacing, removing or abandoning utility facilities whenever the Commissioner of the District of Columbia determines that such actions are required by the construction or modification of a project under the National System of Interstate and Defense Highways within the District. The costs of such relocation, adjustment, replacement, removal, or abandonment, would be considered as a part of the costs of the Highway project. These provisions recognize the financial burden of large scale relocations and abandonments when utility facilities must be adjusted to accommodate Federal highway construction programs now in progress in the District.

Congress recognized the predicament of public utilities in such situations and made provision in the Federal-Aid Highway Act of 1956 for reimbursement to States (including the District of Columbia) which pay for utility relocations growing out of the Federal Highway program. However, such reimbursements may not be made unless the State (or the District) has appropriate authority to do so; at the present time the District of Columbia lacks such authority, and that is the reason for this part of the legislation reported herewith.

The impact of the vast road construction projects in the District is so extensive that the local utilities, and, in the judgment of your Committee, ultimately the rate payer, should not, in all fairness, be required to bear the cost of the resulting relocation of utility properties, and particularly when adjustments are the

results of Federal highway improvements designed to benefit the public at large and are of no particular benefit, if any, to the utilities themselves.

The changes brought about are not due to changes designed for improvements of utility service; nor do they result from deterioration or ordinary obsolescence. As stated, the costs of the necessary utility modifications have been found by the Congress to be a cost of the Federal Aid Highways Improvement Program, to be borne by all those who benefit from them and not solely by the utility users.

PRECEDENT LEGISLATION

According to information furnished your Committee, payment for utility relocation costs in connection with projects that are a part of the National System of Interstate and Defense Highways is permitted in the following 45 States:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas.

Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York.

North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wyoming.

There are many precedents in the District of Columbia for payment of utility relocation costs.

Under the Washington Metropolitan Area Transit Authority Compact (P.L. 89–774, approved Nov. 6, 1966; 80 Stat. 1324), if facilities of a utility are required to be relocated because of any project connected with the building by the Authority of any transportation facilities, whether they be bus or rail rapid transit, payment of utility relocation costs are required.

The language of the compact (Art. XV) is as follows:

"Relocation of Public or Public Utility Facilities.

"68. Notwithstanding the provisions of Section 67 of this article XV, any highway or other public facility or any facilities of a public utility company which will be dislocated by reason of a project deemed necessary by the Board to effectuate the authorized purposes of this Title shall be relocated if such facilities are devoted to a public use, and the reasonable cost of relocation, if substitute facilities are necessary, shall be paid by the Board from any of its monies."

Similar requirements are contained in the Potomac, Susquehanna and Delaware River Basin Compacts.

HEARING

This legislation was thoroughly reviewed in a public hearing held by the Subcommittee on Business, Commerce, and Fiscal Affairs of your committee on February 22, 1972, at which time representatives of the utilities involved; namely, Washington Gas Light Co., Potomac Electric Power Co., and the Chesapeake & Potomac Telephone Co., and representatives of the District of Columbia Redevelopment Land Agency and the District of Columbia government, were heard and supported the legislation.

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

Mr. CABELL. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Speaker, I rise in support of the legislation. H.R. 13533, now before us for final action, is a bill to provide for reimbursement to privately owned public utilities in the District of Columbia of their costs of relocation, or losses from abandonment, due to renewal projects or Federal-aid highway projects. These are nonbetterment costs only, not for any improvement of facilities.

What has happened in the past, and what this bill will correct, is that the public has been forced to bear the burden of these costs and losses through increased utility rates. But, as the committee report on H.R. 13533 points out, these renewal and highway projects benefit the entire metropolitan community, and there is much justification, therefore, for their support through general tax revenue.

And there is, indeed, substantial precedent for such legislation, both nationwide and locally. Forty-five States permit reimbursement for relocation costs as a result of Federal-aid highway projects, and eight States permit payment for utility adjustment costs in urban renewal programs. And here in Washington, utilities are reimbursed for relocation because of projects required in the construction of transportation facilities by the Washington Metropolitan Area Transit Authority.

Thus, from the consumer standpoint, it is essential and reasonable that we act quickly and favorably on this measure, and insure that such costs be considered legitimate expenses of any urban renewal or Federal highway program.

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. CABELL. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in explanation of or concerning this bill (H.R. 13533) and the ensuing bills pertaining to the District of Columbia.

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

There was no objection.

DISTRICT OF COLUMBIA SHARE OF RESERVOIR COSTS

Mr. CABELL. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 9802) to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the costs of reservoirs on the Potomac River and its tributaries, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 9802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioner of the District of Columbia is hereby authorized to contract, within an amount specified in a District of Columbia Appropriation Act, with the United States, any State in the Potomac River Basin, any agency or political subdivision thereof, and any other competent State or local authority, with respect to the payment by the District of Columbia to the United States, either directly or indirectly, of the District's equitable share of any part or parts of the non-Federal portion of the costs of any reservoirs authorized by the Congress for construction on the Potomac River or any of its tributaries. Every such contract may contain such provisions as the Commissioner may deem necessary or appropriate.

SEC. 2. Unless hereafter otherwise provided by law, all payments made by the district of Columbia and all moneys received by the District of Columbia pursuant to any contract made under the authority of this Act shall be paid from, or be deposited in, the District of Columbia Water Fund. Charges for water delivered from the District of Columbia water system for use outside the District of Columbia may be adjusted to reflect the portions of any payments made by the District of Columbia under contracts authorized by this Act which are equitably attributable to such use outside the District.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. CABELL. Mr. Speaker, the purpose of H.R. 9802—as stated in House Report No. 92–904—is to authorize the Commissioner of the District of Columbia to enter into contracts with the United States or with any State in the Potomac River Basin, for the purpose of providing payment to the United States of the District's fair share of the non-Federal portion of the costs of any reservoirs authorized by the Congress to be constructed on the Potomac River or any of its tributaries from which the District of Columbia would benefit. Such payments will be made from the D.C. Water Fund.

NEED FOR LEGISLATION

In April of 1961, the U.S. Army Corps of Engineers submitted a report recommending the construction of a reservoir on the north branch of the Potomac River above Bloomington, Md. The purposes of this project were to provide for immediate and future municipal and industrial water supply, flood control, water quality control, and recreation; and the District of Columbia would be a beneficiary of supplemental water provided from this reservoir. This Bloomington Reservoir project was authorized in the Flood Control Act of 1962 (Public Law 87–874). However, the actual construction of this project was delayed until quite recently because of the requirements of section 301(b) of the Water Supply Act of 1958, as amended, that there be contractual agreements by

State or local interests to pay to the United States the costs of providing water supply storage for their existing demands. The enactment of H.R. 9802 into law will enable the District of Columbia, for the first time, to enter into contracts for the payment of its fair share of such costs, and thus this proposed legislation is needed to help prevent such delays in the construction of future projects as may be approved by the Congress.

Extremely low Potomac River flows experienced in the summer and early fall of 1966, and periodic threats of a repetition of these 1966 conditions, have created an urgent necessity for bringing to fruition as quickly as possible plans for supplementing the District's supply of water from the Potomac, and hence the need for this legislation is critical.

DEVELOPMENT OF LEGISLATION

Over the years since the authorization of the Bloomington project, the U.S. Army Corps of Engineers has exerted considerable effort in getting various agencies of Maryland, Virginia, West Virginia, and the District of Columbia together to try to develop methods by which the non-Federal share of the costs of the Bloomington reservoir might be allocated equitably. Little progress was made, however, until the State of Maryland enacted legislation in 1969, creating the Maryland Potomac Water Authority as an instrument for contracting with the Federal government for the initial non-Federal costs of the Bloomington project.

In October of 1968, the Maryland Department of Water Resources approached the District of Columbia government with a view toward seeking an agreement whereby ways of handling the District's fair share of the initial non-Federal cost of the Bloomington reservoir might be worked out with the Maryland Potomac Water Authority, which was then in the formative stages. The District government welcomed this opportunity, and the bill H.R. 9802 represents the fruits of these joint efforts.

HEARING

A public hearing on this proposed legislation was conducted on February 22, 1972. At that time, testimony in favor of the enactment of the bill was offered by spokesmen for the Commissioner of the District of Columbia and the D.C. Department of Environmental Services. No opposition to the bill was expressed.

This bill is identical to S. 1362, which passed the Senate on December 2, 1971.

COSTS

The cost which will accrue to the District of Columbia government over the next 5 fiscal years, pursuant to the enactment of this bill, is impossible to predict at this time. No outlay of funds will be called for until the completion of the Bloomington Reservoir, construction of which was begun only quite recently. Present estimates of this completion date vary from 1975 to 1977. Also, the District's share of the non-Federal cost of this project will be determined in accordance with the terms of an agreement between the District of Columbia government and the Maryland Potomac Water Authority, which has not yet been developed.

It should be pointed out, however, that the District's share of these costs will be paid from the District of Columbia Water Fund, which traditionally has been self-sustaining through revenues from the use of water in the city. Hence, it appears probable that the District's share of the cost of construction of these reservoirs may be raised through advertisement in the city's water rates. Of course, however, congressional approval of the expenditure of these funds for this purpose will be required.

Mr. Speaker, I yield to the gentleman from Maryland (Mr. GUDE) the author of this bill, if he would like to make certain explanations.

Mr. GUDE. Mr. Speaker, I thank the gentleman from Texas for yielding.

Mr. Speaker, H.R. 9802 is a bill to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the non-Federal costs of reservoirs on the Potomac River and its tributaries. Specifically, the Bloomington Reservoir on the Potomac River will contain storage to augment the water supply of Potomac Basin communities and the Washington metropolitan region. In 1969, the State of Maryland enacted legislation creating the Maryland Potomac Water Authority, authorized to contract with the United States to pay its share of the non-Federal costs for Bloomington water storage and to contract with the District of Columbia with respect to the District's equitable share.

Members of the Maryland Potomac Water Authority, consisting of several Maryland counties, have agreed to a formula for allocating water supply costs in proportion to the quantity used. District of Columbia communities also benefit from the Bloomington storage. This bill simply enables the District to contract for its payment of its equitable share of the costs of such a project, to be paid from the District of Columbia water fund. Thus, the bill would facilitate negotiations and enable the District to cooperate fully in this important matter of water supply for the metropolitan region. At the same time, I should point out the Corps of Engineers is working to provide access to additional water supply from the estuary in emergency periods of low flow. I have no doubt that we have the technology at hand so that within a few years we will be able to further supplement our regional water supply from the estuary so as to preclude the need for construction of additional upstream impoundments. At this time, however, this legislation is necessary in the case of the Bloomington Dam; it would be permissive in case Congress should ever deem other impoundments necessary.

Mr. CABELL. Mr. Speaker, I would like to add one additional explanation, which is that this does not entail the expenditure of money other than that which has already been authorized for the District of Columbia for its water needs. This does not require appropriations. The dam involved has been authorized, but the Corps of Engineers require that the District have this authority.

Mr. GUDE. Mr. Speaker, if the gentleman will yield further, actually there is only one dam authorized and under construction at this time. That is the Bloomington Dam. Further construction would have to be authorized specifically by Congress as far as any dams are concerned on the Potomac or its tributaries.

Mr. CABELL. That is correct. I thank the gentleman for his contribution.

Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia be discharged from further consideration of a similar Senate bill (S. 1362) to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portion of the costs of reservoirs on the Potomac River and its tributaries, and for other purposes, and I ask unanimous consent for its immediate consideration.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioner of the District of Columbia is hereby authorized to contract, within an amount specified in a District of Columbia Appropriation Act, with the United States, any State in the Potomac River Basin, any agency or political subdivision thereof, and any other competent State or local authority, with respect to the payment by the District of Columbia to the United States, either directly or indirectly, of the District's equitable share of any part or parts of the non-Federal portion of the costs of any reservoirs authorized by the Congress for construction on the Potomac River or any of its tributaries. Every such contract may contain such provisions as the Commissioner may deem necessary or appropriate.

SEC. 2. Unless hereafter otherwise provided by law, all payments made by the District of Columbia and all moneys received by the District of Columbia pursuant to any contract made under the authority of this Act shall be paid from, or be deposited in, the District of Columbia Water Fund. Charges for water delivered from the District of Columbia water system for use outside the District of Columbia may be adjusted to reflect the portions of any payments made by the District of Columbia under contracts authorized by this Act which are equitably attributable to such use outside the District.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 9802) was laid on the table.

TO EXCLUDE DISTRICT OF COLUMBIA POLICE PERSONNEL RECORDS FROM PUBLIC INSPECTION

Mr. JACOBS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 11773) to amend section 135 of title 4 of the District of Columbia Code 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, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

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

There was no objection.

The Clerk read the bill as follows:

H.R. 11773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 135 of title 4 of the District of Columbia Code is amended to read "the records to be kept by paragraphs 1, 2 and 4 of section 4–134 shall be open to public inspection when not in actual use and this requirement shall be enforceable by mandatory injunction issued by the United States District Court for the District of Columbia on the application of any person."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 389 of the Revised Statutes of the United States relating to the District of Columbia (D.C. Code, sec. 4–135), is amended to read as follows: 'The records to be kept by paragraphs 1, 2, and 4 of section 386 shall be open to public inspection when not in actual use, and this requirement shall be enforceable by mandatory injunction issued by the Superior Court of the District of Columbia on the application of any person.' "

The committee amendment was agreed to.

Mr. JACOBS. Mr. Speaker, I move to strike the last word.

I might say at the outset, this is a bill cosponsored by a number of Members. One of the principal sponsors is the gentleman from Maryland (Mr. HOGAN).

The purpose of H.R. 11773—as stated in House Report No. 92–903—is to exclude the personnel records, including the home addresses, telephone numbers, and certain other personal data, of the officers and members of the Metropolitan Police Department from the records which are open to public inspection.

Section 4–134 of the District of Columbia code requires that the Metropolitan Police Department maintain certain records, including general complaint files, records pertaining to stolen property, and arrest books containing important identifying information concerning every arrest made by a member of the Department. Specifically, paragraph 3 of this section requires the maintenance of the following records:

A personnel record of each member of the Metropolitan Police force, which shall contain his name and residence; the date and place of his birth; his marital status; the date he became a citizen, if foreign born; his age; his former occupation; and the dates of his employment and separation from office, together with the cause of the latter.

Section 135 of this same title requires that most of the records described in section 134, including the personnel records referred to in paragraph 3 thereof, "shall be open to public inspection when not in actual use". It is further provided that this requirement is enforceable by injunctive judicial relief.

NEED FOR LEGISLATION

The principal problem involved in these provisions of present law, as described above, lies in the availability to the public of the home addresses and telephone numbers of the police officers.

Our committee has been made aware that this availability of police officers' home addresses has resulted, on several occasions in recent years, in the exposure of police officers and their families to telephone harassment and fear of physical reprisals. Nor is it even necessary for a person seeking to wreak his spite or vengeance upon a police officer to go to Police Headquarters to obtain an officer's home address and telephone number; for during the year 1971 alone, the home addresses of District of Columbia police officers were printed in connection with stories in the Washington newspapers on at least four occasions.

Two incidents in particular, which occurred during the past year, illustrate availability of these home addresses to the public.

Last December, two off-duty District of Columbia police officers became involved with the occupants of another vehicle on South Capitol Street, who fired upon the two policemen. One of the officers was wounded by the gunmen and then dragged to his death by their automobile. The newspaper account of this incident included the address of the dead police officer's nearest relatives in this area. We are advised that during the course of the next several days the family was so harassed that they would have moved from the area had they been able to do so.

The other incident occurred in April of 1971, when a District of Columbia police officer responded to a false trouble call and became the victim of a premeditated ambush by two young men whom he and another officer had arrested the previous week. The police officer was fortunate in escaping this assassination attempt with minor wounds. While he lay in a hospital under protective guard, however, this officer's home address was printed in the local press. It happened that probable disaster in this case was averted by reason of the fact that the address released was one from which this officer's family had very recently moved. But there is no question but that in this instance, the ambushers might well have sought to visit their vengeance upon the members of the police officer's family, with tragic results.

These incidents, and others of like nature, leave no doubt that because of the availability of their home addresses and telephone numbers, officers and members of the Metropolitan Police Department and their families have been exposed, on too many occasions, to situations ranging from the harassment of anonymous telephone calls to actual threats of physical violence.

As for any useful purpose involved in the availability of this information to the public, our Committee realizes that on occasions, a citizen or an attorney may have perfectly valid reasons in seeking to contact a police officer. Most such contacts, however, can and should be made during the officer's duty hours at his assigned duty station. The present assignment of any officer or member of the Department may readily be obtained by telephoning tthe Department's personnel office. And should the officer not then be on duty, his next tour of duty may be obtained from his assigned unit.

Also, it is conceivable that occasions might arise when a citizen or an attorney may find it necessary to contact an officer on an emergency basis during his off-duty hours. On these occasions, the Department's Court Liaison Branch will assist by contacting the officer and requesting him to contact the person seeking to reach him, if the circumstances of the particular situation warrant.

PROVISIONS OF THE BILL

The bill H.R. 11773 removes the personnel records of the officers and members of the Metropolitan Police Department from the records of the Department which must be open to public inspection. This will serve to eliminate much of the possibility that individual officers and their families may be contacted, harassed, and in some cases endangered by persons with whom the officer has had official contact.

CONCLUSIONS

In the opinion of our committee, there is no question that the tensions upon the police officer and his family, incident to the nature of present day police work are great enough without the additional mental burden of fear for the safetv of his home and family. Today's urban police officer must deal with greatly increased hostilities to his person. Radical groups call constantly for the death of police officers and even educate their children to insure another generation of police haters. We recognize that the criminal mind does not confine itself to logic and reason, and that threats of retaliation to an officer may easily be extended to his family as well.

Further, for reasons which have been cited elsewhere in his report, our committee is convinced that the continued availability of District of Columbia police officers' personnel records to public scrutiny can serve no useful purpose whatever. Hence, we commend this bill, which will forbid such public availability of these records, to our colleagues for favorable action.

HEARING

A public hearing on this bill was conducted by the Subcommittee on the Judiciary on February 28, 1972. At that time, testimony in support of the legislation was expressed by Members of Congress and by spokesmen for the District of Columbia government, the Metropolitan Police Wives Association, the Retired Policemen's Association of District of Columbia, and the International Conference of Police Associations. No opposition to the enactment of the bill was expressed.

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

Mr. JACOBS. I yield to the gentleman from Maryland.

Mr. HOGAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in enthusiastic support of this legislation. As the gentleman from Indiana has indicated, this is to protect the lives of police officers and their families. There have been a number of incidents, when addresses have been printed in the newspapers, and instances when criminals have attempted to get revenge for actions of police officers taken in their official capacity.

I believe it is a necessary bill, and I hope it will be passed overwhelmingly.

I thank the gentleman for yielding.

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

The title was amended so as to read.

"A bill 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."

A motion to reconsider was laid on the table.

EVIDENTIARY USE OF PRIOR INCONSISTENT STATEMENTS BY WITNESSES

Mr. JACOBS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12410) to provide for the evidentiary use of prior inconsistent statements by witnesses in trials in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 12410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14–102 of the District of Columbia Code is amended to read as follows:

"§ 14–102. Prior inconsistent statements

"Evidence of a prior statement, oral or written, made by a witness is not made inadmissible by the hearsay rule if the prior statement is inconsistent with his testimony at a hearing or trial. After the witness has been given an opportunity to explain or deny the prior statement, the court shall allow either party to prove that the witness has made a prior statement, oral or written, inconsist with his sworn testimony. Such prior statement shall be admissible for the purpose of affecting the credibility of the witness or for proving the truth of the matter asserted therein if it would have been admissible if made by the witness at the hearing or trial. Each party shall be allowed to cross-examine the witness on the subject matter of his current testimony and the prior statement."

With the following committee amendment:

On page 1, line 10, after the word "opportunity" insert "at such hearing or trial."

The committee amendment was agreed to.

Mr. JACOBS. Mr. Speaker, I move to strike the last word.

The purpose of the bill H.R. 12410—as stated in House Report 92–907—is to amend existing law (D.C. Code, 14–102; 77 Stat. 518) relating to the inadmissibility of prior inconsistent statements of a witness at a trial or hearing except for the purpose of affecting the credibility of the witness at the trial or hearing. Present law permits the admission of statements made by witnesses, before any hearing or trial, which statements are inconsistent with the testimony being presented at a hearing or trial but the use of the prior inconsistent statement may not be for evidentiary purposes.

Under the provisions of the pending bill, the prosecution or defense, at a trial or hearing, may introduce such prior inconsistent statements of a witness as affirmative evidence on the merits. Existing law is said to have originated from an application of the hearsay rule. The language proposed by the bill satisfies the tests of the hearsay rule by recognizing the facts of (1) the presence at the trial or hearing of the witness whose prior statement is inconsistent with his testimony and (2) that the maker of the prior inconsistent statement is available for examination and cross-examination.

EFFECT OF PRESENT LAW

Application of the law as presently stated may easily produce results contrary to the public interest. The case of *U.S.* v. *Jordan Washington,* Criminal No. 297–69, which was before the U.S. District Court for the District of Columbia, illustrates the point. During a hold-up of a furniture store, the proprietor was murdered. Following the shooting, the police secured signed statements from three witnesses who identified Washington as the person who shot the store proprietor. These statements, secured shortly after the killing formed the heart of the case for the prosecution.

However, each of the three persons later repudiated his statement. Further, the prosecution was not permitted to use the prior statements for evidentiary purposes. The government thus was unable to carry forward any case and was forced to dismiss it.

PROCEDURE ACCEPTED

In addition to the approval of the proposed procedure by prominent jurists, the improvement has been adopted by some states and is found in proposals to codify the rules of evidence, such as the Model Code of Evidence, Uniform Rules of Evidence, Revised Draft of the Proposed Rules of Evidence for the United States Courts and Magistrates as proposed by the Judicial Conference of the United States in 1971.

The provisions of H.R. 12410 follow closely the language of Section 1235 of the California Evidence Code which section was recently found to meet constitutional tests by the U.S. Supreme Court. (*Calif.* v. *Green,* 399 U.S. 149 (1970)).

HEARINGS

Our committee held public hearings on the bill H.R. 12410 and received testimony in support of the legislation from the United States Attorney for the District of Columbia, the Corporation Counsel for the District of Columbia, Members of Congress, General Counsel for the Metropolitan Police Department and from private organizations.

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

Mr. JACOBS. I yield to my good friend and colleague from Indiana (Mr. DENNIS).

Mr. DENNIS. Is it not a fact that under the procedure provided in this measure here, if a witness takes the stand to testify to completely repudiate his former statement and testifies that the former statement was not true, you could yet use that former statement which he has now repudiated completely in order to convict the defendant on trial without any testimony offered under oath in the trial itself that the man was guilty of anything?

Mr. JACOBS. I do not believe that that is precisely the situation. We were concerned about that problem in the committee, and therefore we offered the amendment which has just been read to the House, namely, that the testimony—and you will see there is a reference to testimony at such trial or hearing——

Mr. DENNIS. Yes. But will the gentleman yield further?

Mr. JACOBS. Yes. I yield.

Mr. DENNIS. It says after the witness has been given an opportunity at such hearing or trial to explain, but there still might not be any affirmative testimony, offered from the witness stand in the court, which implicated the defendant. You could convict him solely on that prior out-of-court statement.

Mr. JACOBS. That is exactly the decision of the Supreme Court in the case of California against Green.

It seems to me the element most dear to the constitutional protection of due process of law is that that witness be available for cross examination with respect to the statement that had been given. I believe this legislation does require that element before such statement could be a part of the evidence in the case.

Mr. DENNIS. May I ask the gentleman a further question?

Mr. JACOBS. Certainly.

Mr. DENNIS. Under the procedure in this bill, would the State or the prosecution have to call the witness and ask him about the transaction? Suppose the witness had said ahead of time, "I am going to repudiate the statement; I will not testify." Could they just put the statement in and put the onus of calling him on the defense, or not?

Mr. JACOBS. I would assume, in answer to the question of the gentleman, that a reasonable interpretation of the words "opportunity to testify" would be the calling of the witness to the witness stand. The witness must have testified before the prior statement could be used as evidence.

Mr. DENNIS. Will the gentleman yield further?

Mr. JACOBS. I shall.

Mr. DENNIS. I do not think we should give the impression here that this rule or, rather, the rule which you are changing, is peculiar to the District of Columbia. There no doubt are some jurisdic-

tions which have adopted the rule proposed in this bill. But unless my experience is sadly at fault, the general rule certainly is that you can use a prior contradictory statement only to contradict, and not as proof to convict.

The SPEAKER. The time of the gentleman has expired.

(By unanimous consent, Mr. JACOBS was allowed to proceed for 4 additional minutes.)

Mr. JACOBS. I yield further to the gentleman from Indiana.

Mr. DENNIS. It is an entirely new thing, or at any rate pretty much a new thing to the jurisprudence, I submit to the gentleman, to say that you can use an out-of-court statement which may not have even been made under oath, which is not required in the bill——

Mr. JACOBS. That is correct.

Mr. DENNIS (continuing). To convict a man although the witness now testifies under oath to the contrary.

Mr. JACOBS. I point out to the gentleman in further response to him that an out-of-court statement by a party, even a party defendant, could be used though not under oath as evidence in the trial, but, as I said in my initial statement, there are quite a number of jurisdictions and perhaps the majority of the jurisdictions which still retain all of the traditional hearsay rule. I submit and the Department of Justice, which requested that I introduce the bill, submits that we deal here with an unnecessary part of the hearsay rule, the hearsay rule resting, as it does, on the traditional underpinning of the constitutional right for one to confront his accusers. And, that in the case indicated by this legislation, one would have that opportunity and, therefore, it should be an exception to the hearsay rule. We say it is in the statutes of the State of California and it has been tested in the Supreme Court and affirmed.

Mr. DENNIS. Mr. Speaker, if the gentleman will yield further, I am sure the gentleman will agree with me that the case of the statement of the defendant, which the gentleman referred to, is an entirely different situation.

Mr. JACOBS. But still subject to the rules of evidence.

Mr. DENNIS. The defendant's admissions, though, are always competent evidence against him. However, here we are using the out-of-court, unsworn, and now repudiated statement of a witness to convict a defendant against whom there may be no testimony under oath in court at all. That is a very new idea.

Mr. JACOBS. For the record, let me point out further that such prior inconsistent statements would be subject to all other rules of evidence such as relevancy, such as circumstances under which the statement was made, evidence of irregularities existing and practiced by the authorities. Obviously, the statement could be excludable by other rules of evidence. All the other rules of evidence would survive.

Mr. DENNIS. I thank the gentleman for yielding.

Mr. JACOBS. I thank the gentleman for his contribution.

Mr. SMITH of New York. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield to my colleague from New York.

Mr. SMITH of New York. I would like to point out to the gentleman from Indiana that the hearings produced the testimony that this rule has been adopted in some of the States besides California. In addition to the approval of the proposed procedure by prominent jurists, the improvement has been adopted by some States and is found in proposals to codify the rules of evidence, such as the Model Code of Evidence, Uniform Rules of Evidence, Revised Draft of the Proposed Rules of Evidence for the U.S. Courts and Magistrates as proposed by the Judicial Conference of the United States in 1971. It seems that while the existing rule is said to have originated from an application of the hearsay rule, those scholars who are proposing a change in the present law feel that the present rule was actually a misapplication of the original hearsay rule.

Mr. JACOBS. I thank the gentleman for his contribution.

The SPEAKER. The time of the gentleman from Indiana has again expired.

(By unanimous consent, Mr. JACOBS was allowed to proceed for 2 additional minutes.)

Mr. JACOBS. The beginning and the end of all jurisprudence is not written in Holy Grail from the first dawn of creation. This is clearly, I think, an inconsistent loophole in the rules of evidence when you consider the purpose of the hearsay rule.

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

Mr. JACOBS. Yes, I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding.

I would like to ask unanimous consent that the committee amendment be reread by the Clerk.

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

There was no objection.

Mr. DENNIS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I think it should be plain what we are doing in this bill. It is quite a departure from the ordinary legal procedures. It is quite short.

It merely says:

Evidence of a prior statement—

That need not be under oath—

oral or written, made by a witness—

And, we are not talking about the admissions of the defendant. That is universally the rule today—

is not made inadmissible by the hearsay rule if the prior statement is inconsistent with his testimony at a hearing or trial. After the witness has been given an opportunity at such hearing or trial to explain or deny the prior statement, the court shall allow either party to prove that the witness has made a prior statement, oral or written, inconsistent with his sworn testimony. Such prior statement shall be admissible for the purpose of affecting the credibility of the witness or—

This is the new part—

or for proving the truth of the matter asserted therein if it would have been admissible if made by the witness at the hearing or trial. Each party shall be allowed to cross-examine the witness on the subject matter of his current testimony and the prior statement.

Prior inconsistent statements of witnesses have always been available to contradict or reflect upon the credibility of the witness, but it is an entirely new thing in my experience, and I think in most jurisdictions, to say that that statement itself, this out-of-court statement made possibly not under oath, and certainly not subject to any cross examination on that statement at the time it was made, can now be offered in evidence to prove the case against a defendant; and perhaps it may be the sole evidence against him, because the witness now not only fails to testify against him, but it may be even changes his testimony completely and testifies in the defendant's favor, and yet you bring in an out-of-court statement to the contrary and prove the case of the Government.

It is a radical departure, and it does seem to me that if we are going to adopt it, it ought to be the subject of hearings in the Committee on the Judiciary, of which the gentleman from Indiana (Mr. JACOBS) and I are both members, and we ought then to decide whether this is a good idea for the whole federal system rather than making some possibly bad law because they have a tough situation, or think they have, in the District of Columbia. This is not the first time, I may say, that I have seen this happen in this body. We have made some other bad law that has come out of the Committee on the District of Columbia.

So I am opposed to the bill.

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

Mr. DENNIS. I will yield first to the gentleman from Indiana (Mr. JACOBS) and then I will yield to the gentleman from New York (Mr. SMITH).

Mr. JACOBS. Mr. Speaker, just to reiterate, the thinking behind this bill is that the defendant should be given the opportunity to cross examine the witness who made the prior inconsistent statement at the time of the trial.

Mr. DENNIS. I recognize that, but I still object to the fact that you can convict a man and send him to jail when no witness in court testifies against him because somebody gave the police a statement some time before which says he is guilty of something.

I will now yield to the gentleman from New York (Mr. SMITH).

Mr. SMITH of New York. Mr. Speaker, I think this evidentiary rule is in line with modern thought and the modern tendency. And I might say that we in the Committee on the Judiciary may have an opportunity to discuss adopting this as a rule of evidence for all of the Federal courts because it is going to be a part of the Proposed Rules of Evidence of the U.S. Courts and Magistrates, as proposed by the Judicial Conference. But I would say to you that the meat of this matter is that there does not seem to be any reason for not letting the jury decide—and they must decide, of course, beyond a reasonable doubt in a criminal case—whether the witness who

is there before them under oath is making an inconsistent statement to the one he has made before. I think the jury is perfectly capable of finding where the truth lies, and in which statement: whether the one made under oath before them or the one he made at a previous time. And that is the whole meat of the matter.

I think this seems to be the modern thinking regarding this particular rule.

Mr. DENNIS. I would simply say to the gentleman from New York that my understanding is that you only convict people by testimony in court under oath, and this is something new, to convict a defendant on the basis of what a witness told the police at some previous time. This may show that the witness is a liar, that he is saying something difrent at one time or another, but does it show that the defendant is guilty of what the witness said the first time or that he is innocent as the witness says that he is, the second time?

The SPEAKER pro tempore (Mr. BOGGS). The time of the gentleman from Indiana has expired.

Mr. KAZEN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I do this for the purpose of asking the gentleman if it is his understanding that a prior statement, not made under oath, will now have the same force and in some instances a greater force than a statement made under oath later in a hearing?

Mr. DENNIS. I would say, under the terms of this bill—that is exactly correct.

Mr. KAZEN. That is the interpretation that the gentleman places on the provisions of this bill?

Mr. DENNIS. Well, the bill says "Evidence of a prior statement." It says nothing about it being under oath. The whole thrust of the bill is to make that prior statement proof of the matter asserted in the statement, even though a witness under oath now repudiates it.

Mr. KAZEN. If that is true, I agree with the gentleman then that it is a very dangerous precedent, and a change actually from the law as I understand it.

Mr. DENNIS. It is a change from the law as I have understood it too, I might say to the gentleman from Texas.

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

Mr. KAZEN. I yield to the gentleman.

Mr. JACOBS. Let me reiterate that if this bill provides that a prior statement not made under oath and not made in open court standing alone could support a conviction, then I would not be a sponsor of this bill. But because there is the opportunity to cross-examine, which can be waived I suppose by a defendant if he chooses to do so, and because the bill requires direct testimony by the witness, and requires an opportunity to cross-examine the witness alleged to have made the prior statement, I believe the constitutional rights of the defendant are fully protected.

Now let me talk plain American for a minute. The Supreme Court that affirmed this rule is not the latest Supreme Court that we have. It was a prior Supreme Court which came under considerable attack and criticism for being too soft on criminals, it did not think this was hard on criminals, I suppose. That was the court that upheld the constitutionality of this proposed rule.

Now let me talk even plainer American to the Members of the House about what happens in these circumstances. At the time a crime is committed, the witness produces a statement that deals immediately with the facts. Later on what happens to some witnesses? And I am not referring to any particular case, but I am referring to my own experience in the practice of law as well as a former police officer.

Sometimes these witnesses get pretty scared by the time they get to court. Sometimes they can be influenced to change their statements. It is for that reason that the Sate of California, which is not really known for radical legislation in this field—it is for that reason the State of California passed the statute and it is for that reason the Department of Justice requested that I sponsor this bill. And it is for that reason I did sponsor the bill.

Mr. Speaker, I urge the passage of the bill.

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

Mr. KAZEN. I yield to the gentleman.

Mr. DENNIS. Mr. Speaker, I would like to say to my friend, the gentleman from Indiana, I have seen some witnesses who have gotten pretty well scared by the officers sometimes, to whom the statements were made, and who later come into court and the fact that the prior statements were repudiated does not necessarily show that the first statement was true. But here you are going to convict a man by means of a prior statement without any testimony in court at all, regardless of what my friend says.

Mr. SMITH of New York. Mr. Speaker, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman.

Mr. SMITH of New York. I would just like to say the gentleman must keep in mind that this witness in court has every opportunity to describe and explain why he made the previous inconsistent statement and if he was scared by the officers, he can state that.

Mr. DENNIS. Yes, you can cross-examine him about his statement, but you still wind up where the jury can take that unsworn statement and have it outweigh the evidence in court, and on that basis send a man up and say that he is guilty. It seems to me a strange thing that that can be done.

Mr. MIKVA. Mr. Speaker, H.R. 12410 proposes nothing more nor less than a revision of the rules of evidence in the District of Columbia to bring the hearsay rule with respect to prior inconsistent statements more into line with progressive thinking.

From the nature of some of the remarks made during the debate on the bill, one would think that an attempt was being made to erode fundamental constitutional rights of criminal defendants. If H.R. 12410 were in any way an attempt to cut back the protections of the sixth amendment right of confrontation, I would not support the bill. But the bill does nothing of the sort.

The confrontation clause is not a codification of the rules of hearsay and their exceptions as they existed historically at common law (3 Wigmore sec. 1018). It was intended to preclude conviction on evidence consisting solely of ex parte affidavits and depositions secured by the State. The hearsay rule does not rise to the stature of a constitutional principle intended to protect fundamental rights of accused persons. Rather, it is a rule of evidence, intended to insure the integrity of the judicial process by guarding against distortions of justice which might result from the introduction of unreliable evidence.

As a rule of evidence, the hearsay rule is peppered with exceptions which have been grafted onto the general principle over time and which should be reexamined from time to time as our thinking and our understanding of the judicial process advances.

The basic principle of the hearsay rule is that evidence consisting of out-of-court statements is not admissible to prove the truth of the matter stated. This rule has been considered to preclude the admissibility of prior inconsistent statements made out of court by a witness who testifies at trial. In recent years, several jurisdictions have rejected this approach and have made an exception to the hearsay rule for prior inconsistent statements. (Kentucky, Wisconsin, and the Second Circuit, as cited in *California* v. *Green*, 399 U.S. 149, 155 (1970)).

In deciding whether the District of Columbia should be permitted to join those jurisdictions in adopting the more modern view with respect to the admissibility of prior inconsistent statements, we ought to consider two questions: first, would such a change violate the sixth amendment right of confrontation; and second, is such a change supported by reason and common sense?

The constitutional question was settled by the Supreme Court in the recent case of California against Green, supra. The Court there upheld a similar California statute against the defendant's allegation that it violated his sixth amendment rights. In that case, the defendant was named by a confederate as a supplier of illegal drugs which the confederate was arrested for selling. Subsequently, at the defendant's trial, the confederate changed his story and refused to identify the defendant as his supplier. The court permitted the prosecutor to offer as substantive evidence excerpts from the confederate's earlier testimony at the preliminary hearing when he identified the defendant. On appeal from his conviction, the defendant claimed that the admission of the confederate's prior inconsistent statement not merely to impeach his credibility at trial but as substantive evidence of the truth of the matter stated, violated the defendant's sixth amendment rights. He argued that nei-

ther the right to cross examine the confederate at the preliminary hearing nor the right to cross examine him at trial concerning both his current and his prior testimony satisfied the demands of the confrontation clause. The Supreme Court rejected this position and upheld the conviction on the grounds that the defendant's opportunity to cross examine the witness who made the inconsistent statements precluded any violation of the right to confront one's accuser.

With the constitutional question out of the way, we must consider the policy issue of whether the proposed new rule is better than the existing one with respect to the admissibility of prior inconsistent statements. The weight of tradition lies with the existing rule excluding such evidence, but the better authorities espouse the proposed rule.

As the committee report indicates, the substance of H.R. 12410 has been recommended in the Model Code of Evidence, Rule 503(b); the Uniform Rules of Evidence, Rule 63(1); and by all four of the leading authorities in the field of the law of evidence: Wigmore, McCormick, Morgan, and Maguire (see 3 Wigmore sec. 1018, n. 2; McCormick's *Evidence*, sec. 39; Maguire, "The Hearsay System: Around and Through the Thicket," 14 Vand. L. Rev. 741, 747; Morgan, "Hearsay Dangers and the Application of the Hearsay Concept," 62 Harv. L. Rev. 117, 192–196).

The traditional strict rules of hearsay are founded in part on a distrust of the jury's ability to distinguish between reliable and unreliable evidence. Our experience over the years with the jury system has proven such fears to be unfounded, see Kalven & Zeisel, The American Jury (196). Most commentators today agree that the only evidence which should be excluded from consideration by the jury is evidence which is irrelevant, immaterial, or prejudicial to the constitutional rights of the defendant. It should not be up to the judge or to an inflexible rule of evidence to determine the probative value of the evidence. The job of weighing the reliability of the evidence should be entrusted to the jury.

Ironically, the present restrictive rule regarding prior inconsistent statements requires more complex evaluation by the jury than the proposed rule, for the jury is required to consider the prior inconsistent statement only as evidence of the witness' lack of credibility and not as evidence of the truth of the matter stated. As Judge Learned Hand noted, this "is a demand for mental gymnastics of which jurors are happily incapable." *U.S.* v. *DeSisto*, 329 F. 2d 929, 934 (2d Cir. 1964).

The traditional justification for excluding prior inconsistent statements rested on three grounds: (1) the prior statement may not have been made under oath; (2) the declarant may not have been subject to cross examination when the earlier statement was made; and (3) the jury had no opportunity to observe the declarant's demeanor when the prior statement was made. Presumably, all three of these factors cast serious doubt on the reliability of the prior statement as evidence.

With respect to the first point, we have traveled a long way from the early days of the common law when a man's sacred oath was considered a major safeguard against perjury. Today, it is clearly the test of cross examination rather than the oath and the penalties of perjury which is the principal safeguard of the trustworthiness of testimony.

The second point is of little weight in light of the obvious fact the declarant is subject to cross examination with respect to both the earlier and the subsequent statements at the time the later statement is made in court.

The third rationale similarly does not withstand closer scrutiny, for the jury does have an opportunity to view the declarant's demeanor at the time the contradictory statement is made in court. This gives the jury an adequate opportunity to judge whether the declarant's explanation of the inconsistency is reasonable.

Finally, as McCormick points out, on the whole prior statements are more reliable than later ones, for the human memory is most accurate when recall is made immediately following an observation. The effect of time delay on error of the report has been shown to be direct and dramatic. Moreover, the greater the lapse of time between the event and the statement, the greater the chance of exposure of the declarant to corruption, false suggestion, or intimidation. This is especially relevant in the context of organized crime cases. It is not unusual for an extortion victim who originally gave a full statement to the police to later recant or be unable to remember, as the result of intimidation between the time of the original statement and a later trial.

The rule of evidence proposed in H.R. 12410 will help to avoid miscarriages of justice in cases such as the one just described. Moreover, it will add a further element of common sense to the evidence practices in the District of Columbia courts, without impinging on the procedural rights of the accused. Admittedly it presumes a certain amount of faith in the integrity of the jury system, and in the ability of jurors to properly weigh the value of evidence obtained out of court, in light of the declarant's subsequent testimony. As a lawyer who has tried to persuade a jury or two, I have a healthy respect for the uncanny ability of 12 assorted laymen to sort out the truth. For all of these reasons, I intend to vote in favor of H.R. 12410.

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

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

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

Mr. DENNIS. 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 292, nays 32, not voting 107, as follows:

[Roll No. 72]

YEAS—292

Abbitt	Grover	O'Konski
Abernethy	Gubser	Patman
Adams	Gude	Perkins
Alexander	Haley	Pettis
Anderson, Calif.	Hamilton	Peyser
Andrews	Hammer-schmidt	Pike
Ashley	Hanley	Pirnie
Aspin	Hanna	Poage
Baker	Hansen, Idaho	Podell
Begich	Hansen, Wash.	Poff
Belcher	Harrington	Powell
Bennett	Harsha	Preyer, N.C.
Bergland	Harvey	Price, Ill.
Betts	Hastings	Price, Tex.
Bevill	Hathaway	Purcell
Biester	Hays	Reuss
Blackburn	Hébert	Rhodes
Boggs	Hechler, W. Va.	Roberts
Boland	Heckler, Mass.	Robinson, Va.
Bolling	Heinz	Robison, N.Y.
Bow	Helstoski	Rodino
Brademas	Henderson	Roe
Bray	Hillis	Rogers
Brinkley	Hogan	Roncalio
Brooks	Holifield	Rooney, N.Y.
Broomfield	Horton	Rooney, Pa.
Brotzman	Hosmer	Rosenthal
Brown, Mich.	Howard	Roush
Brown, Ohio	Hungate	Roy
Broyhill, N.C.	Hunt	Roybal
Broyhill, Va.	Hutchinson	Ruppe
Buchanan	Jacobs	Sandman
Burke, Fla.	Johnson, Calif.	Sarbanes
Burleson, Tex.	Johnson, Pa.	Satterfield
Burlison, Mo.	Jonas	Saylor
Byron	Jones, N.C.	Scherle
Cabell	Jones, Tenn.	Schmitz
Camp	Karth	Schneebeli
Carter	Kastenmeier	Scott
Cederberg	Kazen	Sebelius
Chamberlain	Keating	Seiberling
Chappell	Keith	Shipley
Clancy	Kemp	Shoup
Clark	King	Shriver
Clawson, Del	Kluczynski	Sikes
Clay	Kuykendall	Sisk
Cleveland	Kyl	Skubitz
Collier	Kyros	Slack
Collins, Tex.	Landgrebe	Smith, Iowa
Colmer	Latta	Smith, N.Y.
Conable	Leggett	Snyder
Conte	Lennon	Spence
Corman	Lent	Staggers
Coughlin	Link	Stanton, J. William
Culver	Long, Md.	Stanton, James V.
Daniel, Va.	McClory	Steed
Daniels, N.J.	McCloskey	Steiger, Ariz.
Danielson	McClure	Steiger, Wis.
Davis, Ga.	McCollister	Stratton
Davis, Wis.	McCormack	Stuckey
de la Garza	McCulloch	Sullivan
Delaney	McDade	Symington
Dellenback	McEwen	Taylor
Dent	McFall	Teague, Calif.
Derwinski	McKevitt	Terry
Devine	Madden	Thompson, Ga.
Dickinson	Mahon	Thompson, N.J.
Dingell	Mailliard	Thomson, Wis.
Downing	Mallary	Thone
Drinan	Martin	Udall
Duncan	Mathias, Calif.	Ullman
du Pont	Mathis, Ga.	Vander Jagt
Edmondson	Matsunaga	Vanik
Edwards, Ala.	Mayne	Veysey
Edwards, Calif.	Mazzoli	Vigorito
Erlenborn	Meeds	Waggonner
Esch	Michel	Waldie
Eshleman	Mikva	Wampler
Evins, Tenn.	Miller, Ohio	Whalen
Fascell	Mills, Ark.	White
Flood	Minish	Whitehurst
Flowers	Minshall	Whitten
Flynt	Mitchell	Widnall
Ford, Gerald R.	Mizell	Williams
Forsythe	Mollohan	Wilson, Bob
Fountain	Monagan	Wolff
Fulton	Montgomery	Wright
Galifianakis	Morgan	Wydler
Gallagher	Morse	Wylie
Garmatz	Mosher	Wyman
Giaimo	Moss	Yates
Gibbons	Murphy, N.Y.	Yatron
Gonzalez	Myers	Young, Fla.
Goodling	Natcher	Young, Tex.
Gray	Nedzi	Zablocki
Green, Pa.	Nichols	Zion
Griffin	Obey	
Griffiths	O'Hara	

NAYS—32

Abourezk	Eilberg	O'Neill
Barrett	Ford,	Patten
Biaggi	William D.	Pickle
Burke, Mass.	Gross	Randall
Burton	Hall	Rangel
Byrne, Pa.	Hicks, Mass.	Rarick
Carey, N.Y.	Hicks, Wash.	Runnels
Carney	Ichord	Ryan
Celler	Koch	Teague, Tex.
Dennis	Macdonald,	Wyatt
Donohue	Mass.	
Dulski	Nix	

NOT VOTING—107

Abzug	Edwards, La.	Mink
Addabbo	Evans, Colo.	Moorhead
Anderson, Ill.	Findley	Murphy, Ill.
Anderson,	Fish	Nelsen
Tenn.	Fisher	Passman
Annunzio	Foley	Pelly
Archer	Fraser	Pepper
Arends	Frelinghuysen	Pryor, Ark.
Ashbrook	Frenzel	Pucinski
Aspinall	Frey	Quie
Badillo	Fuqua	Quillen
Baring	Gaydos	Railsback
Bell	Gettys	Rees
Bingham	Goldwater	Reid
Blanton	Grasso	Riegle
Blatnik	Green, Oreg.	Rostenkowski
Brasco	Hagan	Rousselot
Byrnes, Wis.	Halpern	Ruth
Caffery	Hawkins	St Germain
Casey, Tex.	Hull	Scheuer
Chisholm	Jarman	Schwengel
Clausen,	Jones, Ala.	Smith, Calif.
Don H.	Kee	Springer
Collins, Ill.	Landrum	Steele
Conyers	Lloyd	Stephens
Cotter	Long, La.	Stokes
Crane	Lujan	Stubblefield
Curlin	McDonald,	Talcott
Davis, S.C.	Mich.	Tiernan
Dellums	McKay	Van Deerlin
Denholm	McKinney	Ware
Diggs	McMillan	Whalley
Dorn	Mann	Wiggins
Dow	Melcher	Wilson,
Dowdy	Metcalfe	Charles H.
Dwyer	Miller, Calif.	Winn
Eckhardt	Mills, Md.	Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rostenkowski with Mr. Arends.
Mr. Stubblefield with Mr. Byrnes of Wisconsin.
Mr. Addabbo with Mr. Frelinghuysen.
Mr. Annunzio with Mr. Anderson of Illinois.
Mr. Aspinall with Mr. Nelsen.
Mr. Blatnik with Mr. Mills of Maryland.
Mr. Casey of Texas with Mr. Ruth.
Mr. Evans of Colorado with Mr. Bell.
Mr. Foley with Mr. Don H. Clausen.
Mr. Fraser with Mr. Badillo.
Mr. Fuqua with Mr. Archer.
Mr. Gettys with Mr. Ashbrook.
Mrs. Green of Oregon with Mr. Riegle.
Mr. Jones of Alabama with Mr. Pelly.
Mr. Stephens with Mr. Crane.
Mr. Stokes with Mr. Scheuer.
Mr. Hull with Mr. Lloyd.
Mr. Mann with Mr. Findley.
Mr. Charles H. Wilson with Mr. Goldwater.
Mr. Moorhead with Mr. Fish.
Mr. Murphy of Illinois with Mr. Railsback.
Mr. St Germain with Mr. Zwach.
Mrs. Grasso with Mrs. Dwyer.
Mr. Bingham with Mr. Quie.
Mr. Blanton with Mr. Lujan.
Mr. Baring with Mr. Talcott.
Mr. Van Deerlin with Mrs. Abzug.
Mr. Kee with Mr. Steele.
Mr. Pucinski with Mrs. Chisholm.
Mr. Cotter with Mr. Collins of Illinois.
Mr. Miller of California with Mr. Diggs.
Mr. Dow with Mr. Dellums.
Mr. Gaydos with Mr. Halpern.
Mr. Brasco with Mr. Metcalfe.
Mr. Tiernan with Mr. Hawkins.
Mr. Anderson of Tennessee with Mr. Smith of California.
Mr. Jarman with Mr. Frenzel.
Mr. Caffery with Mr. Frey.
Mr. Davis of South Carolina with Mr. Whalley.
Mr. Denholm with Mr. McDonald of Michigan.
Mr. Eckhardt with Mr. Conyers.
Mr. Passman with Mr. Quillen.
Mr. Fisher with Mr. Wiggins.
Mr. Hagan with Mr. Winn.
Mr. Long of Louisiana with Mr. Springer.
Mr. Landrum with Mr. Schwengel.
Mr. Melcher with Mr. Ware.
Mr. Dorn with Mr. Rousselot.
Mr. Pepper with Mr. McKinney.
Mr. McKay with Mr. Reid.
Mr. McMillan with Mr. Dowdy.
Mr. Curlin with Mrs. Mink.

Messrs. CELLER, BIAGGI, O'NEILL, and BURTON changed their votes from "yea" to "nay."

Messrs. BLACKBURN and SPENCE changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CURB THE PRIMARIES

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

Mr. MONAGAN. Mr. Speaker, the painful gyrations of the Democratic presidential candidates in the various primaries in which they are engaged emphasize the need for a change in the process by which we nominate our candidate for the Presidency. I have long advocated the shortening of presidential campaigns and that change remains an important goal, but I have come to the conclusion that an even more important reform would be the regulation or elimination of the current system of primaries.

Senator MUSKIE has stated that as the front runner he must campaign in 24 different primaries and other candidates will probably equal this number. From the manner in which they are compelled to perform, it is obvious that this wild proliferation of primaries is weakening the presidential nominating process and demeaning the candidates. Senator JACKSON is running against George Wallace as if he were engaged in a local contest in Florida. Senator HUMPHREY is telling how he would have made up his Cabinet if he had been elected in 1968. Senator MUSKIE is reduced to tears as he combats the slur that he referred to French Canadians as Canucks. These are hardly issues upon which the fate of the country depends, but they are pressed upon candidates at a time when there should be discussion of such things as the implications of President Nixon's historic trip to China.

Another objection to the primaries is that they really mean very little in the long run. Kefauver won many primaries but had no chance for the nomination. This is undoubtedly true of some candidates today. Moreover, the types of primaries vary from State to State. Some are advisory, some are mandatory and others rank in between.

It is also true that voter participation in primaries is extremely light and far out of proportion to the importance of the selection of a presidential candidate.

The fantastic cost of campaigning is a national waste and the colossal sums flushed down the drain obviously could be put to more productive uses.

A final objection relates to the increasing ease by which primaries can be dominated by means of substantial expenditures of money. We have seen this in the past and we are seeing in the current campaign instances where candidates are campaigning solely through the news media with massive purchases of time and space.

For these reasons, it appears to me that the intent of the reformers over the years to make the nominating process a popular matter has been thwarted and will continue to be frustrated so long as the presidential nominating process remains a sort of Atlantic City beauty pageant. The primary has become a charade which has little relation to reality, is exorbitantly expensive, settles no issues, and kills respectable and competent candidates.

No man, however well informed, can answer questions on every subject under the sun every hour on the hour without making slips. Nor can a human being undergo the physical pressures imposed for days without end without suffering physically and emotionally. By permitting this reckless exposure of our potential candidates and dispersal of their assets we are making it impossible for any one of them to be a viable presidential candidate. Incidentally, these primaries are also dissipating contributions which otherwise would be available to the ultimate nominee of the party.

The New Hampshire primary will be followed by more of the same on March 14 in Florida, March 21 in Illinois, April 4 in Wisconsin, April 11 in Rhode Island, April 25 in Massachusetts, and Pennsylvania, and several others in May and June.

It appears to me that we should take now a further step in reforming the presidential electoral process. I have indicated the belief that we must abbreviate our presidential campaigns and I have proposed a 60-day campaign limit in H.R. 8606.

At the same time, as we witness the disastrous effects of the State primaries on candidates and on the whole procedure, the need for change in this primary area becomes all the more apparent. Some have advocated a national primary and this would be better than the present hodgepodge, although I do not advocate it. However, so long as any primaries are retained, I believe that none should be held more than 30 days before the national convention. Legislation establishing such restriction is imperative and I am preparing to file a bill embodying this regulation.

In essence, however, I believe that we should return to the convention system of nominations. The convention system proved adequate for many years, and has guarantees of democratic procedure for nominations and can be modified for appeals and popular involvement. With it we nominated Wilson, Roosevelt, and

Truman. In the interest of the party and the country we should consider returning to it.

EFFORTS TO RETAIN A LOCAL INDUSTRY IN GREENVILLE, ALA.

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

Mr. DICKINSON. Mr. Speaker, a few weeks ago when I was in my congressional district, I had a meeting with chamber of commerce officers, business leaders, and elected officials of Greenville, Ala. These distinguished gentlemen asked my assistance in trying to retain a local industry in Greenville. This industry, a branch office of Timber Structures, Inc., with headquarters in Portland, Oreg., employed approximately 55 people in Greenville and specialized in custom-made, laminated structural wood products. The parent organization in Portland was experiencing financial difficulties and there were indications the Internal Revenue Service would have to seize the assets of the corporation to satisfy tax liens.

The business and civic leaders from Greenville asked me to contact the Internal Revnue Service and get assurances that, if IRS were forced to seize the assets, a public sale would be held as soon as possible so the work force in Greenville could be retained. We were hopeful that the financial problems of Timber Structures, Inc., could be ironed out so they could continue to operate, and no attempt was made to influence IRS regarding the decision of whether to seize the assets.

Mr. Speaker, the purpose of my remarks today is to commend the Internal Revenue Service for its splendid cooperation in this highly complicated matter. IRS assure me it had no desire to seize the company if the problems could be solved. Evidently, the situation was of a critical nature and IRS had to seize the assets and sell them at public auction. Without delay, IRS issued a public announcement and held a sale of the Greenville, Ala., operation.

There was considerable interest in the Greenville plant and a number of bids were received. The highest bid was accepted by IRS and, as a result, the Greenville plant is gearing up to go back into operation. The jobs of 55 people were saved and the economic picture for Greenville is brighter because of the understanding displayed by the Internal Revenue Service. As another example of the waste that would have resulted from a substantial delay, when IRS seized the plant and its assets, there were large structural pieces just completed on an order worth several thousand dollars. The pieces were custom-made for a particular job, and any undue delay would have caused the builder for whom they were made, to cancel the contract and the pieces would be just so much scrap lumber. As it was, the contract was completed and many thousands of dollars saved.

Mr. Speaker, I believe in giving credit where credit is due. I do not hesitate to criticize Federal agencies when I think they are arbitrary or wrong, and I want to offer plaudits when they are warranted. Therefore, I commend IRS for its expeditious handling of this matter. I especially want to recognize the cooperation of Mr. Ralph Short, district director of the Portland, Oreg., office and his assistants, Mr. Doss and Mr. Larson. Also, I appreciate the splendid cooperation I received from Mr. Dwight Baptist, IRS director for Alabama.

SOCIAL SECURITY REFORM

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

Mr. RARICK. Mr. Speaker, I am today introducing legislation to provide for a refund of all or part of the social security taxes paid by a deceased individual whenever there is no other person who is or could become entitled to benefits on his wage record, if the total of any benefits theretofore paid on such wage record is less than the total of such taxes.

I have received numerous inquiries expressing concern that social security funds may be expended for other purposes other than that intended by law.

Other people are afraid that, with legislation constantly being proposed to raise social security benefits, the well will run dry. Passage of my proposed legislation would insure that the worker or his heirs would receive benefits at least equal to the amount of social security taxes paid during his or her lifetime. The bill would, in no way, restrict the amount of benefits he or she could obtain from social security.

I would remind our colleagues that there is precedent for this legislation in the Railroad Retirement Act; I urge support of this bill designed to protect the working people by guaranteeing them that they or their heirs will obtain benefits on a refund at least equal to the amount of social security taxes paid during their lifetime.

I had earlier introduced H.R. 428 to avoid double taxation by providing for the deduction of social security taxes from income taxes.

The texts of both bills follow:

H.R. 13762

A bill to provide for a refund of all or part of the social security taxes paid by a deceased individual whenever there is no other person who is or could become entitled to benefits on his wage record, if the total of any benefits theretofore paid on such wage record is less than the total of such taxes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter B of chapter 65 of the Internal Revenue Code of 1954 (rules of special application relating to abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. REFUND OF SOCIAL SECURITY TAXES TO TAXPAYER'S ESTATE

"If upon the death of any individual who has paid taxes under section 1401 or 3101 (or under section 480 or 1400 of the Internal Revenue Code of 1939), whether or not such individual was eligible for benefits under title II of the Social Security Act on the basis of his wages and self-employment income, or at any time thereafter, there is no other person who is or could (upon reaching a specified age or otherwise) become eligible for benefits under such title on the basis of such wages and self-employment income, then there shall be paid in a lump sum to the estate of such individual or (if such estate is closed) to such person or persons as the Secretary or his delegate (in accordance with standards prescribed in consultation with the Secretary of Health, Education, and Welfare) may find to be equitably entitled thereto, in such manner and form as the Secretary or his delegate (in consultation with the Secretary of Health, Education, and Welfare) may prescribe, an amount equal to the amount (if any) by which—

"(1) the total amount of the taxes paid by such individual under sections 1401 and 3101 (and such sections 480 and 1400), exceeds—

"(2) the total amount of any and all benefits theretofore paid to such individual and other persons, on the basis of such individual's wages and self-employment income, under title II of the Social Security Act.

"For purposes of this section, an individual shall be deemed to be eligible for benefits under title II of the Social Security Act if he is entitled to such benefits or would be entitled to such benefits upon filing application therefor."

(b) The table of sections for subchapter B of chapter 65 of such Code is amended by adding at the end thereof the following new item:

"SEC. 6428. REFUND OF SOCIAL SECURITY TAXES TO TAXPAYER'S ESTATE."

SEC. 2. Section 205(c)(5) of the Social Security Act is amended—

(1) by striking out "or" at the end of subparagraph (I),

(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof "; or"; and

(3) by adding after subparagraph (J) the following new subparagraph:

"(K) to delete all entries with respect to the wages and self-employment income of any individual with respect to whose taxes a refund has been paid under section 6428 of the Internal Revenue Code of 1954."

SEC. 3. The amendments made by this Act shall apply with respect to individuals dying on or after the date of the enactment of this Act.

H.R. 428

A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for social security taxes paid by employees and by the self-employed.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 164(a) of the Internal Revenue Code of 1954 (relating to deduction for taxes) is amended by inserting immediately after paragraph (5) the following new paragraph:

"(6) Taxes described in subsection (g)."

(b) Section 164 of such Code is amended by redesignating subsection (g) as subsection (h), and by inserting after subsection (f) the following new subsection:

"(g) SOCIAL SECURITY TAXES PAID BY THE SELF-EMPLOYED OR BY EMPLOYEES.—There shall be allowed as a deduction (for the taxable year within which paid) taxes imposed by section 1401 (tax on self-employment income) or section 3101 (tax on employees)."

SEC. 2. Section 62 of the Internal Revenue Code of 1954 (defining adjusted gross income) is amended by inserting immediately

after paragraph (9) the following new paragraph:

"(10) Social security taxes paid by employees and by the self-employed."

SEC. 3. Paragraph (1) of section 275(a) of the Internal Revenue Code of 1954 (relating to certain taxes is amended—

(1) by striking out so much of such paragraph as precedes subparagraph (B) and by inserting in lieu thereof the following:

"(1) Federal income taxes (other than the tax imposed by chapter 2), including"; and

(2) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

SEC. 4. The amendments made by this Act shall apply to amounts paid after December 31, 1970.

DEMONSTRATIONS NPAC AND PCPJ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. ICHORD) is recognized for 60 minutes.

Mr. ICHORD. Mr. Speaker, on April 6, 1971, I addressed this House to alert my colleagues that the National Peace Action Coalition—NPAC—and the Peoples Coalition for Peace and Justice—PCPJ—the two principal sponsoring organizations of forthcoming demonstrations and disruptions in Washington, were "known to be operating under substantial Communist influence." I warned that the "real objective of the leadership" of those groups "is not peace but the humiliation of the United States, the promotion of Communist takeover in Southeast Asia and the general advancement of world communism."

At that time I covered the background of NPAC and PCPJ; I named some of the prominent functionaries of Communist persuasion in their leadership, and I outlined some of their plans for turning our Nation's Capital upside down between April 24 and May 5. The speech of April 6, 1971, went laregly unreported by the news media covering the House of Representatives until NPAC and PCPJ held a news conference for the purpose of denouncing and denying the charges I had made. Events which transpired during the demonstrations and subsequent extensive public hearings coupled with investigation and research by HCIS clearly belied the denials of NPAC and PCPJ.

We need have no further illusion about who and what NPAC and PCPJ are today. The NPAC is totally controlled, in its every pulse beat, by the Trotskyite Communist Socialist Workers Party—SWP—and its youth arm, the Young Socialist Alliance.

The presence of key officials of the Communist Party USA on the National Steering Committee of PCPJ evidences the commitment of CPUSA to the program and direction of PCPJ.

I rise today, Mr. Speaker, to alert the House to plans of the same two organizations for a so-called spring antiwar offensive to be conducted across the Nation between April 1 and May 15, 1972. Last year I pointed out that I was certain that the overwhelming majority of those who endorsed and participated in the demonstrations did not share the objectives of the subversive leaders of the two organizations but instead sincerely thought that the demonstrations were the means to a speedy end of the unpopular and frustrating war in Vietnam. I would hope, Mr. Speaker, that the demonstrations will not attract the same number of sincere Americans this year because the veil of innocence and the mask of intent should have been lifted by what transpired last year and by the recent conference at which the plans for this year's demonstrations were spawned.

The proposed demonstrations this year were completely developed after lengthy deliberation by a conference called the World Assembly for Peace and Independence of the Peoples of Indochina. The conference was held in Versailles, France, on February 11–13, 1972, and was called by the Communist-directed Stockholm Conference on Vietnam and the Communist-run World Peace Council. Every single item on the agenda of demonstrations planned for the United States was debated, discussed, and approved—not by a group of Americans alone—but by 1,200 delegates from 84 nations including most of the countries controlled by Communist governments. There were also delegations representing the underground Communist guerrilla forces in South Vietnam, Cambodia, and Laos. The American delegation numbered between 140 and 150, just slightly more than 10 percent of the total number of delegates.

Though the American delegation represented only a small portion of the delegates, the conference bestowed upon the American delegation a special position of importance. CPUSA's weekly publication World magazine accurately described the importance of the American delegation as follows:

> Next to the four Indochinese delegate bodies—from the Democratic Republic of Vietnam (North Vietnam), the Provisional Revolutionary Government of South Vietnam (the Vietcong), the Patriotic Front of Laos (Pathet Lao) and the Royal Government of the National Union of Cambodia (Prince Sihanouk and the Cambodian Communists in exile in Communist China)—the U.S. delegation occupied a central position in the Assembly proceedings. It was the only delegation beside the Indochinese that was privileged to report formally in the plenary sessions, and it was rendered special greetings and honors by all. As the voice, *the genuine voice,* of the American people it was accepted as the symbol of mankind's condemnation and rejection of the Nixon war.

Continuing, the exultant Communist World magazine added:

> In other ways too, the spotlight fell on the Americans present. The greatest standing ovation given at the Assembly, exceeding even that rendered to the Vietnamese, was for Angela Davis, presented as the epitome of resistance to the war and to the fascistic repressions that have accompanied it in the United States.

It is interesting to note that the CPUSA elements in PCPJ and the Trotskyite elements of NPAC carried their traditional differences to Versailles. When the French Communist Party delegation excluded France's Trotskyites—the French Indo-China Solidarity Front—FSA—NPAC delegates sought to have conference delegates lift the ban on the Trotskyites. This effort failed. Later the American delegates revived the traditional disagreement over the single issue approach of the Socialist Workers Party and the multi-issue approach of the Communist Party U.S.A. which has been the principal schism dividing NPAC and PCPJ since the two organizations were formed. NPAC delegates wanted to limit antiwar activity to a single week in mid-April that would be climaxed by massive demonstrations April 22. PCPJ and its supporters insisted on a variety of protests on a number of issues over a 7-week period. The dispute was ultimately resolved when Southeast Asian communist delegations urged that the two groups settle their differences.

Thus, the resolution of differences was reminiscent of the settlement of differences last year before the Washington demonstrations when Xuan Thuy, North Vietnam's chief negotiator in Paris, sent the two groups a cablegram urging them to compromise their differences in order to make the antiwar effort a united one.

The World Assembly received encouragement from many of the world's Communist leaders. Soviet Party leader Leonid Brezhnev sent a message of praise to the delegates who, he declared, had gathered "to express wrath and indignation over the barbarous aggression of American imperialism." Cambodia's pro-Communist Prince-in-exile—Sihanouk—sent his greetings from his sanctuary in Red China. North Vietnam's Premier Pham Van Dong and the Pathet Lao Leader, Prince Souphanouvong, also extended messages of cheer and support.

Throughout the conference, the 1,200 delegates laughed and cheered and applauded the constant denunciations of the United States—particularly the scurrilous jibes uttered by spokesmen of the American delegation. However, the conference was briefly disrupted by three wives of American prisoners of war in North Vietnam who entered the assembly hall and asked the Vietnamese Communists about the fate which had befallen their husbands. Naturally, the three American women were quickly ushered out of the conference. Who could expect delegates to a predominantly Communist conference to show concern over American POW's? It is no wonder that U.S. Ambassador William J. Porter referred to the assembly as a "horde of Communist-controlled agitators." The American delegation made clear its goals in its declaration of political objectives which included a proposal to confront the Republican National Convention in San Diego:

> We do not want to be just another antiwar group but wish to help construct a life sustaining revolutionary movement.

A spokesman of the U.S. delegation was PCPJ official Sidney Peck, a university professor from Cleveland, who was once a member of the Wisconsin State committee of the CPUSA. Peck delivered one of the two major speeches by Americans to the plenary session of the World Assembly. The PCPJ seven-member National Steering Committee, the highest body of authority within the PCPJ, in-

cludes Peck, Gil Green, CPUSA national functionary, and David Dellinger, self-admitted "non-Soviet Communist." We have no evidence now that Green and Dellinger were in attendance at the World Assembly.

Another leading PCPJ official attending the world assembly was Michael Zagarell, CPUSA national youth director. Zagarell is a member of the PCPJ's national interim committee, which is the second ranking body of authority within the PCPJ. I am, of course, not making a blanket indictment of all those present at the assembly but I feel that I do have the duty and responsibility to call attention to the Communist elements that are playing key roles. Also included in the PCPJ's delegation at the world assembly was John Froines, one of those cited for contempt in the so-called Chicago Seven conspiracy trial, and Robert Greenblatt, who visited Hanoi in 1968, who was instrumental in developing the so-called peoples peace treaty with North Vietnam, and who represented the treaty committee as well as PCPJ at the world assembly.

Turning to the other major antiwar coalition, the NPAC, we find that eight of its 14 national coordinators were present at the world assembly. These included SWP national official Fred Halstead, who was the SWP presidential candidate in 1968; Stephanie Coontz, an SWP member from Seattle; Debbie Bustin, a member of the SWP's youth arm, the Young Socialist Alliance; Jerry Gordon, James Lafferty. Bonnie Garvin, and Ruth Gage Colby, all of whom have been closely allied with Trotskyite causes.

Also in attendance at the world assembly representing various organizations were several individuals who were once identified as members of the CPUSA—Irwin Silber, Elizabeth Moos, and Elsie Monjar.

Now let us look at this calendar of demonstrations which this world assembly worked out for the United States of America to take place within the United States of America. The calendar adopted was as follows:

April 1: In Harrisburg, Pa., a demonstration opposing the so-called Berrigan conspiracy trial and, in San Jose, Calif., a demonstration opposing the criminal prosecution of Angela Davis on charges involving a Federal charge of unlawful flight to avoid prosecution and State charges of murder, kidnaping and conspiracy.

April 15: Nationwide demonstrations against the payment of Federal income taxes which provide the revenue for financing our armed services in the war in Southeast Asia.

April 22: Massive turnouts of demonstrators in New York City and Los Angeles demanding an end to U.S. involvement in Vietnam and a demand for an immediate, unconditional end of the war on Communist North Vietnam's terms.

May 1 to 15: Local demonstrations against U.S. corporations dealing in the production of war material. These are to be supported by demonstrations overseas against U.S. embassies.

These efforts are to be supplemented during 1972 by continuing efforts to persuade active-duty GI's to refuse to participate in the war in Southeast Asia and to develop militant protests against the Republican National Convention in San Diego. One may assume, Mr. Speaker, that some form of militant protest also will be carried out or attempted at the Democratic Convention in Miami, Fla.

Obviously, I have no way of knowing whether or not this schedule will be strictly adhered to; but since a similar schedule was strictly followed last spring, I think we have no reason to assume—at this point—that it will not be executed as planned.

Under leave to revise and extend I am placing in the RECORD a list of the American delegation to the World Assembly, the agenda of the World Assembly, the list of the presidium of the assembly, the language of the American delegation's recommendations adopted by the World Assembly as well as accounts by CPUSA's Daily World of the speeches by Sidney Peck and Al Hubbard, executive director, Vietnam Veterans Against the War, who delivered the second major address of Americans to the World Assembly, and the February 14 accounts of the World Assembly from the Washington Evening Star and the Washington Post.

In closing may I say that nothing I have said heretofore should be construed as being critical of the many sincere Americans who believe that the United States should never have become involved in Vietnam or that the United States should immediately withdraw. I realize that there are a few Americans who are so strongly opposed to the war in Vietnam that they believe that motivations of demonstrators are immaterial. But I submit that motivations are material. The actions and words of the leaders of last year's demonstrations and what transpired in Versailles on February 11 to 13, 1972, clearly reveal that we are not, by any stretch of the imagination, dealing with "doves" for peace but "hawks" of the other side. I hope that my fellow Americans keep in mind the origin and developments I have just outlined of this year's proposed demonstrations as they begin to unfold. As Cervantes said "forewarned, forearmed."

The material referred to is as follows:

LIST OF U.S. DELEGATES TO WORLD ASSEMBLY FOR PEACE AND INDEPENDENCE OF THE PEOPLES OF INDOCHINA HELD FEBRUARY 11–13, 1972, AT VERSAILLES, FRANCE

DELEGATES, REPRESENTING

Leonard P. Adams, CCAS (Comm. of Concerned Asian Scholars).
Della Alvarez, POW relative.
Diane Apsey, Peoples Peace Treaty.
Lucille Banta, NPAC.
Samuel Barninger, Trade Union Action for Democracy (TUAD).
Peter S. Bergman, NPAC.
Rose Boin, Women for Legislative Action.
Chris Boswell, Trade Unionist, Milwaukee.
Mike Boswell, Trade Unionist, Milwaukee.
Fred Branfman, Project Air War.
Mae C. Bremer, People's Peace Treaty.
Tim Brick, Student Union for Peace & Justice.
Adelaide M. Briggs, Chagrin Valley Committee of Concerned Citizens.
Christine Britton, Fund for Peace Education.
Hugh Britton, Fund for Peace Education.
Deborah Bustin, National Student Mobilization Committee.
Everett Brown Carson, Maine People for Peace, Vietnam Veterans Against the War (VVAW).
Bronson P. Clark, Director, American Friends Service Committee (AFSC).
Mrs. Eleanor Clark, AFSC.
Ruth Gage Colby, NPAC.
Pam Cole, San Diego Convention Coalition.
Wallace Collett, AFSC.
Gerry Condon, American Deserters Committee.
Stephanie Coontz, NPAC.
Edward Damato, VVAW.
Barbara Dane, Peoples Coalition for Peace and Justice (PCPJ).
Patrick Davis, Catholic Peace Fellowship.
Teresa Davis, United States Servicemen's Fund.
Ed DeBery, Clergy and Laymen Concerned (CALCAV), Maine.
Jean F. Delord, WILPF, Spring Action Coordinating Comm., Oregon.
Ned Dobner, PCPJ.
Karl T. Dorn, Oakland Community College.
Madeline Duckles, Women Strike for Peace (WSP).
Robert Dunne, VVAW.
Bob Eaton, AFSC.
Miriam Edera, WILPF.
Anne Florant, WILPF.
Cathern Flory, WILPF.
Sheldon Flory, Rhode Island Air War Project.
Jane Fonda, Entertainment Industry for Peace and Justice.
Dorothy B. Forman, New Democratic Coalition.
Libby Frank, Peace Center of Bergen County, WILPF.
John Froines, PCPJ.
Inez Garson, College Assoc. of America—Women's section, Concerned Mothers, Yostville Neighbourhood Group.
Bonnie Garvin, NPAC.
Mary Lee Barbara Gilbertson, Hartford Women's Center, PCPJ.
John Gilman, Midwest Regional Chmn, PCPJ.
Prudence Glass (Greenblatt) New York Women to Defend the Right to Live.
Mary Glendinning, CALCAV.
Morris Goldin, Lower East Side Mobilization for Peace Action.
William Goodfellow, Comm. of Concerned Asian Scholars, PCPJ, WSP.
Jan Gordon, Catholic Peace Fellowship, Marquette Univ.
Jerry Gordon, NPAC.
Bobbie Graff, Concerned Parents for Peace.
Katrin Grandin, Washington Square Methodist Church.
Robert Greenblatt, PCPJ, People's Peace Treaty, Crossroads, Harrisburg Counter Trial.
Arlene Griffin, Univ. of Michigan Student Government Council.
Father James Groppi, St. Michaels Church.
Barbara Groppi.
John Gross, Local 65, Distributive Workers of America.
Blanche Haber, WSP.
Steve Haft, National Student Association.
Fred W. Halstead, NPAC.
Marc Harris, Anti-Imperialist Coalition.
Margaret Hayes, WILPF.
James Cullen Heaphy III, Young People's Coalition.
Virginia Hill, AFSC.
Maria Holt, CALCAV.
Al Hubbard, Director, VVAW.
Josephine Irwin, CALCAV, Women Speak Out.
Jean Jones, Valley Peace Center.
Frank H. Joyce, People's Peace Treaty, Motor City Labor League.
George Katsiaficas, San Diego Convention Coalition.
Shirley Keith, American Indian Law Students Association.

Joan King, People's Peace Treaty, Eastside Women for Peace.
Carol Kitchen, May Day.
Professor Gabrial Kolko.
Joyce Kolko.
James Lafferty, NPAC.
Robert S. Lecky, CALCAV.
Odell Lee, Comm. Concerned Asian Scholars (observer).
Elizabeth A. Lichtenberg WSP (in France).
Bradford Lyttle, War Tax Resisters, War Resisters League.
Joyce McLean, WILPF.
David Marr, Comm. Concerned Asian Scholars.
Rita Martinson, Entertainment Industry for Peace & Justice.
Richard Massman, AFSC, American Federation of State, County & Municipal Employees Union.
Father Paul Mayer, Harrisburg Defense Committee.
Joseph Miller, PCPJ, SANE.
Beatrice Milwe, WILPF.
Elsie M. Monjar, Peace Action Council of Southern California.
Elizabeth Moos, WSP (observer).
Marece Neagu, PCPJ, Indiana.
Maggie Olesen, WILPF.
Dr. Sidney Peck, PCPJ.
Evelynne Perry, Peace Action Council of Southern California, International Comm. for Solidarity with National Liberation Movements.
Richard Pollack, National Students Association.
Daphne Pounos-Clinton, PCPJ.
Mike Powers, American Deserters Committee, Sweden.
Irma Prior, WILPF.
Vivian Raineri, San Francisco PCPJ, Angela Davis Defense Comm.
Brenda J. Reeber, The Alliance.
Helen Rees, WILPF.
Lori Reidman, VVAW.
Ron Ridenour, Los Angeles News Advocate.
Philip F. Ringo, Grand River Vicariate Archdiocese of Detroit.
Cleveland Robinson, President, National Council of Distributive Workers of America, Sec'y-Treas. District 65, Distributive Workers Union; National President, National Afro-American Labor Council.
Pauline Rosen, WSP.
Daniel Rosenshine, NPAC.
William T. Rowe, IV, The Fifth Estate.
Jacqueline Rumley, Vatican Commission on World Peace and Justice.
Pat Samuel, WILPF.
Beulah Sanders, National Coordinator, National Welfare Rights Organization (NWRO).
Irving Sarnoff, Peace Action Council of Southern California.
Ruth Sarnoff, Peace Action Council of Southern California.
Frieda Schiffman, WSP.
Irwin Silber, *The Guardian*.
Francois A. Somlyo, Washington Labor for Peace.
Max Surjadivata, CALCAV.
Laurence M. Svirchev, American Exiles in Canada.
Margery Tabankin, Pres., National Students Association.
Jean Thurman, WILPF.
Jean Tibbils, New Hampshire Peace Action.
George Vickers, PCPJ.
George Wald.
Richard E. Ward, Foreign Editor, *The Guardian*.
Lee Webb, Vermont PCPJ.
May Weinbaum, Control Conflict and Change.
Abe Weisburd, New York Vietnam Peace Parade Comm., *Guardian*.
Stephen Weiss, Businessmen and Executives Committee.
Bernard Weller, Citizens' Committee for Constitutional Liberties.
Earl Otis Wheeler, Highland Park Human Relations Commission.

Nancy Woodside, People's Peace Treaty.
Israel G. Young, Washington Square Methodist Church.
John Keone Young, Entertainment Industry for Peace and Justice.
Michael Zagarell, Young Workers Liberation League.
Dr. Howard Zinn, historian.
AFSC: American Friends Service Committee.
CALCAV: Clergy and Laymen Concerned About Vietnam.
CCAS: Committee of Concerned Asian Scholars.
NPAC: National Peace Action Coalition.
NWRO: National Welfare Rights Organization.
PCPJ: People's Coalition for Peace and Justice.
SANE: Committee for a Sane Nuclear Policy.
TUAD: Trade Union Action for Democracy.
VVAW: Vietnam Veterans Against the War.
WILPF: Women's International League for Peace and Freedom.
WSP: Women Strike for Peace.

WORLD ASSEMBLY FOR PEACE

FRIDAY, FEBRUARY 11—MORNING AND AFTERNOON: PLENARY SESSIONS

Opening speeches by:
1. M. Andre Souquiere (Movement De la Paix), who spoke on behalf of the 48 French organizations represented at the Assembly.
2. M. Bertil Savahnstrom, Chairman of the Stockholm Conference on Vietnam.

Reports to be given by the Representatives of—
The National Liberation Front of South Vietnam;
The Democratic Republic of Vietnam;
The Royal Government of National Union of Cambodia; and
The Lao Patriotic Front.

Reports to be given by two Representatives of the Anti-War Movement in the United States of America Concerning President Nixon's Policies; New Aspects of the War.

FRIDAY, FEBRUARY 11—EVENING: COMMISSIONS

1. Political Commission
2. Action Commission (including aid and information)
3. Commission on New Aspects of the War (including electronic war and war crimes)
4. Economic Commission (the effects of the war on the economies of the countries of Indochina, of the United States of America and on world economy).

SATURDAY, FEBRUARY 12—MORNING AND AFTERNOON: COMMISSIONS

SUNDAY, FEBRUARY 13—MORNING: FINAL PLENARY SESSION

1. Reports from the four Commissions
2. Documents and Decisions submitted to the Assembly for Approval.

Presidium of the Assembly was comprised of the following individuals:

Yoshishige Kosai, Vice-chairman of the Japanese Committee of Support to the Peoples of Indochina, Tokyo.

James Marange, General Secretary of the Federation de 1 Education; Nationale (F.E.N.) France.

Romesh Chandra, General Secretary of the World Peace Council.

General Singkapo Sikhoi Chounamaly, Member of the Central Committee of the Lao Patriotic Front.

Claude Estier, Secretary of the Socialist Party (France).

Georges Seguy, General Secretary of the General Confederation of Labour (CGT) France.

Quang Ming, Ambassador of the Provisional Revolutionary Government of South Vietnam.

Bertil Svahnstrom, Chairman of the Stockholm Conference on Vietnam (Sweden).

Andre Souquiere, General Secretary of the Peace Movement on behalf of the 48 French organizations fighting together against the war in Indochina (France).

Hoang Quoc Viet, Member of the Presidium of the Central Committee of the Patriotic Front (Democratic Republic of Vietnam).

Laurent Lucas, Chairman of the French Democratic Confederation of Labour (C.F.D.T.), France.

Thiounn Prasith, Minister of the Royal Government of National Union of Cambodia, Secretary of the Political Bureau of the United National Front of Cambodia (F.U.N.K.).

Georges Marchais, Assistant General Secretary of the French Communist Party (France).

Marge Tabankin, Chairman of the National Students Association (U.S.A.).

Mr. Pemenov, Soviet Deputy, Chairman of the Trade Unions, Chairman of the Soviet Committee of Solidarity to the Peoples of Indochina (USSR).

Peggy Duff, General Secretary of the International Conference for Peace and Disarmament.

Beulah Saunders, Civil Rights Coordination Committee (U.S.A.).

WORLD ASSEMBLY FOR PEACE

CHANGING CONDITIONS

We have entered a new historic era: one in which the post World War II world domination of the U.S. is being seriously challenged politically, economically, and militarily.

Militarily, the U.S. no longer has a nuclear preeminence in delivery systems and arms but finds itself in a position of relative equality with the Soviet Union. At the same time China and other countries are developing independent nuclear arms of their own. In more conventional types of warfare, the people of Indochina have fought U.S. troops and technology to at least a standstill.

Politically, the "revolution" in Chile, the Cuban and Chinese socialisms, the admission of China to the UN are all signs of the decline of U.S. international political control.

Economically, the rebuilt industrial strength of war-torn france, West Germany, and Japan have placed the U.S. in an arena of competition which it cannot deal with well because of large expenditures overseas (chiefly in the Indochina war) and because for the first time since 1893 the total balance of payments show a flow of money outside the U.S.

This new economic crisis is manifested domestically by high inflation, high unemployment, and general contraction of the economy (it is getting harder for all of us to survive on our meager incomes). In attempting to deal with this crisis without lessening U.S. profits, Nixon and other administrators of the empire are putting the economic burden onto foreign capitalist and onto the working people of the U.S. The wage freeze and Phase II make this clear.

Because of the newly imposed hardships being placed on them, and because of the general world crisis, working people and other people previously in the mainstream of U.S. life are beginning to question the present system and are looking for an alternative. This means they are now more open to the left than ever before in post World War II history. At the same time, these people are also open to a right wing populist (racist, anti-semitic, Wallace) trend.

At a time when we have seen the mass radicalization of Third World People, young people, students, and women, we are entering into a period where the masses of Americans can potentially come to the left.

The importance of a unified and broad-based Left in this period and in this particular election year cannot be underestimated

if we are to take advantage of the opportunities history has brought before us.

OVERALL GOALS

If we accept the above analysis, then our over-all goals in the year ahead become clear:

1.) We must reach out to new constituencies, and strip the ruling class of their legitimacy as leaders of the U.S.

2.) At the same time as we maintain pressure on the government to end the war and alter policies, we must organize people around their basic needs.

3.) We must build ongoing movements capable of leading and sustaining the struggles of people both nationally and locally.

4.) We must defeat Nixon and not let our efforts be coopted by the Democrats or the electrical process.

UNIQUE OPPORTUNITY OF SAN DIEGO

To accomplish these goals, the movement in the U.S. will have to use a variety of tactics. We feel that massive, broad-based demonstrations in San Diego are a crucial component of the range of activities our movement should undertake in the next year.

During this election year it is essential that we challenge Nixon and his policies on every front. The culminating actions at the Republican Convention will be critically important in exposing the realities of his administration. If we do not act in San Diego we will give Nixon a free rein in his escalation of the war and his increasingly repressive domestic policies, we will give him mandate to victory and virtually insure his re-election. Through massive demonstrations in San Diego we can shatter the illusion of domestic tranquility so essential to Nixon's re-election.

Demonstrations in San Diego also afford us a unique opportunity to comment on air war strategy. San Diego is the chief embarkation point for naval vessels including the giant attack carriers that will continue to rain destruction from the skies on the people of Indochina long after the last ground troops have left. Its laboratories also perform research and development for the electronic battlefield.

San Diego County has one of the largest concentrations of Marine and Naval forces in the country. Organizing for massive demonstrations can help to turn this military apparatus into a Trojan horse by consolidating the wide-spread dissatisfaction with the war among the armed forces. Actions at the convention in San Diego can play a major role in accelerating the instability of the U.S. armed forces, a crucial link in the repressive power of the State.

MASSIVE DEMONSTRATIONS

If we see the reasons for demonstrations in San Diego, it follows from our analysis that these demonstrations must be massive with diverse constituencies rather than relatively small with narrow constituency representation.

If the present crisis in the U.S. is opening up people to alternatives from the left, we must demonstrate the broadening base of the movement in the San Diego actions in order to accelerate the breakdown of obedience to the system and win people over the Left. To do this, we must reach out and involve people who have never participated in the movement. This will have two effects: a direct one, based on the personal experiences of people who come to San Diego, and an indirect one carried through the media and demonstrating to Americans across the country the new broad-based constituencies of our movement.

In addition, if we are able to mobilize a massive array of people to come to San Diego in a dignified non-violent manner utilizing creative tactics that involve a high degree of ceremony, we will provide a startling contrast to the Republican Rubber Stamp Renomination of Richard Nixon. The ignoring of the majority interests of the American people represented by the gathered thousands outside the convention hall would make a mockery of the process going on inside and hasten the defeat of Richard Nixon and his policies.

OTHER ORGANIZING TOOLS

The petition

While we feel that massive, broad-based demonstrations in San Diego are a crucial component of the range of activities across the country (indeed across the world) that the movement should undertake, we think there are other tactics and tools our movement will have to employ to accomplish our over-all objectives. We think that two of these tools, specifically a National People's Platform and a massive San Diego Petition against the Republican Convention presence are useful both in building for massive opposition at the Convention and in accomplishing the movement's overall goals.

The petition is seen as making these basic points:

The U.S. government is ruling more by deception than at anytime in its history.

The war is not winding down but is continuing by means of increased naval and air bombardment.

Nixon is trying to patch up the economy at working people's expense by wage controls, but is not touching increasing big business profits.

While Nixon talks of peace and law and order, he has dangerously stepped up repression.

The Republican Convention is going to cost millions of dollars that could otherwise be spent solving the problems of San Diego.

We do not want a government that administers such unpopular policies by deception and military might to hold its convention in San Diego. Nor do we want a convention that is by its very nature undemocratic and forced on us from the top to be held in San Diego.

To make the petition work, we must come up with a document that would be able to get the support of all the various "progressive" constituencies and organizations in San Diego. This would mean such things as taking around an initial draft and discussing it with, for example, Virginia Taylor, Community Congress, Council of Urban Ministries, etc. We need to involve all possible groups to get as *massive* support as possible, Some people (like our parents) would sign in genuine hopes of stopping the convention from coming, others would sign in protest of Nixon's policies and deceptions.

In addition to being broad-based, the petition idea must be, in itself, multi-tactical. We can use it to confront not only the the U. S. government on the convention coming but also the city government. We can use it to do massive education about how the convention came to be in San Diego, who will benefit from it, and why the process of the convention itself is so undemocratic. We can do all this and more.

To accomplish anything though, we must have a massive effort from all of us—we must get the petition circulating at schools, factories, neighborhoods, and military bases.

In addition, we would have to elicit high media coverage of the event (locally and nationally). We would dramatize it for example by flying the petitions across the country in a private plane towing a banner bearing a message to the people of America from San Diego. The petitions could then be personally delivered at the White House.

There are several benefits seen from utilizing this tool. If the opposition to the convention is as wide-spread as we believe, it would put the Republican and the City government on the defensive, forcing them to try and explain how the convention will be good for San Diego. Providing people with a change to register their protest now against the convention coming here, will shift the blame for any problems or inconveniences caused during the convention to Nixon and the Republicans rather than us. In addition it will help legitimize our protest at the convention.

People's platform

The People's Platform is seen as an organizing tool that can be used throughout the country, particularly in primary states. The People's Platform would have five points: 1) A specific plan for total withdrawal from Indochina; 2) A plan for rationalizing the economy; 3) A plank calling for the reversal of the Nixon policies of internal repression and control; 4) A plank on racism; and 5) a Plank on sexism.

A nation-wide Peoples' Platform campaign has the advantage of raising basic issues rather than merely candidates. Candidates of both major parties could be confronted with the platform and forced to take stands on it. The platform could play a major role in exposing Nixon's deceptions and policies. If broad-based enough, it could be used as a means of uniting the efforts of the left to relate to new constituencies and help to bring about a considerable degree of unity with already committed groups, like youth and women. Finally, it could help mobilize people around the country and point the way to San Diego if the conception included the presentation of the People's Platform to both the Democratic and Republican National conventions.

The conception of a People's Platform could only become a reality with the support of national organizations and coalitions, however. Without that support, we in San Diego would not have sufficient machinery to make the People's Platform have significant impact.

We, therefore, would like to have the authority to oversee the initial drafting of such a document, to solicit the support of national organizations, and, if response is favorable enough, to begin the planning of a national conference to ratify the Platform.

Demonstrations

Since the effect of U.S. policy is international in scope, and since there is world-wide opposition to the Nixon Doctrine, we feel that:

We should call for world-wide demonstrations to occur at the same time as the Republication National Convention.

There should be at least one massive, legal, dignified demonstration past the Sports Arena. Formal publicized authorization would be obtained to carry the flags of other countries and liberation movements that wished to register their protest against Nixon. This flag bearing contingent would lead the demonstration.

To make sure that images are conveyed to the world audience that symobilze the issues, we will be in San Diego for, we would like to call for the designing and building of a few giant floats that conceptualize the major issues in graphic form. Beyond this, we would like to see the masses of people divided up into contingents carrying their own banners identifying their constituency or interests to signify the diverse array of opposition to Nixon and present U.S. policy.

At the Sports Arena itself, the presentation of the People's Platform could be made with the demand that all rules and procedures of the convention immediately cease to take up the adoption of the People's Platform.

At this point, we would like to keep other days of the convention open for specialize and large constituency actions around targets of the constituencies' choosing. At some point it may become appropriate for us to consider other types of actions that would be necessary to take if the massive numbers assembled and the presentation of the platform were to be ignored by the Republicans.

Exposé '72

Demonstrations are just one way we hope to achieve a radical transformation of all participants in the Convention activities. We want to create an atmosphere in which people can come to understand more about the specific nature of the country and the world we live in and have some fun. We would like to put forward the idea of Exposé '72 at or near the campsites. Exposé '72 would be a large exposition that would include:

Exhibits on (partial list):
the airwar with weapons display;
health care;
the economy;
Chicano and black movements;
China, Cuba, Vietnam, Palestine, Africa, Latin America;
women.

Continuous showing of movies, i.e., Milhous, Burn, Inside North Vietnam, Etc.

Workshops—examples are endless.

The display and completing of the final touches on the floats.

The construction of a video net either using large screens or with many T.V. sets that could link people together and broadcast:
video-taped messages from other countries;
the findings of the People's Panel of Inquiry on the Nixon Administration (a PCPJ project);
panel discussions and teach-ins;
Peoples' News Broadcasts of the days' events and reactions from around the country, and around the world.

Live audio broadcasts by phone over the P.A. system from:
The Vietnamese in Paris;
The Chinese and others at the U.S.
Entertainment: music, theatre.

Publishing a daily newspaper or wall poster.

We will also have to plan for the providing of services which include:
Camping facilities;
Sanitation;
Legal aid;
Medical aid;
Food.

We might also consider using our numbers to do a city-wide, door-to-door canvassing campaign asking people personally to come down to Expose '72 and/or join our demonstrations.

The Expose is seen as one more tool in being able to organize nationally and internationally. It is one way even more organizations, groups, contituencies, and nationalities might be persuaded to participate at the Convention who might not otherwise be moved there by a People's Platform, petition campaign, etc.

SAN DIEGO CONVENTION COALITION,
NOVEMBER, 1971

Possible preface (to a pamphlet in preparation)

We are a coalition which has formed in San Diego around the consensus that there must be coordinated nonviolent opposition and confrontation to the Republican Convention here in August of 1972. We expect that many actions will be taken by groups and individuals from all over the country, and that it is important for the San Diego movement to provide the context in which we believe this opposition will be most effective and most beneficial to the growth of the San Diego and Southern California movement. We welcome our out-of-town sisters and brothers who share our objectives and will come and plan actions in San Diego with regard for local ongoing activities. To provide them an understanding of our San Diego communities, essential to our working together, we have put together this pamphlet as an introduction and invitation to San Diego.

To ensure the building of a strong radical movement that cannot be used or absorbed by the Democratic Party, we in the coalition have agreed to work together according to the following principals:

1.) We will form the broadest possible coalition to nonviolently and openly oppose and confront the Republican Party leadership. Special effort will be made to include in the coalition groups representing important sections of the community to mobilize: Third World people, GI's and veterans, working people, the unemployed, gay people, women, students, and freaks.

2.) In this coalition and in all the work we do we will reject and struggle against all forms of domination based on race and sex and class exploitation. We will try to bring about in ourselves and in our manner of working with one another those human changes which must accompany political and economic changes in order for our revolution to succeed. We will struggle against racism and sexism in ourselves as well as in all others with whom we work, and will seek continually to isolate and understand the root causes of the tendencies in each of us to dominate, manipulate, and control. Women have been relegated to an inferior status by male Americans and are dominated by men in the home, in factories, and in all the institutions of the U.S., as well as in the movement. Sexism is also manifested in the economic and extreme psychological oppression of gay people by straights. Third World people in the U.S. occupy the status of colonial subjects. They are subjected to conditions of poverty, unemployment and domination by whites both at the institutional and personal level. We understand that racism and sexism are perpetuated by capitalism but are not maintained solely by the economic structure; we therefore must struggle to understand the other causes in ourselves and to eliminate them.

Skills and experience will be shared broadly among members of the coalition and conscious effort made to provide opportunity for those less experienced to grow stronger in revolutionary skills, understanding, commitment, and confidence.

3.) Because much of our strength will depend on massive numbers of people coming to the city, we will make contact and work with groups and individuals throughout the U.S., especially in the western region.

4.) The members of the coalition agree to discuss and resolve disagreements internally. No group or individual in the coalition is bound to participate in demonstrations or actions of the whole coalition, but all agree not to publicly oppose the decisions of either the coalition or any of the member groups.

The presence of the Republican National Convention in San Diego presents the San Diego movement with a unique opportunity. We can challenge the U.S. empire both in the devastating air war in Indochina and its increasingly oppressive police and economic policies at home.

In the past decade, we have seen an acceleration of the collapse of the U.S. empire. Internationally, the people of the Third World, as exemplified by the Vietnamese people, are gaining the upper hand in fighting against U.S. control of their lives and resources. Domestically, we have seen the growth of a revolutionary movement and increasing dissatisfaction among the people of the U.S. 1972 marks a crucial election year.

Nixon believes that San Diego will be a conservative sanctuary for himself and his republican colleagues. He thinks that the GOP can convene here in relative tranquility. Here they will pat each other on the back of escalating the war while seeming to end it, for bringing about a police state under the popular banner of law and order, and maintaining an irrational and increasingly troubled economy by stimulating corporate profits and control while cutting real wages and opportunity.

San Diego is one of the military's major homes. It is the chief embarcation point for naval vessels including the giant attack aircraft carriers that will continue to rain destruction from the skies on the people of Indochina long after the last ground troops have left. Its laboratories perform research and development for the electronic battlefield. And San Diego County has one of the largest concentrations of Marine and Naval forces in the country.

We can, however, turn Nixon's apparent strengths into weaknesses. Despite its conservative traditions, San Diego now has a growing political consciousness among working people and unemployed, a growing movement among women, a large dissatisfied youth community, and increasingly politicized native American, Black, Chicano and Asian communities (Third World). People in the city are facing new and severe problems of unemployment, frozen wages, inflation, police harassment, deteriorating environment and unrestricted growth, racist and unresponsive institutions, and a systematic destruction of their cultural traditions. We can unite with these groups to find solutions to these problems which those in power will not provide. We can turn the military apparatus into a Trojan horse by consolidating the massive dissatisfaction with the war among the armed forces. We can mobilize the largest and most diverse array of people, from throughout the U.S., ever to protest the convention of their rulers, making a mockery of the so-called "representatives of the people"—all this while national and international attention is focused on the unfolding of the Convention.

Our political objectives in confronting the Convention are:

1.) To make it clear that we want an immediate end to all aspects of the war in Indochina and that, if this urgent desire of the great majority of the people of the U.S. is not met, the elected government will have no legitimacy and stand no chance of being re-elected.

a) We will demand the U.S. government accept the 7-point peace plan of the P.R.C.

b) We are committed to exposing and stopping the escalating technological . . . air war in Southeast Asia.

2.) To expose and struggle against the move towards a domestic police state and the increasing repression and control over our lives. This control is exemplified by such things as: the use of grand juries, the murder of George Jackson and the slaughter at Attica, the cutbacks in Welfare and the wage controls, we will fiercely oppose the re-election of any President who continues repressive police and economic policies.

3.) To mobilize a massive array of Americans united in their opposition to the war and their determination to take control of their lives.

4.) To expose the true interests of the leadership of the Republican Party, and thereby strip them of their legitimacy as leaders.

5.) To accelerate the growth of a local movement in San Diego and contribute to the growth of the national movement.

6.) To give encouragement to revolutionary movements of oppressed people in other countries by demonstrating our solidarity with them and by showing the growing strength of our movement in the U.S. We have been inspired by the persistent struggle of the Vietnamese people against U.S. domination, and are interpretationalists.

7.) To fight the defeatism and sense of powerlessness of the people in the U.S. The movement we are building in San Diego must demonstrate the power people can have through organized united action, and serve to inspire people throughout the U.S. to take

initiative in fighting for control of their own lives. We do not want to be just another anti-war group but wish to help construct a life-sustaining revolutionary movement."

[From the Daily World, Feb. 19, 1972]

DR. SIDNEY PECK'S STATEMENT: U.S. DELEGATION REPRESENTS MAJORITY OPPOSED TO THE WAR

VERSAILLES, February 12.—Dr. Sidney Peck, a delegate of the Peoples Coalition for Peace and Justice and a leader of the U.S. delegation to the World Assembly for Peace and Independence of the Peoples of Indochina here, told the 1,211 delegates of 84 nations today that "the delegation from the United States represents the broadest and most diversified delegation ever to participate in an international conference on the Indochina question."

"And this is because we represent a majority movement against the war that is composed of every major stratum of our people," Dr. Peck continued, speaking on behalf of the 150-member U.S. delegation.

Excerpts from his address to the Assembly follow:

"Where did this majority movement in the U.S. come from. It was not all that long ago that the American people were immobilized. They were viewed as a silent generation in the mid-fifties.

A NEW AWAKENING

"But in the struggle for civil rights, free speech, academic freedom, there emerged in the sixties the beginnings of a new awakening of the American people. And while our eyes were partially opened in the efforts to break down the walls of segregation and restore the right to dissent, it was our growing understanding about the war which brought us fully awake.

"The courageous struggle of resistance waged by the people of Indochina contributed immeasurably to this process of awakening. A process that had already been aided by the struggle for black liberation at home, by the struggle of the Chincao and Puerto Rican peoples, by the struggle of the Indian peoples in the U.S. And so the youth were awakened, as was the movement among women—a movement that has finally emerged from its slumber. And to this one must also add the awakened consciousness of a new veterans' and active-duty GI movement.

"We believe our majority movement expresses a strong potential to translate its great numbers and growing political awareness into real success in changing policy.

POOR CARRY THE BURDEN

"Why? Because the people in the U.S. who suffer the most and carry the burden of the war are the poor—the poor who are still able to find employment—and those without jobs and income.

"Increasingly the working people in the U.S. have become aware that it was first of all their sons and brothers and husbands who were taken to the slaughter in Vietnam, and they were aroused to oppose the war. Now there is a new understanding that the very standard of living of the working poor, the ability to have enough money for food on the table, for meat, and clothes for the children is being crushed by the inflation of continued military spending.

"There is welfare money for Lockheed aircraft but not for hungry poor. If they do not have a job, they must suffer the indignities of poverty. If they are working their wages are frozen—while prices and profits continue to rise. And so, the working poor, the labor movement, the rank and file of trade unions are beginning to awake as a new giant of political opposition.

A PEOPLE'S MOVEMENT

"The potential of our movement will be fully realized when our struggle around these issues of the war, inflation, unemployment, racism, poverty, repression and sexism . . . day in and day out. . . results in the growing organic unity of the American people joined in their opposition and resistance to those who rule our land.

"Then we will truly have a peoples movement in the U.S. worthy of its political potential.

"Dear Friends,

"The movement against the war in the U.S. needs your help in the struggle to end the Indochina war. We sincerely hope that this Assembly will not only engage in an exchange of views and resolutions—but that we must also decide to plan for coordinated international action. We hope this will not be a perfunctory program of action. Rather, we look forward to a decision of this Assembly that will establish some means by which to implement—by which to make sure, that actions on a world scale in solidarity with the cause for the peace and independence of the Indochinese does take place.

WE SHALL WIN

"For our part, we can consider the year 1972 as a year of sustained struggle to end the war. We have projected a whole series of actions in which we shall press the major issues of the war and its effect on the American people in this election year. But we are also suggesting that internationally we consider the period from April 1 through May 15, as a time of joint struggle around the world on the Indochina question. . . .

"We shall win, with the help and support of all that you represent here today. And in our mutual victory, true love and friendship between the peoples in Indochina and the United States will finally have an opportunity to express itself in the mutual respect for the right of peoples to self-determination without fear of foreign intervention and aggression."

[From the Daily World, Feb. 19, 1972]

AL HUBBARD'S STATEMENT: "NIXON IS ESCALATING WAR"

VERSAILLES, February 12.—Al Hubbard, executive director of Vietnam Veterans Against the War and a member of the 150-member U.S. delegation to the World Assembly for Peace and Independence of the Peoples of Indochina, told the giant rally here today that the Nixon government is escalating the aggression in Indochina instead of "winding it down."

He said he was convinced "that a new escalation of the third Indochina war is imminent. Because the Nixon administration remains fully committed to the 20-year goal of American leaders: specifically the keeping of American-controlled puppet regimes in power in Indochina."

Hubbard said although the goals have not changed the tactics have. And he described in detail the "automated war" now being waged against the Indochina peoples. Excerpts from his statement follow:

"Nixon in his typical racist manner erroneously believes that his use of technology to remove its human elements and his philosophy of 'machines killing gooks' will succeed in diverting the attention of the American people from the fact that the war is not winding down for the 100,000 political prisoners sweltering in Saigon's inhuman jails, people whose only crime is to wish to live under a government of their own choosing.

"The war is not winding down for an officially reported 10,000,000 refugees in Laos, Cambodia and Vietnam who are right now landless and homeless. People whose only wish is to return to their villages of birth.

"The war is not winding down for millions of peasants living in American controlled zones under the brutal Thieu-Phouma-Lon Nol regimes who are plundering their countries resources.

"The war is not winding down for the 400,000 young women who have been forced to become bar girls and prostitutes.

"And above all the war is not winding down for hundreds of thousands of people who are right now living underground in caves and holes forced to make the most extreme sacrifices in order to see their countries free.

"And indeed far from winding down, the war even at this very moment is undergoing the most serious of escalations.

BOMBING ESCALATION

"Forty new B–52s are right now being sent from Texas to bring even greater destruction and death to Indochina.

"A third aircraft carrier, the Constellation, has moved into position in the Tonkin Gulf and there are reports that a fourth, the Kitty Hawk, will soon join them.

"The barbaric technology which I have referred to is being improved daily in its attempt to kill ever increasing numbers of people as we have seen in the unprecedented savage use of B–52s to drop anti-personnel pellet bombs.

"The crisis in Indochina keeps bringing with it an ever deepening crisis in the United States."

[From the Washington Star, Feb. 14, 1972]

PEACE GROUP BACKS PLAN OF VIETCONG

The three-day international anti-war assembly in Versailles ended yesterday with unanimous endorsement of the Viet Cong plan for ending the Vietnam war.

The Paris World Assembly for Peace and Independence of Indochinese Peoples termed President Nixon's eight-point peace plan "hypocritical and fallacious" and backed the American delegation's plans for a series of antiwar and antiNixon demonstrations in the United States through mid-May.

The U.S. delegation had swelled to 147 persons by the end of the assembly and with the possible exception of the French contingent was the largest at the gathering. In all, 800 delegates from 80 countries attended.

Afterward, a line of delegates six blocks long marched in Paris in a chill rain behind Viet Cong and North Vietnamese flags and French Communist party banners. The marchers chanted "Nixon—Fascist, Murderer," and "U.S. Go Home."

The main theme of the assembly was that U.S. Ambassador William J. Porter, head of the American delegation to the Vietnam peace talks, was an "unstatesmanlike tool" of President Nixon and should resign, and that Nixon presented his peace plan only to cover a new escalation of the war.

Porter called the assembly a "horde of Communist-controlled agitators" and said because of the atmosphere created by the gathering he had postponed indefinitely the next session of the peace talks, which had been set for Thursday.

The Viet Cong peace plan calls for the immediate resignation of President Nguyen Van Thieu of South Vietnam and formation of a coalition government including the Viet Cong to elect a constitutional convention.

[From the Washington Post, Feb. 14, 1972]

PARIS ANTIWAR ASSEMBLY BLASTS UNITED STATES, BACKS HANOI

(By Jonathan C. Randal)

VERSAILLES, FRANCE, February 13.—More than 1,200 delegates to one of the biggest international antiwar rallies since the Vietnam conflict began unanimously adopted resolutions today condemning the United States and backing North Vietnamese and Vietcong conditions for restoring peace.

This predictable outcome was greeted by a standing ovation at the final session of the three-day "Paris World Assembly for the Peace and Independence of the Indochinese Peoples."

Less predictable was the resumption date of the Paris peace talks which the United States and South Vietnam in effect unilaterally suspended Thursday in protest over "intolerable" pressures on the stalemated nego-

tiations allegedly caused by the Versailles assembly.

Ambassador William J. Porter, U.S. representative to the peace talks, told the Communist negotiations then that a new meeting date could not be fixed "until we can assess the atmosphere resulting from your behavior and that of the claque which will be performing in Versailles."

CHINA VISIT

It was believed that the United States and South Vietnam would not agree to any new formal peace talk session before President Nixon completes his visit to Peking on Feb. 28. There were also indications that present administration policy favors holding the talks less frequently than once a week in the future.

Rounding out the three days of talk at Versailles was an orderly parade in Paris. Members of the 147-person U.S. delegation braved a steady rain to join the six-block-long line of marchers who carried anti-American banners, Vietcong and North Vietnamese flags and chanted "Nixon—Fascist assassin" and "U.S. Go Home."

Running throughout the proceedings were two themes: Nixon suspended the Paris peace talks to hide a new escalation in the war; and Porter was guilty of unstatesmanlike behavior in labelling delegates a "horde of Communist-controlled agitators."

Speaking briefly at a press conference with other American delegates, actress Jane Fonda reiterated an earlier call for Porter's resignation. Miss Fonda said the veteran diplomat "is not representative of the American people" and charged that the United States was "not seriously negotiating" at the Paris talks.

The Versailles resolutions brushed aside President Nixon's recent eight-point peace plan as "hypocritical and fallacious."

The resolutions reiterated almost word-for-word the demands contained in the Vietcong seven-point proposal last July and "elaborated" on Feb. 2 following Mr. Nixon's revelations of secret talks with Hanoi.

Other paragraphs dealt with Laos and Cambodia. The assembly demanded "that the U.S. government cease all support to the governments it has established and which are manipulated instruments of war and neocolonialism and let the peoples of Indochina decide freely of their destiny without any foreign interference."

INFORMATION CAMPAIGN

Other aspects of the adopted program called for action committees to maintain an international information campaign to coincide with activities of the antiwar movement and the presidential election campaign in the United States.

The assembly also endorsed international support for a series of antiwar demonstrations planned in the United States between April 1 and May 15, including actions calling for resistance to tax payments earmarked for the war, acts of disobedience against federal buildings and companies with defense contracts.

"It is essential that this American campaign be coordinated," the documents noted, "with the entire international antiwar movement so that the full weight of international outrage can be brought to bear on Nixon and his policies."

As in past such conferences, no Chinese delegates, diplomats or observers were at the assembly attended by delegates from 84 countries.

DISASTER ON BUFFALO CREEK

The SPEAKER pro tempore (Mr. HAGAN). Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 15 minutes.

Mr. HECHLER of West Virginia. The sun came out on Buffalo Creek Hollow Saturday. I saw what were once small, modest patches of greenery in people's yards now covered with over a foot of sludge and slime, and baking to concrete hardness while groups of coal miners and their families tried to poke through their destroyed or damaged homes. There are 116 identified dead, and over 50 still missing in West Virginia's worst of a long line of disasters directly related to the most hazardous occupation in this Nation—the mining of coal.

Various congressional committees are now starting to bestir themselves. Some of them are now in West Virginia, and others start hearings this week. But the Bureau of Mines apparently has its lawyers working overtime to try and discover how they can avoid, evade, or escape any responsibility for action to prevent disasters such as occurred on Buffalo Creek on February 26.

On February 28, the first day Congress was in session after that giant greasy fist smashed into my people, I took the floor to denounce the manner in which Federal and State officials have handled the coal industry with kid gloves, and allowed that industry to get away with close to murder, whether it concerns mine safety, or strip mining, or slag piles.

At page 5716 of the RECORD, I put in the text of an urgent telegram which I sent to Dr. Elburt F. Osborn, the Director of the Bureau of Mines, asking for an immediate investigation to determine whether the specific regulations of the Bureau promulgated on May 22, 1971, have been violated. These regulations provide:

If failure of a water or silt retaining dam will create a hazard, it should be of substantial construction and shall be inspected at least once each week.

I also asked the Director of the Bureau of Mines to provide me a list of all other coal mines in West Virginia which have a dam of this type and whether the operator is in compliance with the regulation.

NO ANSWER FROM BUREAU OF MINES

I have received neither an answer nor even the courtesy of an acknowledgment of this telegram. On February 29 and again on March 6 I implored the Secretary of the Interior to get me an answer, but still nothing but dead silence from both the Bureau of Mines and the Department of the Interior.

Mr. Speaker, my people who produce coal, every ton of which is marked with blood and profits, are not going to sit still any longer while a production-minded Bureau of Mines exhibits contempt of Congress, contempt for coal miners, and contempt for the nearly 200 men, women, and children who needlessly died in Buffalo Creek Valley.

The Department of the Interior made a press statement on February 29, contending they had no "legislative authority" to act. I have pointed out to them the clear legislative authority they possess.

Well, Mr. Speaker, we in West Virginia are simply not going to mine coal unless our people are protected, and until the agencies of Government prove by their actions that they are determined that a human life is more important than a ton of coal.

I am appending to my remarks the texts of the various letters and telegrams I have sent, statements I have made, and some of the public comments of the Department of the Interior on this disaster:

FEBRUARY 28, 1972.

Dr. ELBURT F. OSBORN,
Director, Bureau of Mines, Department of the Interior, Washington, D.C.:

Bureau regulations of May 22, 1971, for surface areas of underground coal mines provide in Sec. 77.216(A):

"If failure of a water or silt retaining dam will create a hazard, it should be of substantial construction and shall be inspected at least once each week," by the operator.

Urge you take steps to initiate an investigation under section 103 of the Fed. Coal Mine & Safey Act, including a public hearing to determine whether the dam was of "substantial construction", whether it was inspected on a weekly basis, and whether the operator violated the law.

Urge you seek the help of the geological survey and the Corps of Engrs. in the investigation.

Please provide to me a list of all other coal mines in W. Va. which have a dam of this type and indicate to me whether the operator of such mines is in compliance with this section of the regulation.

CONGRESSMAN KEN HECHLER.

THE LORADO DISASTER

(By Representative KEN HECHLER, Feb. 28, 1972)

WASHINGTON.—I have today asked the Chief of the Army Corps of Engineers to conduct a thorough inquiry into the Lorado disaster which will cover the following points, among other items:

(1) What form of inspections were conducted of the slag pile to guarantee the safety of residents in the valley below?

(2) What form of warning system was established?

(3) What measures must be taken with respect to other slag piles, settling ponds, and other coal refuse to protect the health and safety of the people in other areas?

It is outrageous that the Bureau of Mines and other Federal and state agencies have failed to demonstrate sufficient concern for the protection of the safety of the people who work in the mines and live in mining communities. I have been fighting with strip miners for several years in the Buffalo Creek Valley, attempting to stop them from allowing mud and sludge to slide down onto people's lawns and into their driveways. In one case, the Island Creek Coal Company, after officials visited the site of a slag heap at Procter Hollow near Amherstdale, agreed to purchase some of the houses in the immediate path of some mud slides. The houses were subsequently condemned. As I looked through the Buffalo Creek Valley yesterday it struck me again that the entire valley is honeycombed with strip mines and the wastes from deep mines, so that the soil can no longer hold the water. The people are the prisoners of the coal industry. It is significant that the only building left intact in one Buffalo Creek community was the company store.

For too long the coal industry has polluted the air, water and politics of West Virginia. Federal and state officials have handled the coal industry with kid gloves, and allowed the industry to get away with murder, whether it concerns mine safety, or strip mining or slag piles. Whenever anybody points out the evils of strip mining or the threats to human safety caused by ancient

coal company practices, those Federal and state officials responsible for protecting the public will scream: "Energy crisis!" or "We need the jobs!"

West Virginia has had more than its share of disasters of this nature. There are always those who apologize for the reckless, careless practices of the coal companies, as they did after the Farmington disaster which killed 78 coal miners on November 20, 1968. Today, there are some people who write off the Lorado disaster as an act of God which can always occur anywhere. I say that the Lorado disaster should have been prevented. Unless Federal and state agencies and elected public officials change their attitude toward the coal industry, there will be more Farmingtons and Lorados. It's high time that we start putting the value of a human life above coal company profits. It's high time that every Federal and state agency place a higher priority on protection than production.

WASHINGTON, D.C.—Rep. Ken Hechler, D-W. Va., has called on the U.S. Bureau of Mines to join the U.S. Army Corps of Engineers in investigating the coal mine slag heap disaster which wiped out the town of Lorado and other West Virginia coal mining communities.

Congressman Hechler pointed out that a May 22, 1971, regulation of the Bureau of Mines provides:

"If failure of a water or silt retaining dam will create a hazard, it should be of substantial construction and shall be inspected at least once a week by the operator."

In a telegram to Director Elburt F. Osborn of the U.S. Bureau of Mines, Congressman Hechler urged an investigation and public hearing to determine whether the dam was of "substantial construction", whether it was inspected on a weekly basis, and whether the Pittston Company, the operator, violated the law.

The West Virginia Congressman also asked the mines director to provide a list of all other coal mines in West Virginia having dams of this type and indicate whether the operator is in compliance.

"A Federal report published last year showed there are 132 coal refuse piles burning in West Virginia, creating a hazard to the health and safety of the people and another Federal report indicated there are 38 slag heaps in Southern West Virginia which pose a potential threat to the people, to say nothing of the strip miners who destroy our mountains, valleys and beautiful scenery," Congressman Hechler said, adding:

"West Virginia is a dumping ground for corporations more interested in profits and production than in the people and the land. It is high time that Federal and state officials stop treating the coal industry with kid gloves, whether it pertains to mine safety, strip mining or slag piles.

"The value of a human life is more precious than a ton of coal."

INTERIOR DEPARTMENT SENDS HELP TO WEST VIRGINIA IN COAL REFUSE PILE DISASTER

Secretary of the Interior Rogers C. B. Morton has sent scientific and technical teams of the Interior Department to assist the State of West Virginia in determining the cause of the February 26 Buffalo Creek disaster and to avert similar coal bank failures in the area.

Help was sent following a discussion between the offices of Secretary Morton and West Virginia Governor Arch A. Moore, Jr. The Governor's office expressed gratitude for the Secretary's offer of technical help, particularly in the area of hydrology.

Action by Interior in the wake of the washout of the Saunders bank on Buffalo Creek which left at least 70 persons dead, more than 300 missing and another 4,000 homeless included:

1. More than 100 coal mine safety inspectors have begun to examine coal refuse banks throughout the Appalachian region, concentrating on areas where heavy rains have fallen in recent weeks.

2. Nine scientific and technical men from the Bureau of Mines and U.S. Geological Survey are analyzing the remains of the coal bank at Buffalo Creek, as well as rainfall and other water factors which led to the disaster on February 26.

Secretary Morton noted that while the Interior Department currently lacks legislative authority to order the elimination of dangers to public health and safety resulting from coal refuse piles, his department is seeking such authority under provisions of the Mined Area Protection Bill proposed by President Nixon last year and currently before Congress.

FEBRUARY 29, 1972.

Hon. ROGERS C. B. MORTON,
Secretary of Interior, Department of the Interior, Washington, D.C.

Dept. of Interior press release issued Feb. 29 on W. Va. disaster states that the bureau lacks "legislative authority" to order elimination of dangers to health and safety resulting from coal "refuse" piles.

The press release errs, since the bureau's regulations of May 22, '71 (sec. 77.215(e)) provide that "refuse piles shall not be constructed so as to impede drainage or impound water." The slag heap at the Pittston Coal Mine not only impeded drainage but also impounded water. Since the bureau apparently did not require elimination of this so-called refuse pile during its inspections, one can only conclude that the structure at the Pittston Coal Mine was a "retaining dam" and subject to sec. 77.216(a) of the May 22 regulation. In telegram Feb. 28 to Dir. of Bureau of Mines, I urged that the bureau conduct an investigation and public hearing, and I renew this request.

Congressman KEN HECHLER.

WASHINGTON, D.C.,
March 6, 1972.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Senate Labor and Public Welfare Committee, Senate Office Building.

DEAR MR. CHAIRMAN: Enclosed is a copy of a letter I have today sent to Secretary Morton concerning the recent coal mine disaster at Lorado, West Virginia, and a copy of the Interior Department's press release of February 29.

Incredibly, the release states that the Department lacks authority "to order the elimination of dangers to public health and safety" resulting from accidents occurring on coal property. My letter disputes that statement.

Your Committee, however, has an excellent opportunity to remove even the slightest doubt about this.

The pending black lung legislation which passed the House amends the 1969 law. It would be a simple matter to add to that legislation in the Senate an amendment to section 2(g) of the 1969 law which would clearly state that the Act is designed to protect: miners working on the mine property, other persons on the property (I note that the law now has several provisions designed to protect even unauthorized persons who wander on the property), and the public in general from accidents that originate on the property.

I urge that you do so. I feel certain that the House would readily agree to such an amendment. If we had ever dreamed, in 1969, that Interior would concoct such a cramped reading of the law, we would have included such a provision in the legislation then.

Sincerely,

KEN HECHLER.

WASHINGTON.—Rep. Ken Hechler (D-W. Va.) has asked the House Government Operations Committee to probe "the consistent refusal of the Bureau of Mines to enforce the law and take some responsibility for protecting the people against unsafe slag piles."

Congressman Hechler, a long-time critic of the Bureau of Mines for what he terms "failure to enforce the 1969 mine safety law", characterized the present attitude of the Bureau toward the Buffalo Creek, W. Va., disaster as "timid and spineless." Immediately following the February 26 flood, Rep. Hechler sent telegrams to the Secretary of the Interior and Director of the Bureau of Mines, calling attention to May 2, 1971 Bureau regulations which stated: "Refuse piles shall not be constructed so as to impede drainage or impound water", and "If failure of a water or silt retaining dam will create a hazard, it shall be of substantial construction and shall be inspected at least once each week."

The West Virginia Congressman has asked the Bureau of Mines to hold an investigation and public hearing to determine whether the slag pile dam was of "substantial construction", whether it was inspected on a weekly basis, and whether the Pittston Company (the operator) violated the law. He also asked the mines director to provide a list of all other coal mines in West Virginia having dams of this type and indicate whether the operator is in compliance.

"The attitude of the Department of the Interior is outrageously callous, and typical of their narrow and tortured interpretation of laws which might interfere with coal production while protecting the public interest," Congressman Hechler stated. "They scurry around with their lawyers searching for reasons why they can't do anything instead of trying to protect the public. They seem to care more about the production of a ton of coal than the causes of death and destruction that originate on the coal operator's property."

The Department of the Interior has cited a 5-year-old letter written by the then Secretary of the Interior, Hon. Stewart Udall, with copies to all West Virginia Congressmen, warning of the danger of slag piles. "Here is one Congressman who didn't ignore the warning," Congressman Hechler said, pointing to three articles which appeared in the Logan Banner, Charleston Gazette and Huntington Herald-Dispatch of July 7, 1967. The Logan Banner headline reads: "Hechler cites 'Gob' Pile Danger", with a sub-head "Preventive Measures Urged." The articles quote Congressman Hechler as follows: "Many families face a serious threat from huge 'gob piles' loosened by recent rains," Rep. Hechler said after an all-day examination of trouble spots in Logan County. Rep. Hechler toured the area in the rain with Federal and state officials.

"Hechler said he assembled the delegation after visiting the Proctor Hollow area at Amberstdale. 'I was so horrified that I got on the telephone and assembled the group to go out in the rain and see for themselves how these people are living under the gun of threatened annihilation,'" Rep. Hechler said. The group also visited a number of other areas in Logan County where rains had released debris from strip mining operations. "This material has tumbled down the hillsides, clogging streams, undermining highways, covering railroad tracks, filling people's cellars and causing general havoc throughout Logan County," Rep. Hechler remarked, as reported in the July 7, 1967 newspaper articles.

WASHINGTON, D.C.,
March 6, 1972.

Hon. ROGERS C. B. MORTON,
Secretary, Department of the Interior, Washington, D.C.

DEAR SECRETARY MORTON: On February 28, 1972, I sent a telegram to Director Osborn. It urged that he "initiate an investigation under section 103 of the Federal Coal Mine Health and Safety Act" to determine if the Buffalo Mining Company (Division of Pitts-

ton Co.) at Lorado, West Virginia, violated the law in regard to its retaining dam which breached on February 26, 1972, killing many persons and making many more homeless.

I pointed out to the Director that the Bureau of Mines' May 22, 1971, regulations for surface work areas of underground coal mines (36 F.R. 9364) provides (Sec. 77.216(a)):

"If a failure of a water or silt retaining dam will create a hazard, *it shall be of substantial construction and shall be inspected at least once each week*" by the operator. (Emphasis supplied)

A 1966 report by the Bureau and the Geological Survey describes the dam in question and what happens if it breaches as follows:

"Large deep lake at rear of bank. Dike at NE edge of lake is 15 ft. wide, 8 ft. high. Could be overtopped and breached. Flood and debris would damage church and two or three houses downstream, cover road and wash out railroad. Gully at front covers road with wash regularly. Lake contains about 5,000,000 cubic feet of water."

That report also shows, in addition to the lake, a "small pond for recirculating sludge water on NW front of bank impounds some drainage."

The Bureau's 1969 and early 1970 inspection reports state that the "present workings were not approaching . . . impounded water . . ."

To date, I have not received a reply to my telegram, nor has the Bureau initiated the requested accident investigation.

On February 29, 1972, the Interior Department issued a news release that "scientific and technical terms" would be sent to aid the State "in determining the cause" of the disaster and "to avert similar coal bank failures in the area."

I commend the Department for this.

The release, however, noted that the "Interior Department currently lacks legislative authority to order the elimination of dangers of public health and safety resulting from coal refuse piles."

This statement, however, does not comport with the facts.

The Interior Department issued on May 22, 1971, regulations (36 F.R. 9364) under section 101(i) of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 801) setting forth "mandatory safety standards for . . . surface work areas of underground coal mines." Section 77.215(e) and (f) of the regulations (which were effective July 1, 1971) provides:

(e) Refuse piles shall not be constructed so as to impede draining or impound water.

"(f) Refuse piles shall be constructed in such a manner as to prevent accidental sliding and shifting of materials."

Presumably, when the above section of the regulations and section 77.216(a) were issued, Department officials believes that they were acting within the scope of the law and that it provided a legal basis for the regulation. As a matter of fact, the conference report on the 1969 Act (H. Rept. 91–761, Dec. 16, 1969) states (p. 63):

"In adopting the provisions [of the law], the managers intend that the act be construed liberally when improved health or safety to miners will result."

I feel certain that, with this statement in mind, your Department adopted these regulations.

But in the last few days, I have received disturbing reports that Bureau officials are seeking to construe the law narrowly, rather than "liberally." Incredible as it may seem, they have apparently adopted the view that while an accident did occur at this mine it did not affect any miner while *working* at the mine, therefore the Bureau has no responsibility.

This is a ridiculous interpretation of the law. Only lawyers, holed up in the ivory towers of the Interior Department and removed from the every day world of the West Virginia hollows, could have dreamed up such legal and inhumanistic fictions.

Such fictions ignore several important facts.

First, the proximate cause of the February 26 accident was the failure of a refuse pile which was being used as a retaining dam by the coal company to hold back millions of gallons of water.

Second, this refuse pile was constructed on coal mine property (all of which is subject to the 1969 law (see sec. 3(h) which defines a "coal mine")).

Third, the refuse pile was being used "to impede drainage" and "to impound water" (as shown by the Bureau of Mines Geological Survey report of 1966) in violation of the Department's May 22 regulations.

Fourth, the retaining dam located on the mine property (as shown by the 1966 report) was not of "substantial construction."

Fifth, the Bureau's inspection reports for July, September, November, and December 1971 fail to show (a) why the inspector did not issue a notice of violation of these sections of the regulations, and (b) whether or not the operator inspected the retaining dam weekly.

Sixth, section 103(a) of the law directs that Bureau inspectors investigate "the causes of accidents," and that section 3(k) of the law defines the term "accident" to include, an incident that causes the death of "any person," not just miners.

Seventh, miners and their families living off the mine property were killed by an accident originating on the coal mine property of the Buffalo Mining Company.

Eighth, the Act and the Bureau's regulations contain several provisions designed to prevent accidents to even unauthorized persons who wander on the mine property.

I urge that lawyers of the Department come down from their ivory towers, consider these basic facts, and render an opinion that is more in consonant with the words and spirit of the 1969 law and the 1971 regulations and, most importantly, recognize that the "unsafe . . . conditions and practices" at this mine caused death, "grief and suffering to the miners and to their families" and to others who lived beneath this unlawful retaining dam. Let them be as protective of people as they are of the coal operators who erect such unlawful structures.

Again I urge a full-scale investigation of this accident by the Bureau and appropriate civil and criminal action for any violation of the law and regulations.

Sincerely,

KEN HECHLER.

[From the Washington Post, Mar. 3, 1972]

DISASTER IN APPALACHIA—ANOTHER ONE

What can be said to the survivors of Saturday's flash flood in the densely populated Buffalo Creek Valley where, at last count, 76 are dead and some 150 missing? Condolences seem empty, because life will not return to normal in the valley towns for a long time, if ever. Sending in federal money and the donation of supplies is helpful, but these are reactive efforts of common mercy; and there is still the question of who will pay to rebuild the 16 destroyed communities where some 5,000 people lived.

Serious confusion now exists as to whether the disaster was natural or man-made. Did the mountaintop slag dam give way because of unexpected water pressure following four days of heavy rains? Or did it collapse because the Buffalo Mining Company, a division of the New York-based Pittston Company, was negligent in taking safety precautions? This kind of post-disaster confusion is not unusual in the mining towns of Appalachia; it is almost as common as the disasters themselves. Yet, even though the Bureau of Mines has a long record a laxity where safety is concerned and far too many coal companies put production before the welfare of the workers and the local communities, each disaster must be taken separately. Fairness demands it.

Rep. Ken Hechler, an energetic battler for mine safety in whose district the latest disaster occurred, believes that the Buffalo Creek tragedy "should have been prevented." Mr. Hechler has called on the Army Corps of Engineers and the Bureau of Mines to conduct a thorough inquiry, covering such questions as: What form of inspections were conducted of the slag pile to guarantee the safety of the residents in the valley below?

What form of warning system was established? What measures must be taken with respect to other slag piles, settling ponds, and other coal refuse to protect the health and safety of the people in other areas?

At the least, answers to these important questions should be found. For one thing, they will help establish whether or not the Pittston coal company has legal settlements to make with the survivors and the communities. Second, something in the way of prevention against future disasters may be established. Similar dams are scattered in the coalfields of Virginia, West Virginia, Pennsylvania and Kentucky. A large loss of life and property should not be needed to induce the government and coal industry to inspect these other dams; but since a tragedy has happened, at least it may prevent others from happening in the future. As Mr. Hechler noted, it is high time that government and coal industry officials "place a higher priority on protection than production."

[From the Logan (W.Va.) Banner, July 7, 1967]

PREVENTIVE MEASURES URGED: HECHLER CITES "GOB" PILE DANGER

(By Jim Hutchinson)

Congressman Ken Hechler and a group of high-level state officials yesterday termed the slide situation in several communities of Logan County as "deplorable and a threat to the safety of residents of the ill-fated areas."

Hechler, repeatedly stated during the tour of several slide areas that "some precautionary means must be taken immediately to insure that this threat is lifted for the well-being of the residents."

The delegation which inspected the slide areas included Hechler; Truman Gore, state finance commissioner; H. G. Woodrum of the Department of Natural Resources; Jim Odum, assistant engineer of District Two of the State Road Commission; Dick Herron official of Island Creek Coal Co.; Norman (Bozo) White county road superintendent of the SRC and his assistant, Junior White.

Also accompanying the congressman were two representatives of the Army Corps of Engineers and other state officials.

Hechler called the delegation together on short notice after touring the slide areas late Wednesday and getting a first-hand look at the damages caused by rains on Sunday.

Hechler said most of the slides consisted of flowing masses of "gob" released by the saturation of slate piles and strip-mining operations.

Herron told the congressman that negotiations are in progress to purchase some of the property in Proctor Hollow near Amherstdale in order to install a huge culvert which will divert the debris from the residential area into the creek bed.

He said the culvert had been ordered and expected operations to begin within the month.

One home in the Proctor Hollow area, occupied by C. E. Burt, was hit by a slide which began from a gob pile which completely fills one end of the hollow and towers well over 200 feet above the area.

Burt's son told the congressman that the dump "exploded" some time ago and sent debris flying over every house in the small community.

Other areas included in the inspection tour were Spice Creek, Slagle, Stollings and several mountain areas where slides have covered roads.

No immediate solution to the problem was discussed. However, Gore told Congressman Hechler that he would report his observations to Governor Hulett Smith, who, in turn, is expected to order reports from the State Road Commission and the Department of Natural Resources.

Odum said his hands were tied until he received a request for action from his superiors. He said the local SRC facility in the county did not have the manpower or the funds to handle emergency situations such as the one which presently faces Logan County.

Odum also asked Gore if it would be possible to have the governor declare Logan County an emergency disaster area due to the many slide areas which have caused extensive damage to its highways and streams.

Gore said that for the county to be declared a disaster area, the emergency would have had to taken place immediately. "This slide problem and what we have seen today is more of a situation which is taking place continuously over a period of time," Gore said.

Woodrum was asked if it would be possible to dredge stream beds on Dingess Run and other areas which have been filled by the slides and create flood threats.

He said dredging has been restricted by the Department of Natural Resources, but he could see no reason why a blanket order could not be issued which would allow the local SRC crew to clear the stream beds to alleviate flood conditions.

Gore concurred with Woodrum on the proposal and said he also would mention the filling of stream beds to the governor.

SRC superintendent White told the delegation that he had worked crews throughout the night "practically every time it rains" to keep the gob and slate from blocking highways and streams.

"We just don't have the type of equipment or the manpower to do everything," White said. "Our funds also are limited and when we send men out to work in this type of emergency, we are cutting the budget for routine maintenance."

The general conclusion of the delegation seemed to be that something had to be done immediately to alleviate the threat upon lives and property throughout the county. No solution was offered, although each member of the group said that reports would be submitted through proper channels in an attempt to have the problem solved.

[From the Charleston (W. Va.) Gazette, July 7, 1967]

SAFETY THREATS: HECHLER ABHORS LOGAN GOB PILES

LOGAN.—Towering piles of mine refuse scattered throughout Logan County were cited Thursday as serious threats to the safety of county residents.

Rep. Ken Hechler, D., W. Va., made the statement concerning the gob piles following a rainy tour wtih state and federal officials to several trouble areas near here.

Hechler said he assembled the delegation after visiting the Proctor Hollow area Wednesday "where six feet of mud filled the cellar and yard of 86-year-old C. E. Burt and washed several cars away."

"I was so horrified," Hechler said, "that I got on the telephone and assembled the group to go out in the rain and see for themselves how these people are living under the gun of threatened annihilation.

With Hechler were Truman Gore, State finance commissioner, H. G. Woodrum of the State Department of Natural Resources and representatives of the State Road Commission and U.S. Army Corps of Engineers.

Hechler said the group met with Richard Herron of Island Creek Coal Co. which owns the gob pile in Proctor Hollow. He said Herron told them "that negotiations were being started to purchase the homes of some of families still living in the shadow of the pile of slate which towers several hundred feet above them."

The delegation also visited a number of areas in the county where recent rains have loosened tons of debris from strip mining operations, Hechler said. "This material is clogging streams, undermining highways, covering railroad tracks, filling people's cellars and causing general havoc throughout Logan County," Hechler said.

He mentioned that new strip mining laws in West Virginia "makes it less profitable to carry on such strip mining without rehabilitation, but we still face a serious problem from abandoned mines whose owners have left the state."

The congressman said the federal government makes provisions to provide funds when disaster strikes but "we must put the emphasis on preventive measures."

He said the streams in Logan County need to be dredged and "people's homes protected before we have the kind of catastrophe which struck Wales with a heavy loss of human life."

[From the Huntington (W. Va.) Herald-Dispatch, July 7, 1967]

MINE WASTE TOWERING OVER HOMES IN LOGAN

LOGAN.—"Many families face a serious threat from huge 'gob piles' loosened by recent rains," Rep. Ken Hechler said Thursday after an all-day examination of trouble spots in Logan County.

Rep. Hechler was accompanied by Truman Gore, state finance and administration director; James Odum, assistant district engineer of the State Road Commission; H. G. Woodrum of the West Virginia Department of Natural Resources, and representatives of the Huntington district U.S. Engineers.

Rep. Hechler said: "Thursday, I visited the Proctor Hollow area near Amsterdale, where six feet of mud and debris filled the yard and cellar of 86-year-old C. E. Burt last Sunday. I was so horrified I got on the telephone and assembled a group of federal and state officials to go out in the rain and see for themselves how these people are living under the gun of threatened annihilation."

Richard Herron, representating the Island Creek Coal Co., which owns the "gob pile" advised Rep. Hechler negotiations are under way to buy the homes of nine families living in the shadow of the pile of slate and other mine waste which towers several hundred feet above Proctor Hollow.

The group also visited a number of other areas in Logan County where rains have released debris from strip mining operations.

"This material has tumbled down the hillsides, clogging streams, undermining highways, covering railroad tracks, filling people's cellars and causing general havoc throughout Logan County," Rep. Hechler remarked.

IN SUPPORT OF H.R. 13116, A BILL TO PROMOTE INTERNATIONAL COOPERATION IN UNITED NATIONS EFFORTS TO PROTECT THE WORLD'S OCEANS AND ATMOSPHERE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, the United Nations Conference on the Human Environment, which is scheduled to convene at Stockholm in this June, marks perhaps one of mankind's most important steps in his march toward the goal of a livable world. It will be the first truly international meeting of representatives from both the industrialized and the developing nations to confront the serious problem of environmental degradation that threatens all of the human race.

Along with the distinguished gentleman from Minnesota (Mr. KARTH), I was privileged to participate, as a congressional adviser, to the U.S. delegation, at the second session of the Preparatory Committee for the Conference, which was held at Geneva on February 8–19, 1971. I was greatly impressed at that time by the quantity and quality of preparation which was being put into the general research effort, so that the Conference this June would turn out to be a significant step toward worldwide accord on environmental control.

Only a few of the nations of the world are large enough to be able to control some of the great resources that affect their environments. But none can claim sovereignty over the great fluid masses of air and water that sweep the globe. They are the earth's commons, and their protection and enhancement are the proper concern of every nation. That is the compelling reason for the Stockholm Conference.

When one considers the enormity of environmental problems that affect almost every nation, one can understand the urge to view such a conference as a forum for correcting all of those problems. But a moment's reflection will convince reasonable men of the danger of regarding the meeting as a cure-all. If the Conference is to achieve some degree of success, the representatives at the sessions must see to it that substantial agreement is reached in certain key areas.

Mr. Speaker, there are a host of complex issues to which the Stockholm conferees must address themselves. The task of cleaning up the world environment would be difficult enough—given the maze of national jurisdiction, each with its own attitude toward tolerable pollution levels.

A further complication arises, however, in the area of international trade. While there are no broad agreements to standardize pollution control efforts on an international scope, there is little incentive for any one nation to reflect in the process of its domestic and export products the extra costs of pollution abatement, since there is always the nagging fear that a competing foreign industry may not be required by its government to make these extra outlays.

This is one of the main problems which the United Nations Conference on the Human Environment, as well as other such international convocations in the near future, will be expected to address. The United States, if it is to make a useful contribution to these multinational efforts, must devote more time and resources to solving these problems. After

all, Mr. Speaker, we have recently been hearing quite voluble complaints on the part of American industry and labor that we are being priced out of certain key world markets, due among other things to our pioneering efforts at pollution control.

My own studies over the past 5 months show that these complaints are somewhat justified, and in the absence of certain international agreements on environmental control, any country which alone dedicates a great amount of its resources to pollution abatement may well run the risk of suffering trade, employment and balance of payments dislocation.

Mr. Speaker, it is for this reason that I introduced H.R. 13116, a bill to promote international cooperation in U.N. efforts to protect the world's oceans and atmosphere. This bill, Mr. Speaker, creates a National Commission on International Trade and the Environment, whose members would be charged with undertaking a comprehensive study and investigation to determine—

First, what antipollution measures and recommendations relating to industrial pollution are being proposed by the United Nations, its related organizations, and any other international agencies;

Second, the effect which compliance by major U.S. industries with antipollution statues and ordinances has had, or will have, with respect to increased costs which must be charged for the goods produced by such industries;

Third, if any competitive advantage is, or will be, given to foreign producers by reason of the enforcement of, or compliance with, such antipollution measures;

Fourth, what antipollution measures are applied, or are being considered for application, in the industrialized countries of the world and what effect, if any, such measures will have on the cost of goods from those countries in the international market.

Fifth, ways and means by which the U.S. Government, in the course of providing domestic safeguard against environmental pollution, can prevent a situation whereby U.S. industry is priced out of world markets;

Sixth, what equitable standards of environmental protection should be proposed by the United States, in United Nations forums, to the industrialized countries of the world; and

Seventh, what methods of enforcing these standards in such a way as to assure adequate oceanic and atmospheric protection, without placing any one nation at an unjust trade disadvantage, might be proposed by the United States in United Nations forums.

The Commission would make interim and final reports on its findings in this relatively unexplained area to the President and Congress as well as to any ongoing research mechanism established by the United Nations Conference on the Human Environment and all other international conferences on enviromental control scheduled in the foreseeable future.

We can no longer delay such an all-out effort to save our oceans and air. Nothing short of an international accord on the environment will succeed both in preserving our most valuable natural resources and maintaining, at the same time, a stable atmosphere for international trade. For the purpose of attaining this twofold objective, Mr. Speaker, I urge my colleagues to give careful consideration to the provisions of H.R. 13116.

Mr. Speaker, the following have joined me in support of this measure:

BELLA ABZUG, JOSEPH ADDABBO, LES ASPIN, JONATHAN BINGHAM, SHIRLEY CHISHOLM, W. C. DANIEL, FRANK E. DENHOLM, JOHN DINGELL, and THADDEUS DULSKI.

L. H. FOUNTAIN, EDWIN B. FORSYTHE, GILBERT GUDE, AUGUSTUS HAWKINS, HENRY HELSTOSKI, LOUISE DAY HICKS, HASTINGS KEITH, JACK KEMP, and ROMANO MAZZOLI.

JACK MCDONALD, JOHN MOSS, CLAUDE PEPPER, BERTRAM PODELL, HENRY REUSS, ROBERT ROE, PHILIP RUPPE, FRED SCHWENGEL, and JAMES H. SCHEUER.

JAMES W. SYMINGTON, GUY VANDER JAGT, JOHN WARE, LARRY WINN, JR., JEROME WALDIE, EDWARD BOLAND, RONALD DELLUMS, and PETER FRELINGHUYSEN.

WILLIAM FORD, ARTHUR LINK, SAM GIBBONS, DAVID OBEY, JAMES CLEVELAND, WILLIAM RYAN, CHARLES W. WHALEN, PETER RODINO, and ELLA T. GRASSO.

JOHN BUCHANAN, JOHN SEIBERLING, JOSEPH KARTH, ALPHONZO BELL, THOMAS REES, FLOYD HICKS, CHARLES B. RANGEL, FRANK HORTON, and WILLIAM S. MAILLIARD.

DANIELS-ESCH INTRODUCE CORRECTIONAL MANPOWER AND EMPLOYMENT ACT OF 1972

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. ESCH) is recognized for 5 minutes.

Mr. ESCH. Mr. Speaker, I was pleased to join the distinguished chairman of the Select Committee on Labor in introducing last week the Correctional Manpower and Employment Act of 1972. The act is a significant revision of my earlier proposal for correctional manpower programs introduced last December as H.R. 12117. It includes provisions for upgrading of correctional personnel as well as a major new manpower program for training inmates in correctional institutions.

This legislation is designed to change our prisons from graduate schools in crime to training grounds for constructive citizenship. It is one of the disgraces of our society today that 85 percent of all prison inmates have no marketable skills when they are released. It is no wonder that their unemployment rate is three times the norm and that so many of them return to a life of crime as soon as they are released—they simply have no other way to make a living.

On an average day in the United States there are approximately 400,000 inmates in correctional institutions of which 95 percent are males. In addition to this number there are also approximately 900,000 parolees and probationers. In recent surveys from the Manpower Administration a profile of the average prisoner dramatically presented a comparison of the average prisoner's skills and education.

CHART I

[In percent]

Occupational experience levels	Inmate population	General labor force
Professional and technical	2.2	10.4
Managers and owners	4.3	16.3
Craftsmen and foremen	17.6	20.6
Operatives	25.2	21.2
Service workers	11.5	6.4
Laborers	31.9	10.8
Clerical and sales	7.1	14.2

CHART II

[In percent]

Educational level	Inmate population	General population
College:		
4 years or more	1.1	8.4
1 to 3 years	4.2	9.4
High school:		
4 years	12.4	27.5
1 to 3 years	27.6	20.7
Elementary:		
5 to 8 years	40.3	28.0
None to 4 years	14.4	6.0

These comparisons show the average inmate as unskilled and undereducated. In addition to these facts it is useful to remember that 50 percent of our inmates are under 25, 18 percent are illiterate, and 40 percent are without previous sustained work experience. Most prisoners will be incarcerated for 2 years or less and will return to prison soon after they are released.

If our prison system is to serve any useful purpose to society it must provide an opportunity for prisoners to reform their way of life and acquire a useful skill while they are confined. Perhaps no one step could be so important to cutting the crime rate in the United States than cutting the rate of released prisoners returning to a continued life of crime.

The proposal also includes provisions for the upgrading of correctional personnel. Correctional agencies currently employ over 111,000 persons. Fifty-five percent of those persons provide day-to-day supervision of inmates. Twenty-three percent of these persons are employed as probation or parole officers. Of those who have a day-to-day responsibility to supervise inmates, more than half have a high school education or less. If we are to break the cycle of recidivism we must upgrade the skills of our correctional personnel, as well as providing manpower programs for the inmates of our prisons.

The Daniels-Esch bill will be a major step in making our prisons correctional institutions rather than schools for crime.

ELISA COLBERG AND THE GIRL SCOUTS

The SPEAKER pro tempore. Under a previous order of the House, the Resident Commissioner of Puerto Rico (Mr. CÓRDOVA) is recognized for 10 minutes.

Mr. CÓRDOVA. Mr. Speaker, on the occasion of the 60th anniversary of a truly great institution—the Girl Scouts

of America, begun as a movement to widen the scope of juvenile participation in community life—I would like to express my sincere respect and admiration for the thousands of civic leaders across our Nation, at all levels of the organization, who have devoted their lives to this worthy cause.

Along the years, this group has gained universal acclaim for its accomplishments, which today cover such diverse fields as protection of the environment, self-development for millions of girls and adults, and many volunteer services to our communities; but after all, any organization is only as great as its leaders and members make it, and in that sense, the Girl Scouts of America is a living monument to the efforts of thousands—especially women—who have struggled to build it.

In Puerto Rico, as on the mainland, this institution has been a dynamic force contributing much to our people; a symbol of service to society and a symbol of friendship and hope. And there, too, it is a living monument to the efforts of hundreds of Puerto Rican women who have helped to mold the character of thousands of girls from 6 to 17 years of age, in all social and economic levels.

Foremost among them, I believe, is one individual who deserves a special tribute for her outstanding contribution to the success of the Girl Scouts in Puerto Rico: Miss Elisa Colberg, recently honored in San Juan by a grateful community in her 45th year of uninterrupted, enthusiastic work for the cause.

Through her efforts, the organization which in 1932 consisted of only 11 troops—with 191 girls—has grown to 654 troops and 14,000 girls today; and it has been able to carry out such projects as La Casita, office of the Caribbean Council in San Juan, constructed in 1937; Camp Elisa Colberg, at El Verde, Rio Grande, constructed in 1950; Girl Scouts camp at Ponce, constructed in 1951; and Girl Scouts camp at Añasco, constructed in 1959.

Born in Cabo Rojo, a small town on the southwestern tip of the island, Miss Colberg studied at the University of Puerto Rico and became a teacher in 1925. One year later she organized a Girl Scout troop in her hometown, and from then on became inseparably attached to the institution, first as a troop leader, 1926 to 1932, then as director of Scouting in Puerto Rico from 1932 to the present time.

Her task was enormous from the start but she has been able to surmount all obstacles and in the process has commanded the admiration of the community and the deep affection of the leaders and the girls, who recognize in her the symbol of Scouting in Puerto Rico.

Miss Colberg has also practiced Scouting in many other countries: Costa Rica, England, Guatemala, Colombia, Ecuador, Peru, Chile, Switzerland, France, and Panama.

In 1945 she attended the Western Hemisphere Conference in Havana as interpreter for Lady Baden-Powell. In 1952 she attended Our Chalet, in Switzerland—one of the world Scouting centers, which serves as a lodging camp for leaders and Girl Scouts—and Camp Foxlease, in London—first camp established by the founder, Lord Baden-Powell, for leader training; on both occasions as a member of the staff.

Honored many times for her work, she especially cherishes the Red and White Ribbon—colors of the Peruvian flag—with the Silver Flame, awarded her in 1950 by the Government of Peru. This is a very special distinction in that country.

On May 5, 1967 the Exchange Club of Rio Piedras, Puerto Rico, awarded her the Golden Deeds Book. In 1969 the League of American Women elected her the Woman of the Year from Puerto Rico, and as a result of this award she was paid tribute by many other service clubs, civic groups, and municipal governments.

The Lions Club and the Rotary Club of Coamo, Puerto Rico, honored her on January 17, 1970.

For a woman who has made friendship and understanding a goal in her life, nothing more fitting than to sponsor, during the summers of 1969 and 1971, an activity called Adventure in Friendship Camp, which brought together senior Scouts of the mainland—25 different councils—and Puerto Rico.

We in Puerto Rico are proud of Elisa Colberg and her accomplishments, and of the organization which she has helped to establish as an integral part of our community.

CONGRESSMAN SEBELIUS INTRODUCES BILL TO BASE FUTURE PLANNING FOR WATER AND LAND RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 10 minutes.

Mr. SEBELIUS. Mr. Speaker, today I introduced a bill to base future planning for water and land resources on four broad objectives: National economic development, environmental quality, quality of life, and regional development.

Under present procedures, plans are formulated under rigorous economic standards to achieve maximum net economic benefits. I feel this approach has not worked well and is discriminatory. Primary weight has been given to monetary values, which favor our densely populated metropolitan centers at the expense of our rural and small-town areas.

Present procedure coupled with the 7 percent-discount rate for water resource programs proposed by the Office of Management and Budget would jeopardize 90 percent of the proposed water resource projects in the Nation and most of the water resource development in the Great Plains for the next 4 years.

This development comes at the same time we are hearing more and more about a potential water crisis in our dryland farming areas. In my district today, there are many communities whose growth potential is dependent on effective flood control and an adequate supply of municipal and industrial water, not to mention our related agriculture water needs. We must move forward with progressive legislation which will insure an adequate water supply now and for future generations.

We cannot neglect the conservation and wise use of our natural resources if we are to improve our environment and provide a better quality of life in the future in both rural and urban America.

The importance of water resource development in achieving a more even distribution of our population was emphasized in the President's Task Force on Rural Development report:

> Whatever is done to develop rural America—whether rural industry, recreation, housing, transportation, or open space—it will be built on land and depend on water.

The multiobjective approach for planning water and land resource development and for establishing water resource development priorities was first proposed in 1970 by the Water Resources Council. This recommendation was also included in the Water Resource Council's proposed principles and standards for planning water and related land resources.

These standards are much overdue and will give our rural areas equal opportunity in the location of future water resource projects. Mr. Speaker, I think this legislation will help us meet the water demands of the future and will encourage a more even distribution of our population which is so necessary for the survival of our cities and the countryside. This legislation, coupled with an effective campaign to maintain the discount rate for water resource programs at 5⅜ percent, is necessary if we are going to provide a legacy of economic progress for future generations which could be the keynote to their survival.

Mr. Speaker, I would like to point out that this legislation is identical to that introduced in the Senate by the Honorable JENNINGS RANDOLPH, Senator from West Virginia, and the Honorable HENRY JACKSON, Senator from Washington. I commend these gentlemen for their leadership and initiative in behalf of water resource planning and development in our Nation.

DEVALUATION NO ANSWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, the House will shortly be asked to consider a bill to officially devalue the dollar by raising the price of gold to $38 an ounce. That bill has as much relation to monetary progress and reform as the official price of gold has to the market price—in other words, none at all.

We must have economic progress and international monetary reform before the dollar is out of trouble. Anyone who has eyes to see should know that the dollar is in as much trouble now as before devaluation, and that a second devaluation, or worse, a third-class status for the dollar, is a distinct possibility.

I believe that my colleagues should consider this soberly and carefully—and join me in opposing the devaluation bill when it comes up.

Mr. Speaker, I include in the RECORD my dissenting views on H.R. 13120, and articles on the worsening international monetary situation from today's Washington Post, today's Wall Street Journal, and yesterday's New York Times:

VIEWS OF HENRY B. GONZALEZ

I am opposed to this bill.

Every member of the House has received from the Treasury a letter explaining the gold bill. At the end of a very long explanatory statement, the Treasury warns us:

"Changes in the monetary system alone will not solve problems of balance of payments adjustment . . . No international financial arrangement can achieve and maintain a satisfactory pattern of world payments . . . without effective domestic economic performance"

Therefore, in reviewing this bill, we are forewarned that unless this nation's economy recovers and performs up to some reasonable level, we can expect to have continued world economic instability, and we can expect continued assaults on the value of the dollar. Indeed, at the closing of the world monetary markets on March 9th, the dollar was under strong assault in Zurich, Frankfurt, Paris, Amsterdam, Tokyo, London and Madrid. In Amsterdam the dollar reached the lower limit that had been set just last December, and the central bank had to buy more than $300 million in U.S. currency to keep the dollar from plunging under the permissible floor. The Dutch government has had to impose controls to prevent further flooding of their country with speculative dollars. The Spanish central bank had to intervene also, and bought $14 million in dollars. In London, the price of gold, responding to the plunge of the dollar, went up to $48.45 an ounce—an increase of 32.5 cents in one day of trading. In Brussels, the dollar was at its lower limits.

These and similar grim events, including flat predications that the United States will be forced to devalue again, ought to be a clear warning to all of us that the dollar and the United States economy remain in very great trouble. The future of the dollar is very much uncertain, for there is no sign that our huge, unprecedented trade deficit is improving. During the last twelve months the United States registered a fall of better than $7 billion in our international balance on goods and services. There has been no great tide of dollars coming back to this country, as the Treasury predicted when the United States set out on its "new economic policy" last August 15th. If there were such a reflow, the Netherlands and Spain—and a host of other countries—would not be erecting barriers against the flood of dollars they are fighting against every day.

In addition to the sorry condition of our international payments, the domestic economy is not performing as had been predicted. No one at the Treasury talks much anymore about the half million new jobs that devaluation would create. Lowering the rate of unemployment to four per cent is now talked of as an impossible goal, because it is said the unemployment figures are misleading. I don't know who is being misled, but if anything the unemployment figures are understated. We are now told that an inflation rate of 2.5 per cent is a little too good to expect, and in fact the inflation rate is still running at better than four per cent. We are warned now not to expect a boom, because one was never promised. The rate of unemployment and the general uncertainty of affairs is reflected in a broad reluctance of the people to spend—Americans are salting their money away against hard times, because our citizens have no more confidence than the overseas speculators that the new economic policy is any more effective than the old, once glorified and now forgotten game plan.

The Committee received no satisfactory assurance that the economy is returning to good health. We should know from the warnings of the Treasury itself, and from the continued gyrations in the international monetary markets, that a second devaluation is very much a possibility unless the United States economy performs much better than it has during these last three years. There is little sign that any significant improvement has taken place or is even in the offing. Instead, previously set high goals and exuberant predictions are being fuzzed over, revised and generally washed out. Negotiations for improved trading arrangements with Canada have gotten nowhere. Things are promising with Japan, but not very. There has been no real progress at all in improving our trade arrangements with the European trading area. Nevertheless, the men from the Treasury assure us that all is well, that is, except for the "meaningless" continued speculation against the dollar and the pesky facts of economic reality.

In short, the basic problems that brought us to grief last August are with us still. Our trade deficit is high and rising; our domestic economic performance is not good; and speculation against the the dollar is persistent and rising in markets all over the world. It may be too much to expect miracles, but it is not unreasonable for us to expect some solid evidence that the new economic policies are working.

After all, if our economy does not emerge from this slough of despond, we may soon be faced with yet another devaluation.

The test of this bill must be economic performance. We are told that the bill is a meaningless gesture. It is in fact a sort of surrender ceremony, demanded of us as the price of obtaining revaluation of world currencies against the dollar. It is a sort of humiliating gesture exacted by the French, who today are warning one and all that it is not enough, and that the United States can hardly expect such generous treatment in the future as we received last year.

The devaluation of the dollar assured, and this bill guarantees, substantial profits to those who speculated against the dollar last summer. Those same forces are gathering from a new assault, and we might as well recognize here and now that devaluation has brought us neither improvement, advantage nor stability.

We are nowhere near obtaining even a promise or a hint of progress in reforming the world monetary system. Trade reforms have not taken place. Progress has not been made either at home or abroad. The conditions that created instability, and which brought the dollar to grief, are essentially unchanged.

It may be the opinion of the Treasury that this bill is meaningless. We are assured that is the case. If that is so, then we have no need of enacting it.

Finally, if the bill really does have meaning and significance, we would do well to heed the well hidden warning of the Treasury, and demand proofs of progress before we enact this legislation, lest we be confronted with a similar bill later this year or early next. There is absolutely no assurance that this is the final word in the devaluation game—and we have much reason to fear that another devaluation is on its way.

[From the Washington Post, Mar. 13, 1972]

U.S. ATTITUDES WORSEN THE GLOBAL MONETARY OUTLOOK

(By Don Cook)

PARIS.—Less than three months after President Nixon stood in the somewhat bizarre setting of Washington's Smithsonian Institution to proclaim "the most significant monetary agreement in the history of the world," the outlook for global monetary stability is as bleak and uncertain as ever.

The unwanted dollar, being switched nervously by big conglomerate institutions from one market to another, has been driven to new lows around the world before Congress has even acted on the devaluation agreement which so proudly was hailed last Dec. 18.

United States Treasury Undersecretary Paul Volcker, a plaintive Canute against this new speculative tide, is pleading publicly for patience and calm—"if people would only look at the longer term evolution, people we'd be better off."

But it is precisely the longer-term evolution which is behind the renewed speculative wave. And a large measure of the blame must rest on the United States government for a complete lack of any follow-up initiatives on monetary policy since the Smithsonian meeting.

Instead, Treasury Secretary John Connally has refused even to discuss a future return to partial dollar convertibility, the Nixon Administration has budgeted for the greatest government deficit in monetary history and the general attitude in Washington again seems to be to let the rest of the world choke on unwanted dollars—"It's their problem, not ours."

Spurred by the specter of a new crisis, the six European Common Market countries have closed ranks and have agreed to narrow the margin of fluctuation among their own currencies to half the permissable margins which were fixed at the Smithsonian. In effect, this is joint notice to the United States that Europe is not going to go along with any "free float" solution in any future emergency. The Common Market agreement was hailed in these ironic terms by Alain Vernay, the economic correspondent of "Le Figaro."

"Homage should perhaps be rendered to the man who did everything for this understanding—Secretary Connally, whose blunt frankness gave food for thought. The reaffirmation of inconvertibility of the dollar laid down as a dogma, the priority given American domestic affairs over international policies, the continued deficit of the balance of payments for two or three more years with increased facilities for direct investments abroad by American corporations—all these have been for the Common Market nations powerful incentives to tighten their ties."

It is reasonable to question just how strong these tightened ties might prove to be in a renewed monetary crunch. Last summer, the French refused resolutely to "float" the franc while the West Germans floated wildly and the Dutch and the Belgians floated marginally. But the very fact that there is now an agreement in principle among Europeans (which the British quietly support) in advance of another crisis to stick together on currency margins shows that the Europeans intend to try to be first on the draw against the Texas Treasury secretary if the shooting breaks out again.

Perhaps more fundamental in the fashion in which this new crisis is gathering is that almost every Treasury Ministry in Europe is giving serious consideration and preparation to exchange control measures to bring the movement of dollars to a halt if the speculative waves seem to be getting out of hand.

In the 1971 crisis, only the French used exchange control restrictions to protect the fixed value of their currency. Others preferred to "float" to relieve the pressures and let their currencies rise while the dollar dropped. But the next time around, it may be different—and if the central banks of Europe suddenly refuse to accept dollars any longer, backing it up with rigid return to exchange controls, the effect on world trade and dollar exports is simply incalculable.

In Washington, when the monetary crisis broke with the Nixon "defend the dollar"

measures last August, the American attitude as reflected by Secretary Connally could pretty well be summarized in two phrases: "It's their problem, not ours" and "Time is on our side."

Neither proved to be true in the end. Nor is it any more likely that the American administration can whistle away the speculators or wish the problem off onto other governments or play for time in the mistaken belief that time is on America's side in the renewed uncertainty. The idea of letting the rest of the world choke on dollars may seem to be a "policy" in Washington but it simply produces in the long run a solid line-up of the rest of the world against Secretary Connally.

Yet far from trying to head off or at least contain the monetary, economic and political pressures which again are building so swiftly in such a short span since the Smithsonian Agreement, Connally gives the impression of an Achilles sulking in his tent.

He has let it be known that he has nothing but distaste for the "Group of Ten" which the American Treasury categorizes as "The Group of Nine Against One." And thus, no further Group of Ten meetings are even under consideration.

There has been talk from the Americans about using the executive committee of the International Monetary Fund as the future forum for monetary discussions instead of the Group of Ten—but it is only talk so far and, in any case, a change of forum is not going to change the problems or the governmental attitudes and policies.

In trade matters, the United States professes its irritation—if not disenchantment—with the General Agreement on Trade and Tariffs organization in Geneva as ineffectual and lacking in any dynamism. So it tries to take its trade problems elsewhere. It turns to bilaterals with Canada, Japan and the Common Market, but so far finds more frustrations than satisfactions.

So the U.S. puts its chips on a special trade policy committee of the Organization for Economic Cooperation and Development in Paris—only to find the French abruptly declaring that the OECD cannot touch trade policy questions which are within the competence of the Common Market in Brussels.

In short, not only are trust and confidence breaking down, machinery is rusting and grinding to a halt, the clouds already are considerably larger than a man's hand and nowhere is there any real move to deal with the problem. No wonder speculation is rife.

[From the Wall Street Journal, Mar. 13, 1972]

TOWARD A TWO-TIER DOLLAR MARKET

(By Ray Vicker)

ZURICH, SWITZERLAND.—Europe's monetary authorities are tightening controls to keep unwanted dollars from flooding into their countries. The ultimate effect could be a system of two-tier money markets for the American dollar—a distinctly unwelcome development for businessmen.

The United States opposes any such development, a view made clear to central bankers at a meeting in Basle Sunday. But all signs indicate the matter could come to a head should the avalanche of dollars pouring into Europe continue, though central bankers themselves are reluctant to adopt a system which would create an army of bureaucrats to police money markets.

The idea of a two-tier market is deceptively simple. There would be a commercial dollar with a valuation set according to the Dec. 18 Washington realignment of major currencies, and a financial-tourist dollar with a valuation set by the free market, probably at a much lower rate.

The dollar already seems to be slipping into the two-tier system in France, where authorities show every indication of allowing it to proceed.

SOME CLUES FROM FRANCE

France provides clues as to how a control system could move should more and more barriers be established against the dollar. The two-tier market is relatively simple in structure. If anyone wants to purchase francs with dollars (or vice versa) in a trade transaction, the Bank of France provides francs at the market price. But the bank supports that price so that it won't fall below 5.0005 francs to the dollar. Thus the most the U.S. can expect in the way of dollar devaluation for the trade franc is the formula developed last December.

Meanwhile, a tourist buying francs to spend or a company purchasing francs to buy a French plant must obtain those francs at the financial rate. This rate is allowed to float according to demand, with no support no matter how far it might drop. In effect, a system could develop where trade dollars are used in Europe according to the Dec. 18 parity realignment, while the finance dollar might be worth 10% or 20% less.

"This is the way the trend is going," says an official of Dresdner Bank, Frankfurt, one of Germany's big three banks. "European central banks can't go on taking all the dollars being pressed on them."

Belgium is already equipped to follow France. In Switzerland, bankers are reluctantly admitting that a dual dollar is a growing possibility as controls mount against U.S. currency. Japan's bureaucratic control organization is being tightened steadily against dollar inflows. Germany is the biggest holdout against any two-tier system but this nation's economy is being placed under heavy strain by the unwanted inflow of dollars. The two-tier dollar market may spread.

This would be distasteful to American businessmen, and most certainly to tourists. Their money would buy even less abroad than indicated by the approximately 10% dollar-value loss stemming from last December's devaluation plus revaluations of other key currencies. And there would be no added gains in foreign trade should the financial-tourist dollar slump still further. Money markets would maintain the commercial dollar at the parity levels negotiated Dec. 18.

In Geneva, Nicolas Krul, research director for Lombard, Odier & Co., one of the country's oldest and most respected private banks, says: "The dollar is at its low intervention points in most markets, and it is difficult to see how it can improve. But central banks already have more dollars than they want."

Lack of demand can send money prices down on foreign exchange markets just as if a currency were a commodity like potatoes or beans. This is happening with the American dollar since many people abroad are still suspicious of them.

When the dollar slumps to floors established by the Dec. 18 currency realignment, central banks can support it by buying dollars on their domestic money markets. This reduces the supply, and hopefully brings supply in line with demand. So the price of the dollar should improve.

But today central banks are overflowing with dollars. There currently are around $50 billion of them in their vaults, more than double a year ago. Nobody wants to absorb any more by intervening in money markets to protect the dollar's value from slumping still further.

European attitudes, of course, are well known in Washington. Conversely, Europeans are gluml aware that this is an election year in the U.S. and that the exterior problems of the dollar are being accorded second rank behind the need for internal expansion. Thus, from the American viewpoint, a weak dollar abroad may be a good thing if Europeans accept it. The more the dollar drops, the better the competitive advantages for America in foreign trade. Any drop in the dollar's value means a decline in the prices of American-made goods in foreign-exchange terms. So these goods should sell better abroad.

This reasoning applies only if foreigners don't split the dollar into a two-tier market. But recent moves indicate that European nations and Japan are resisting any further decline in the American dollar's value, fearing that America may obtain too many trade advantages from the dollar's weakness.

At first glance it might appear that foreign nations are caught in a bind, unwilling to buy more dollars to support the dollar's rate, yet also unwilling to let the dollar float downward to what might be a much lower rate than that negotiated Dec. 18. "Whether the European central banks and the Bank of Japan are willing to be partners in this game of 'Russian roulette' forever is an entirely different question," says one report by the Union Bank of Switzerland, this nation's largest. "Their choice of action is, at present, rather narrow and can be briefly summed up as follows: continuing to 'swallow' inconvertible dollars, floating or exchange controls."

Nobody wants to swallow more inconvertible dollars. Floating the dollar as a unit is equally objectionable, because it appears that the dollar would float downward in today's markets. At a meeting of the Bank for International Settlements yesterday, European central bankers told U.S. officials that they have no intention of returning to floating currencies. This means that they either swallow more dollars or try to keep them out with controls. Moves taken last week indicate nations are turning to exchange controls, not because regulation is liked but because it seems to be the easiest of three unpalatable decisions.

Europeans don't dislike all dollars. They intend to continue to trade with America, and dollars oil the gears of this trade. These trade or "commercial" dollars are absolutely necessary for the vitality of Europe's economies.

But, the financial dollar is resented. These dollars are mainly in the hands of big multinational American corporations and speculators and are transferred across national borders to take advantage of interest rate differentials and safe havens for currency.

For months Europeans have been calling upon the Nixon administration to dampen these short-term capital flows with some sort of control system. Europeans contend that these are the dollars that are disrupting the world monetary system.

These pleas have been ignored. Current evidence indicates that the European nations and Japan are taking steps of their own.

Switzerland has perhaps the least liking for money controls of any country in the world, yet it bars payment of interest rates on incoming foreign funds, meaning mainly the dollar. It has instituted new rules concerning foreign borrowing that may discourage some shifts of funds from dollars into Swiss francs. Swiss banks are currently required to purchase a quarter of all Swiss franc proceeds of foreign bonds, notes and issues at the upper intervention point of Swiss francs, 3.9265 to the dollar. Recently, the market rate has been just a shade above the 3.85 medium point for the Swiss franc.

This measure allows the Swiss National Bank, at the expense of foreign borrowers, to trim its dollar balances to more normal levels. In addition, Switzerland is restricting foreign investors to 40% of medium-term notes issued by foreign borrowers on the Swiss market. The net effect of all Swiss measures is to make it less attractive for any holder of dollars to move funds into Switzerland.

Germany, another nation that heretofore has taken a dim view of capital restriction, recently introduced a cash deposit scheme that just about eliminates foreign borrowing by German corporations. Restrictions increase the borrowing rate by up to 100%,

enough to discourage most prospective borrowers.

Japan has reimposed barriers to advance payments for Japanese exports, a practice followed last year to stem an inflow of dollars. Purchasers of Japanese goods under dollar contracts have been paying for goods well in advance of due dates to have those bills settled should the dollar slide down still further.

The Netherlands has suspended interest payments on nonresident bank accounts. Belgium has reimposed limits on nonresident bank holdings.

These measures all hit at inflows of all dollars, commercial and financial. But it seems likely that, as controls tighten against the dollar in country after country, pressure will mount toward restricting the inflow of financial dollars while allowing commercial dollars to enter at the Dec. 18 rate.

Nobody wants to predict just what the finance dollar might be worth. Obviously, if American multinational corporations insist on moving funds to Europe, that financial dollar would plummet in money markets, for those U.S. companies' capital movements would go into the financial dollar market. If corporations curtailed their dollar shifts, the financial dollar might remain close to the trade dollar rate.

STRENGTHS AND WEAKNESSES

The beauty of this system from the European and Japanese standpoints, of course, is that a foreign nation's central bank wouldn't be accumulating any more dollars than might be necessary to sustain its trade. The weakness is that two-tier systems require armies of bureaucrats to control them, and they invite abuses just as price controls invite black markets.

For this reason, there isn't much enthusiasm for two-tier markets, except perhaps in France, where government monetary regulation is accepted as a way of life. Still, each new monetary control against the dollar moves nations in the direction of a full monetary control system.

There is one possible out, but it offers slender hope in view of the present weakness of the dollar and the long time likely to be needed for its recovery. That hope is expressed in a Union Bank report: "The Gordian knot could be cut if in conjunction with the pickup in business activity in the U.S. interest costs rise there whereas simultaneously due to the different cyclical phase of the economy, European interest rates move lower."

Until that hope materializes, foreign nations are moving almost unwillingly toward more controls to restrict the inflow of dollars.

[From the New York Times, Mar. 12, 1972]

MONETARY SITUATION, HERE AND ABROAD, AROUSING CONCERN

(By Thomas E. Mullaney)

The deteriorating international economic scene moved to the fore last week as the cynosure of attention—and concern—in the financial and political worlds here and abroad, particularly in Europe.

"The situation is becoming dangerously critical again," said one highly placed American financial expert. "Something has got to be done—and quickly—to calm the fears that are once again rising in so many places."

The most acute reflection of these worries over monetary and economic relationships was the nervous fluctuations of the foreign-exchange markets on the Continent, where the United States dollar was buffered severely last week.

Only three months after a new, fragile plant was so tenderly put into place with the historic interim monetary agreement at the Smithsonian Institution last December by the leading Western industrial nations, it was being blasted by gale winds that threatened to destroy it before it had a fair chance to flourish.

With the United States still running trade and payments deficits, and with a heavy flow of precautionary capital movement, dollars are continuing to stream from this country in increasing volume—and Europe is becoming increasingly unhappy about it.

Europeans are nettled and losing confidence because, essentially, 1.) The dollar is not convertible and the United States refuses even to discuss a return to convertibility, and 2.) The dollar is becoming less useful abroad because of Europe's own currency moves and exchange controls.

Throughout the week, Europe's central banks were taking heavy quantities of surplus dollars in efforts to restrain the upward surge of their own currencies. If European nations do not absorb these dollars, their own exchange rates will be adversely affected and the United States will gain further competitive advantages.

Basically, Europe wants the United States to sit down and talk about what can be done, cooperatively, to stem the flow of short-term capital to the Continent.

Europe is also raising questions about the heavy budget deficits in the United States, low interest rates and whether the United States is following policies that will restimulate inflationary pressures and reawaken inflationary fears. And Europe wants to know when the United States will restore some measure of convertibility to the dollar, which was removed last Aug. 15 in the Administration's new domestic and international economic program.

With Europe now forming an alliance against the dollar, it is important that the United States provide Europe with some reassurance that inflation is not being restimulated here; that the budget deficits are no serious threat; that the United States economic-control program is going along reasonably well, and that prospects are good for at least restoring our favorable trade balance this year.

It is the United States' apparent indifference on this matter that so disturbs the Europeans. American officials seem to be standing aloof while the currency turmoil boils up again, maintaining that the problem is Europe's, not the United States', and taking a very calm attitude toward the severe pressures that have built up in the foreign-exchange markets. However, the whole subject can be expected to get a good airing this weekend in Basel when leading central bankers, including Dr. Arthur F. Burns of the United States, hold their regular monthly meeting.

Top American officials minimized last week's foreign-exchange market developments in Europe. Paul A. Volcker, Under Secretary of the Treasury for Monetary Affairs, called it a "speculative flurry" and a "little spasm," and said he expected "fully" that the Smithsonian Agreement would stand because it was in everybody's interest. In the long run, he added, "the dollar looks good" because of the progress the nation is making this year in curbing inflation and achieving real economic growth.

At about the same time last Thursday, Herbert Stein, chairman of the Council of Economic Advisers, was rejecting suggestions that the United States raise interest rates to protect the dollar. He contended that the international money markets were showing "unjustified anxiety" about the dollar and that the recent agitation in the markets would pass.

To restore confidence and maintain stability in the international monetary system, Frank A. Southard, Jr., Deputy Managing Director of the International Monetary Fund, said recently that it was important to achieve a very substantial swing from deficit to surplus in the United States' basic balance of payments and to enter a major review of, and negotiation to achieve, modifications or improvements in the world's monetary system.

He also suggested that arrangements be agreed upon to restore some degree of convertibility for the dollar, even if it cannot be expected that the United States will resume freely buying and selling gold in the foreseeable future. He recommended action in two areas.

"One," he said, "is to deal with foreign official dollar holdings, which, even after any reflow of funds that may occur in coming months, are excess to the normal reserve needs of the holders. This might be done, for example, by a special issue of Special Drawing Rights by the International Monetary Fund, although an amendment to the Articles (of the Fund) would be needed.

"Another is to reach understandings to avoid undue new increases in official holdings of dollars. This may involve a willingness by the United States to use some of its reserve assets, especially in connection with Fund operations."

The outlook for the domestic economy, however, is turning brighter. With the approach of spring each year, prospects for the economy usually take a seasonal swing toward the optimistic side. And so it is again this year, now that spring is less than two weeks away—and with solid reasons.

The economy may not be booming as it usually does when it emerges from a recession, but it is gaining steadily. The upturn, like the contraction before it, has been relatively mild, although the tempo should quicken as the year moves along.

Behind the pervasive optimism is the improving performance of the consumer sector, which accounts for two-thirds of the gross national product.

Housing is still booming, boding well for future sales of furnishings and appliances and auto sales are holding up very well at a level that promises an 11 million new-car sales year. Moreover, the rising level of personal income carries the likelihood of stepped-up retail activity.

Federal Government spending seems likely to rise about 13 per cent, the largest percentage increase since the Vietnam build-up of 1967. Equally important is the larger-than-expected increase in plans for business capital spending. Private and Government surveys indicate that outlays for new plant and equipment this year will rise about 10.5 or 11 per cent—an unusually large gain.

If spending for inventory rises as sales gain and if there is some improvement in the nation's exports, the economic recovery will be substantial and broad-based.

The danger, however, is that inflationary pressures might intensify as the economy moves up. In that connection, there was a potentially disturbing development on Friday when the Government's monthly report on wholesales price movements showed a sharp 0.7 per cent rise for February.

With crosscurrents buffeting the economic scene—favorable streams from the domestic economy that were offset by turbulent ones from abroad—the stock market was not able to make any headway last week.

Nevertheless there is much more optimism than pessimism in Wall Street these days. Because most analysts anticipate a further upturn in economic activity and improvement in corporate profits, the prevailing expectation is for further advances in the market before any substantial correction materializes.

Although more stocks advanced than declined last week, the leading market averages showed a mixed trend in very heavy trading.

A total of 996 stocks ended the week in the plus column, while 771 were on the minus side and 153 closed unchanged.

The blue-chip averages posted small losses, but the broad-based indexes achieved moderate net gains for the week. The Dow-Jones industrial average declined 2.56 points to

939.87 and The New York Times combined average was off 0.99 to 591.38. Meanwhile, the Standard & Poor's 500-stock index advanced 0.43 to 108.37 and the New York Stock Exchange composite rose 0.32 to 60.39.

Volume on the Big Board for the week increased to 106.1 million shares from 104.8 million the week before.

Meanwhile, there was no clear pattern in the credit markets last week either. They remained baffled by the outlook for the general economy and for the Government's financing needs.

Over-all, interest rates did not move very significantly. Rates were up for Government issues and for short-term instruments, but down for tax-exempt bonds and corporate issues.

It was apparent that the market, for the most part, was marking time, awaiting some dramatic developments to promote a pronounced trend one way or the other. Not even the disarray in the international economic area was able to exert any profound influence on the market. One trader said the market reflected "some pessimism, some optimism and no strong convictions."

The money market showed signs of tightening, and some commercial banks raised slightly the rates they pay on large negotiable certificates of deposit. Treasury bill rates continued to climb from the low levels they had reached at the end of February. And the First National City Bank of New York said that its floating prime rate would be increased tomorrow from 4⅜ per cent to 4½.

OMBUDSMAN LEGISLATION INTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, today I am introducing in the House legislation that would create a national ombudsman program. This legislation would set up an ombudsman—a Swedish term for a people's advocate or redtape cutter—in each of the country's 435 congressional districts. An ombudsman would be appointed by the Congressman in the district he is representing who will be trained at a special ombudsman center in Washington.

Under my legislation, the ombudsman's job will be to seek out the people who are having problems with any level of government in order to help them cut through the often confusing maze of bureaucratic redtape which citizens so often come up against.

Over the past year I have conducted an ombudsman experiment in my own congressional district in Wisconsin. The program has been a real success. My ombudsman travels throughout my four-county district on a regular basis, setting up shop in the lobbies of various post offices. In his first year of operation, he handled over 1,500 cases; 65 percent of them were settled to the satisfaction of the constituent. The most frequent types of cases he handled were: Social security, military affairs, Federal housing, veterans affairs, consumer protection, and State and local matters. While almost all of us in Congress do casework for our constituents, I have found that since instituting this ombudsman program, the number of cases we have received has escalated enormously. Possibly the most significant advantage of the ombudsman program is that it publicizes to constituents the fact that Congressmen do this kind of personal casework and can often be helpful in resolving a problem a constituent is having with the bureaucracy.

It is important to note that my legislation is not expensive. It would cost only $3 million, which would be used to staff and operate the ombudsman center. The ombudsman's salary would be paid for from the Congressman's current staff allowance. Under the legislation, an ombudsman could receive up to $15,000 for salary, which would be taken out of the present staff allowance for each Congressman. The Congressman could not use the $15,000 unless he appointed an ombudsman at the minimum pay of $8,000. He would then be free to use the difference between the $15,000 and the amount he was paying his ombudsman for other staff salaries, thus encouraging thrift.

The ombudsman center established under the legislation would not only train and certify the ombudsman, but would work out with the ombudsman and the Congressman a method of operation which makes sense for the particular district in which the ombudsman is working. The center will also operate throughout the year, offering advice and research assistance to the ombudsman. In effect, it will be a mini-congressional research service for ombudsmen and caseworkers.

Each ombudsman will be required to submit an annual, public report to the ombudsman center which will include the number and type of cases he handles, the percentage of cases that were successfully resolved, and an analysis of his attempts to reach the people. The Congressman responsible for the ombudsman will also be required to submit an annual report. Comments from the ombudsman's constituents will also be solicited. The center will determine each year whether it will renew the ombudsman's contract. But the Congressman can fire the ombudsman at any time. I believe it makes sense to have each Congressman responsible for the hiring and firing of the ombudsman, since a Congressman is directly responsible to his constituents.

This legislation will accomplish several things: It will help insure that there is an ombudsman in virtually every congressional district in the country; it will insure that the ombudsmen are professionally trained; it will have a tremendous effect in getting across to the people that the Congressman can help with individual problems; it will provide the ombudsman with professional assistance throughout the year; and it will insure that the ombudsman's efforts are a matter of public knowledge. In short, Mr. Speaker, passage of this legislation would result in a giant step forward in making the distant, complex, and often frustrating Government bureaucracies more human and more responsive to the needs of individual citizens.

WILLIAM B. PAPE

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

Mr. MONAGAN. Mr. Speaker, the late William B. Pape, publisher and editor of the Waterbury, Conn., Republican and American, was a quiet, gentle man. At the same time, he was a crusading journalist, a fighter for the rights of people, a man whose integrity could not be questioned.

As a newspaperman, Mr. Pape was an exemplar of the profession. As a reporter, editor, and publisher, he demanded of himself and others a devotion to high principles of journalism. Objectivity was a cardinal rule: He insisted that all viewpoints of every event and all opinions on every issue be reported accurately and fairly. He insisted that the newspaper be available to everyone. He never considered it his newspaper; it was a forum for people it served.

He was a well-rounded man with a wide range of interests. As a lieutenant commander in the Navy, he was always interested in ships. He was also fascinated with trains, and when the railroad station in Waterbury went up for sale he quickly purchased it and moved his newspaper operation into it, preserving one of the most notable landmarks in Connecticut. He had an incredible ability with figures.

No one could challenge the statement in the Waterbury Republican editorial summing up the life of William B. Pape:

He had complete integrity.

I, and many, many others will miss him. The people of Waterbury and its surrounding towns will greatly miss William B. Pape, newspaperman, citizen, and "the gentlemanly example of integrity and humility which he set."

For the interests of my colleagues, an editorial which appeared in the March 4, 1972, edition of the Waterbury Republican and an article which appeared in the March 5 edition of the Sunday Republican follows:

[From the Waterbury (Conn.) Republican, Mar. 4, 1972]

WILLIAM B. PAPE

If it is possible to sum up the life of William B. Pape, publisher and editor of these newspapers, in a single sentence, it would have to be: He had complete integrity.

He rarely used the word in connection with the operation of the newspapers, but his every suggestion, his every deed was governed with that in mind. He wanted his newspapers to present the news as honestly and fairly as possible.

Mr. Pape published a family newspaper and he wanted everyone on the staff to keep that in mind at all times. No newspaper can avoid publication of material that some will consider offensive at some time, but he did not want sensationalism to be the justification for a news judgment.

He refused to publish many types of advertising that can be seen in newspapers of great prominence daily, either because he did not feel they were in good taste or because they were misleading. Even though his introduction into the newspaper field came during a time when personal invective was commonplace on editorial pages, he preferred critical comment which avoided the sharp personal attack.

Mr. Pape ardently followed the policy established by his father, the late William J. Pape, in fighting for good government. He vigorously backed the Waterbury Taxpayers Association which served as a watchdog on city government and was most unhappy when it was absorbed by the Greater Waterbury Chamber of Commerce. Only recently as the

Chamber has become more vigilant in working for efficient local government did he relent in his opinion.

He insisted that every man should have an opportunity to have news items published. He felt that the extremist would eventually lose public support because of exposure.

Throughout his lifetime he fought secrecy in government. He felt the federal government overclassified documents with no justification for so doing. On the local level, he urged court action if all else failed in revealing to the public the business of government. He felt secrecy was used to hide wrongdoing or would, if permitted unabated, encourage wrong-doing.

He did not restrict his governmental concern to writing editorials or having them written. He personally attended meetings and voiced his opinion on the need for improvements.

Editorial objections to some governmental actions on occasions brought criticism that the paper was un-American. With great pride he would write the critic that he was a graduate of the U.S. Naval Academy. But he never let his pride in his country be a veil to cover up improper actions by officials.

During the past few years when he devoted almost all of his time to the newspapers and less to some of his other business interests, he took particular delight in sitting in on the daily edtiorial conferences at which policy was established. Only the most urgent of outside business would get him to skip these meetings.

One of his rigid policies was that every column and letter on the editorial pages had to be signed. No pseudonyms were permitted. The only exception involved the editorials. He opposed legislation which would require that editorials be signed with the explanation that they are the opinion of the publishers and not any individual editorial writer. A statement to that effect is carried at the top of this editorial page daily.

Aside from honesty and efficiency in government, one of his favorite topics involved the railroads. He deplored the decline in rail service. While he acknowledged the inefficiencies in newspaper production in the old railroad station because of the design of the building, he never regretted its purchase and the salvation of the structure, including its tower, as a landmark.

Mr. Pape never sought the limelight. He suggested that others pose for pictures and stepped aside as frequently as possible. He insisted that the Pape family be given no special consideration.

He was always concerned with accuracy. He went far beyond the obvious—the headlines and major news stories—to the two and three-line "filler" items which set forth statistics he felt could not possibly be accurate. He was never one to hide an error. If it was made, he wanted the correction prominently labeled.

Mr. Pape was distressed when the newspapers were late in being printed and insisted on detailed explanations of the cause. The failure of papers to be delivered also caused him concern.

His memory was uncanny. He could recall persons, places and events, particularly in Waterbury history, that amazed everyone. Staff writers would often question him if they were unable to find the necessary background in the files. It was rare when he could not produce the information needed.

Most of all, Mr. Pape was a gentleman. His dealings with everyone—employe, customer, salesman, friend, even political foe—were always conducted with the utmost of propriety.

The Pape family, his wide circle of friends, this city, and especially these newspapers will miss the gentlemanly example of integrity and humility which he set.

[From the Waterbury (Conn.) Sunday Republican, March 5, 1972]

TRIBUTES PAID TO W. B. PAPE

Tributes to the late William B. Pape poured in Saturday from friends, public figures, and fellow newspapermen.

Mr. Pape, publisher and editor of The Republican and The American, died early in the day at Yale-New Haven Hospital at the age of 72.

A funeral Mass will be celebrated Tuesday at 10 a.m. at St. Margaret's Church, Waterbury. Friends may call at the Munson-Lovetere Funeral Home, Main Street, Woodbury, today and Monday from 2 to 4 and 7 to 9 p.m. The family has requested that flowers not be sent and that members of the clergy and delegations meet in the church basement a half hour before the service. Burial will be at the convenience of the family.

U.S. Rep. John S. Monagan recalled his high school days when Mr. Pape coached the rifle team at Crosby High School and willingly gave of his time to the students.

"This," Monagan said, "symbolized his interest in our community and his purpose to play his part as a citizen.

"Waterbury and its people have changed since those days, but Bill Pape's interest never lagged in his dedication to making a better place for its citizens. He put the prestige of the city's newspapers behind the objective."

Monagan also expressed gratitude "for his advice and support on many occasions, sometimes unexpected."

"With Bill's passing," he said, "Waterbury and the state have lost a man of stature, principle, and understanding who will be missed in the challenging days ahead."

The swiftest reaction seemed to come from the newspaper world, a world in which Mr. Pape had made a solid mark more than three decades ago with his participation in the exposure of the Waterbury conspiracy which sent 23 city and state officials to jail and brought a Pulitzer Prize to The Republican.

John Armstrong, Connecticut Bureau Chief of the Associated Press, said "Mr. Pape was an ardent supporter of honest and courageous journalism everywhere, and for this, all of us—in and out of newspapering—owe him a debt of gratitude."

He said Mr. Pape's reputation "as an outstanding newspaperman and publisher was well known throughout the Northeast."

Mims Thomason, president of tht United Press International, said, "Bill Pape's contributions to journalism were many and varied, and all of us shall miss his wise counsel. He was a very fine gentleman and all of us at UPI were proud to know him as a friend."

Cranston Williams of Lynchburg, Va., retired general manager of the American Newspaper Publishers Association, recalled a long and warm relationship with Mr. Pape. "I knew him and I respected him very much as a very able newspaper executive," he said.

Bradley Peck, manager of the New England Daily Newspaper Association, called Mr. Pape a "solid foundation stone" of the association and spoke of his "years of activity and contributions. He will be missed very much."

"The printing industry and the newspaper publishing business have lost a leader," said Roger Coryell, general manager of The Hartford Times. "Bill Pape's passing will not only be mourned by his loving family, but by business associates and friends all over the country."

Bob Eddy, publisher of the Hartford Courant, called Mr. Pape a "sincere and hard working man who will be missed among Connecticut publishers."

Kenneth E. Grube, editorial page editor of The Day, New London, and president of the Connecticut Associated Press Circuit, said Mr. Pape was an inspiration to those who worked with him.

"As a newspaperman," Grube said, "Mr. Pape worked always with the public's interest uppermost in his mind, recognizing that only by serving the public could his newspapers remain strong.

"Those of us who were privileged to work with him in furthering the cooperative newsgathering efforts of the Associated Press will continue to be inspired by his clear and forthright commitment to the public good."

Mr. Pape's death was called "a genuine loss for the newspaper industry of Connecticut" by Lionel S. Jackson, president and publisher of the New Haven Register and Journal Courier. He said, "Throughout his long career with the Waterbury newspapers, he has been a forthright and responsible leader in state newspaper circles; a progressive and innovative publisher, and a vigorous defender of the public interest."

"He was not only a good personal friend, but a strong professional friend to our New Haven newspapers, and he will be missed. I extend my own sympathy and that of all newspaper associates at the New Haven papers to members of his family and staff.

Don Spargo, president of the Connecticut Daily Newspaper Association, and vice-president of the New Haven papers, also called Mr. Pape's passing "a great loss to the newspapers of the state. His many years of devoted service earned him the greatest respect from his fellow newspaper associates."

Mayor Victor Mambruno said "The death of Mr. Pape comes as a shock to all Waterbury and Waterbury area residents. The Waterbury area and particularly the state of Connecticut have lost an extraordinary man.

"Mr. Pape was a man who was molded in the image of his father. From the very beginning of his newspaper career, he had been a dominant figure in Connecticut journalism. He continued with excellence the work of his father in establishing and maintaining a wide circulation of both newspapers The Waterbury Republican and Waterbury American.

"The Waterbury area has lost a forceful voice, a crusader for the public good on a social and civic level."

Carter White, publisher of The Meriden Journal and Morning Record and president of the New England Daily Newspaper Association, expressed shock and sorrow when he heard the news. He said, "The loss of Mr. Pape is a very deep one for all of us, newspaper friends and associates. We have all known him as a dedicated newspaper publisher for many years. We extend our deepest sympathy to his family and newspaper associates."

Mr. Pape's "complete integrity" was remarked upon by, among others, Malcolm Baldrige, chairman of the Board of Scovill Mfg. Co., and chairman of the Chamber of Commerce. He added, "I shall always remember how deeply he cared about the quality of his city. Waterbury has lost a wonderful man."

Harold Post, of Post Junior College, said, "This is a great loss to the community. He carried on the work of his father and tried to do everything his father would have done. It is a great loss to Waterbury to have such a man taken away. He was active in community affairs and community organizations, and we greatly admired his advice to Post College, particularly during the past few years when he tried to help us solve some of the educational problems."

The Rt. Rev. Msgr. Harry C. Struck, permanent rector of Immaculate Conception Church, said, "This morning I learned with a sorrowing heart of the death of William

Pape. Over the years Mr. Pape manifested a true and dedicated love for our city. He devoted his great ability to the interests of this city and its people. I have lost a close personal friend whose understanding and loyalty will always be among my cherished memories."

Joseph Rimany, executive director of the YMCA, called the late publisher "one of the great men of the Y, one of the greatest presidents we ever had," and revealed that the Y Nominating Committee had determined to name him director emeritus at the 114th annual meeting in April, when his current term was up.

He recalled Mr. Pape was the first Catholic to ever be president of a Y, and said, "He had more to do in Waterbury with bringing about ecumenism than any other person, many years before the Vatican Council took this step. His outlook was always towards bringing the great faiths together. This realization came true and Mr. Pape was a great part of this. His death is a great loss to the city."

Justin Horan, president of the Chamber of Commerce noted Mr. Pape "was truly one of the fairest men I have met. This was best exhibited by the policies that he exercised as publisher of the newspaper. The city and the state have lost a leading citizen. He will be truly missed."

Francis Merkle, managing director of the Waterbury Community Workshop, called the publisher, "An outstanding member" of the board as well as the Community Workshop's secretary for many years. "He was an amazing man," Merkle said, "with a remarkable memory who could recall events that had happened years ago in the affairs of the workshop, with great clarity. He will be sorely missed by me and our organization."

ENLISTED MEN BENEFIT GREATLY FROM OVERSEAS CREDIT UNIONS

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

Mr. PATMAN. Mr. Speaker, until 4 years ago an enlisted man in our military service, particularly those of the lowest four grades, found it difficult to obtain loans if they were stationed overseas.

The enlisted man who was fortunate enough to secure a loan was forced to pay a rate that many times was twice as much as the rates charged for officers. One finance company operating overseas had a slogan among its employees that it "had a rate for every rank." It was a double hardship for the enlisted man since, because of his lower pay grade, it was much harder for him to pay the extra interest costs than it was for an officer.

All this has changed, Mr. Speaker, however, since the opening of U.S. credit unions in most of the overseas areas where there are major troop concentrations. No longer is the enlisted man denied loans or charged rates higher than those charged to officers. The credit unions charge everyone the same low rate, and it has been estimated that these low rates have saved servicemen millions of dollars as opposed to the rates that they had been paying to the finance companies. Typical of the benefits that are available to enlisted men as a result of the overseas credit unions is the latest report of the overseas operations of 10 U.S. credit unions operating in Germany, England, the Philippines, Italy, and Korea. During the month of January these credit unions made 5,164 loans. Of that total, 92.6 percent went to enlisted men; and, out of all the loans made, 69 percent went to the first five grades of enlisted men and 41 percent went to the enlisted men of the first four grades; that is, E–1 through E–4.

It was the E–1 through E–4 category that was faced with the most difficult finance problems until the credit unions were set in operation. Many loan companies flatly refused to lend to any serviceman below the rank of E–5. Since the four lowest pay grades were, in most cases, the ones needing the loans, they suffered the most. For instance, under the new pay scale, an E–4 who has been in the service for less than 2 years receives a basic pay of $346.80 a month; but in January the 10 overseas credit unions made more than 1,200 loans to servicemen of the E–4 rank. By the same token, an officer of the O–6 rating with 2 years or less service receives $1,119 a month. The overseas credit unions made only 13 loans to officers in this category. This clearly points out that the credit unions are helping the servicemen who make up the majority of our Armed Forces, rather than a few selected individuals.

Mr. Speaker, the Banking and Currency Committee played an important role in establishing these overseas credit unions and every member of the committee is to be congratulated for the role that they have played in making certain that servicemen overseas are no longer victimized by interest rates that run as high as 60 and 70 percent a year; and the members of the committee should also be proud that the servicemen who need the financial help the most, the lower ranking enlisted men, are receiving the greatest amount of help.

Finally, let me point out that next month the overseas credit unions, which have been in operation only 4 years, will have signed up 200,000 members. Four years ago these servicemen would have had virtually no place to go to borrow money at a rate that they could afford.

STUDY BY "SPOKANE RESOURCES ADVOCATES" UPHOLDS FINDINGS OF BANKING COMMITTEE

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

Mr. PATMAN. Mr. Speaker, when the Banking and Currency Committee investigated the operations of the so-called "235" program, the Housing and Urban Development Department, last year, one of the areas selected for the study was Spokane, Wash.

The committee was shocked at the abuses of the program that it found in that city. Even though Spokane is not one of the largest cities in the country, it nevertheless had some of the worst violations in the "235" low- and middle-income housing program.

When the committee report was published concerning the "235" program, Secretary of Housing and Urban Development, George Romney, was highly critical of the committee's report and at first disavowed its authenticity. Later after a personal inspection on his part, he agreed that the committee had uncovered significant violations.

Spokane Resource Advocates, a group dedicated to bettering the conditions of the residents of Spokane, Wash., has completed a final report on the "235" rehabilitation properties in that city and an initial report on the standard existing properties in Spokane. The report clearly shows that the Banking and Currency Committee was right on every point of its investigation, and I am enclosing a copy of the Spokane Resource Advocates report to show the thoroughness with which the Banking and Currency Committee undertook its investigation:

SPOKANE RESOURCE ADVOCATES—INITIAL REPORT ON 235 "STANDARD EXISTING" PROPERTIES AND FINAL REPORT ON 235 "REHAB." FINAL REPORT ON 235 "REHAB." PROPERTIES

Section 235 of the National Housing Act is divided into three subsections: 1) Interest subsidy on houses requiring *major* rehabilitation prior to the sale to low income buyers. This subsection is commonly referred to as 235 "rehab." and the last available number provided SRA by FHA listed 226 houses in Spokane rehabilitated under this subsection. 2) Interest subsidy on existing houses not needing repairs but which may require minor work not to exceed 10% of the appraised value of the house. These are called "standard existing" houses and a list compiled by FHA lists 336 such houses in Spokane. 3) Interest subsidy on newly constructed homes in a price range from $18,500 to $21,500. The last number quoted by FHA listed the total in excess of 1,500 newly constructed houses under this subsection.

In the early summer of 1970, SRA began investigating complaints from buyers of 235 "rehab." homes. Having had some prior knowledge of the total 235 program, we were aware that our poorest citizens were being sold the "rehabs." It can now be demonstrated that, with some exceptions, income and the presence of two parents in the home dictated to some extent which subsection of 235 a buyer would qualify for. This is especially true of newly constructed 235's where, in most cases, both parents are present, they are young and often qualified because of being "situationally poor". That is, they were "on their way up" and their current economic situation only reflected a temporary condition unlike those buyers of 235 rehabs and to a large extent 235 "standard existing" when income was fixed.

SRA could not study and investigate all three subsections of 235 at the same time because only one staff person was available. Also, we felt we had a duty to work with those at the bottom of the economic ladder first. This was done and largely completed by September 1971. Although the cost (not money) was great we know that many beneficial results were secured for those families. Just one example is the 518 program instituted by HUD whereby these cases were reviewed and repairs made which should have been made prior to the original sale. SRA was able to acquire a copy of the 518 application from and we mailed it to every buyer. In a great many cases we actively assisted the buyer in completing this application for redress.

When we were finally able to turn to an investigation of the 235 "standard existing" homes in September of 1971, we also mailed these applications for redress to each buyer who had listed major complaints in response to our questionnaire.

As yet we have been unable to conduct a planned investigation regarding 235 newly constructed homes although a good number

of these buyers have contacted us voluntarily.

Regarding the 235 "rehab" subsection, the Regional Office of HUD did concur with our overall statistics regarding abuses through a news release published in May or June 1971. This was at least 8 months after we first made public the results of our intensive investigation. Rather than repeat here I refer you to attachment B which provides a chronology regarding the 235 "rehab" program in Spokane.

Since September of 1971, SRA has been investigating the 235 "standard existing" subsection. Because we have been refused access to information previously available we cannot draw as many conclusions from this data, as we did for our study of "rehabs". The following pages constitute our report on the "standard existing" subsection. All conclusions drawn from the data are the sole responsibility of the SRA staff. We conducted research on the occupation of the head of the household in so far as that data was available. An occupational comparison of 235 "rehab" and "standard existing" is attached.

RAYMOND RASCHKO.

FEBRUARY 18, 1972.

---

235 STANDARD EXISTING—RESULTS OF QUESTIONNAIRE

1. FHA listed 336 homes financed in Spokane County.

2. SRA mailed 276 questionnaires but could not mail to all 336 because of severe budget limitations.

3. Of the 276 questionnaires mailed, we have received responses from 186 to date as follows:

A. 18 letters returned stating that party had moved and left no forwarding address.

B. 1 returned in which buyer stated his home had never had a FHA guaranteed mortgage of any kind.

C. 22 returned in which buyers stated they had not encountered major problems with the house.

D. 145 returned stating they had encountered one or more serious and/or major problems with the building.

Although HUD regulations gave local FHA offices the responsibility to inform buyers of the redress available under 518, it was more than evident that the people had not been informed or had been told in a way not understood. SRA, therefore, reproduced the FHA application form and mailed it to over 100 of the buyers who had responded to our questionnaire. We also provided stamped, addressed envelopes so that the buyers could quickly submit his application for redress to the local FHA office.

Question I.—I purchased my house:
Less than 3 months ago, 0.
Less than 6 months ago, 0.
Less than 12 months ago, 2.
Less than 16 months ago, 17.
Less than 24 months ago, 122.
Unknown, 4.

(Reliable real estate sources have stated that hundreds of families were qualified and earnest money paid but no home was available for occupancy. A long waiting period ensued and we believe this is reflected in the above table. If we had asked when the house was occupied we believe a different range of responses would be shown).

Question 2. Was any work done on the house before you purchased it?
Yes, 77.
No, 66.
Don't know, 2.

Question 3. Did you pay a real estate commission?
Yes, 23.
No, 34.
Don't know, 88.

Question 4. What real estate company handled the house?
(See the attached chart)
(Chart not printed in RECORD.)

Question 5. Do you believe your house is worth the amount of money you are paying for it?
Yes, 64.
No, 57.
Don't know, 24.

Question 6. If you had to move do you feel you could sell your house and get your money out of it?
Yes, 54.
No, 57.
Don't know, 34.

Question 7. Since you have been living in the house, what kind of problems have you had with the house?
(See attached for chart.)
(Chart not printed in RECORD.)

MAJOR PROBLEMS CITED BY BUYERS OF 235 "STANDARD EXISTING"

1. Plumbing (fixtures and pipe), 89.
2. Electrical, 61.
3. Roof Leak, 39.
4. Furnace, 36.
5. Floor, 38.
6. Foundation, 28.
7. Heat, 27.
8. Hot Water, 23.
9. Walls, 26.
10. Other, 22.
11. Outside Paint, 19.
12. Insulation, 20.
13. Ceilings, 16.
14. Inside Paint, 13.
15. Garage, 15.
16. Kitchen Counters, 10.
17. Termites, 5.

REAL ESTATE COMPANY'S HANDLING 5 OR MORE OF THE HOUSES RECEIVING MAJOR COMPLAINTS

1. Carter-Lewis Realty, 12.
2. Realty Mart, 11.
3. Nancy Koran Realty, 8.
4. House & Home Realty, 7.
5. Main & Assoc., 8.
6. Higgens & Henderson Realty, 8.
7. Anchor Securities, 6.
8. James S. Black, 7.
9. Hege & Co., 7.
10. Barrie Hunt Realty, 6.
11. Tri-State Realty, 5.
12. Vaughn Realty, 5.

SPOKANE RESOURCE ADVOCATES HOUSING ADVOCACY CHRONOLOGY

Jan.-Oct. 1970.—S.R.A. conducts exhaustive investigative research into conduct of 235 Rehabilitation Program, through search of Title records, questionnaires, photographs of inside/outside of houses, interviews with home buyers, carpenters, and meeting with housing officials to obtain corrections.

Oct. 23, 24, 1970.—S.R.A. sponsored Public Hearing on Low Cost Housing Program.

Oct. 24, 1970.—Severe public back-lash focusing on ad hominem arguments, buck-passing, denial, and minimization of severity and extent of 235 rehabilitation housing abuses.

Jan. 6, 1971.—Publication of Congressional 235 investigation by Patman's Housing & Banking & Currency Committee with Spokane as one of ten Cities investigated and exposed.

Feb. 1971.—Back-lash Public Hearing purportedly organized to "get at the truth", but in point of fact, to exonerate the housing industry and FHA officials from culpability. CBS filmed entire 16 hours of proceedings.

Feb. 1971.—H.U.D. investigates local implementation of 235 Housing Program.

Mar. 1971.—Nation-wide showing of "back-lash" phenomena in Spokane on CBS 60 Minutes Show, narrated by Mike Wallace.

Mar. 1971.—S.R.A. initiates filing of petition to Spokane City Council to establish a local Housing Authority.

June 1971.—Passage of Section 518 (amendment to National Housing Act). Under this section, the purchaser can seek relief to correct defects which should have been noticed by the F.H.A. before the buyer moved into the house. Thus, homeowners living in "rehab" 235 housing, which has defects, may now petition F.H.A. for new inspections and correction of defects.

June 1971.—S.R.A. reproduces official F.H.A. claim forms and mails to all home buyers so they can promptly file claims for redress of housing defects.

June-July 1971.—F.B.I. investigates possible violations.

Aug. 1971.—Regional Director of H.U.D. office confirms S.R.A.'s finding of irregularities and carelessness on the part of some F.H.A. appraisers, inspectors and mortgage lenders. Confirmed 200 complaints received and of those processed, 93% were found valid and repairs initiated.

Oct. 1971.—S.R.A. initiates Court action through Writ of Mandamus to force city council to act within 60 days on local Housing Authority petition submitted in March 71.

Dec. 1971.—Establishment of Local Housing Authority by 4 to 3 vote.

Feb. 1972.—Mayor appoints five commissioners to administer Spokane's local Housing Authority.

---

235 and 221-H Rehabilitation Houses—Occupation of head of household and amount of mortgage

Mother on Public Assistance, $14,500.
Collector—City Refuse Dept., $9,250.
Hospital Orderly, $10,750.
Collector—City Refuse Dept., $13,900.
Laundry Worker (Widow), $9,200.
Retired, $10,500.
Mother on Public Assistance, $11,900.
Construction Worker, $10,700.
Employed at Cooper Bros. Cabinets, $14,750.
Mother on Public Assistance, $13,000.
Disable & P.T. Carpenter, $12,500.
Cook, $11,000.
Student, $11,000.
Mother on Public Assistance, $7,500.
Baker, $11,000.
Disabled, $14,000.
Mother on Public Assistance, $11,000.
Day Worker, $8,500.
Service Station Attendent, $14,500.
Mother on Public Assistance, $12,950.
Aide, $12,700.
Mother on Public Assistance, $14,700.
Shoe Repairman, $13,000.
Mother on Public Assistance, $10,250.
Mother on Public Assistance, $11,400.
Cook, $10,500.
Mother on Public Assistance, $12,550.
Minister, $11,950.
Employed—Ace Concrete, $10,000.
Receptionist, $10,750.
Mother on Public Assistance, $15,500.
Janitor and Maid, $14,650.
Mother on Public Assistance, $13,400.
Clerk at Goodwill Industries, $11,250.
Retired, $13,500.
Mother on Public Assistance, $14,300.
Mother on Public Assistance, $13,950.
Mother on Public Assistance, $10,000
Collector-City Refuse Dept., $8,900.
Mother on Public Assistance, $12,000
Retired, $9,450.
Mother on Public Assistance, $9,800.
Boilermaker, $11,500.
Mother on Public Assistance, $11,000.
Retired, $14,200.
Mother on Public Assistance, $13,000.
Driver—Jay Bell Transicold, $10,500.
Mother on Public Assistance, $11,600.
Mother on Public Assistance, $12,500.
Mother on Public Assistance, $12,800.
Beautician (Widow), $14,050.
Office Secretary, $14,100.
Mother on Public Assistance, $10,000.
Mother on Public Assistance, $10,500.
Janitor—St. Luke's.
Disabled-Clk. at Goodwill, $8,000.
Mother on Public Assistance, $10,950.
Mother on Public Assistance, $1,000.

Mother on Public Assistance, $9,500.
Warehouseman (J. W. Graham), $11,100.
Office Secretary—Safeway, $11,250.
U.S.A.F., $14,300.
Student, 13,800.
Student, $11,700.
Mother on Public Assistance, $11,850.
Bus Driver (city Lines), $15,000.
Office Secretary (Northwest Wheel), $13,900.
Nurse Aide (Sacred Heart), $8,000.
Bookkeeper (Spokane Presto Log), $9,500.
Orderly—E.S.H., $11,250.
Construction Worker, $12,300.
Mother on Public Assistance, $13,750.
Janitor (Davenport Hotel), $8,000.
Mother on Public Assistance, $12,850.
Fabricator (Columbia Lighting), $10,500.
Widow, $14,400.
Mother on Public Assistance, $8,500.
Business Rep. (Building Service Emp. Union—Local 202), $11,000.
Student, $12,000.
Secretary—Goodwill, $14,950.
Duyprie's Antiques, $11,500.
Mother on Public Assistance, $13,000.
Janitor—Davenport Hotel, $10,400.
Kitchen Helper—Davenport Hotel, $13,000.
Collector—City Refuse Dept., $9,000.
Bookkeeper—B. & B. Distributors, $11,600.
Mother on Public Assistance, $9,750.
Secretary, $11,000.
Nurse (St. Lukes), $6,500.
Dispatcher—Phone Co., $12,250.
Widow, $12,000.
Mother on Public Assistance, $10,300.
Janitor—State Highway Dept., $13,000.
Mother on Public Assistance, $14,000.
CARP—Comet Corp., $11,400.
Mother on Public Assistance, $11,750.
Mother on Public Assistance, $8,500.
Laborer, $13,000.
Salvage Worker, $10,500.
Mother on Public Assistance, $14,000.
Laborer, $12,500.

---

235 Standard Existing—Occupation of Head of Household and Amount of Mortgage

Cabinet Maker, $12,900.
Employed—Electric firm, $11,950.
Post Office Clerk, $17,500.
Business Machine Serviceman, $8,700.
U.S. Marine Corps, $13,500.
Post Office Clerk, $13,750.
Deputy County Assessor, $17,500.
Inspector Wash. Water Power Co., $12,250.
Retired, $12,250.
Sales Clerk, $13,250.
Bookkeeper for Real Estate Firm, $16,200.
Nutrition Aide, $10,900.
Mother on Public Assistance, $6,950.
Elementary School Teacher, $14,800.
Employed—Chemical Firm, $12,900.
Caseworker for SCAC, $13,700.
Retired, $12,850.
Bartender, $13,500.
Professional Golfer, $13,000.
Retired, $8,350.
Mother on Public Assistance, $10,700.
Clerk—Hospital, $8,950.
Matron—Juvenile Detention, $10,250.
Secretary for Real Estate Firm, $10,450.
Orderly—Hospital, $11,250.
Clerk—Grocery Store, $11,900.
Warehouseman—Railroad, $15,300.
Employed—Baking Co., $14,950.
Employed—Distributer, $14,950.
Secretary, $15,300.
Warehouseman, $15,750.
Salesman, $14,800.
Representative—Best Buy Products, $17,500.
Apprentice Painter, $14,600.
Cabinet Maker, $14,050.
Tire Buffer—Firestone, $11,700.
Maintenance Man—Hospital, $15,800.
Office Clerk, $14,200.
U.S.A.F., $13,550.
Mother on Public Assistance, $7,800.
Meat Cutter—Hygrade, $11,450.
Assistant Personnel Director—Hospital, $18,000.
Secretary, $13,550.
District Director Girls Scouts, $17,500.
Owner of Richfield Station, $14,050.
Nurse, $13,800.
Draftsman, $14,300.
Plastic Technician, $18,000.
Mother on Public Assistance, $11,750.
Mother on Public Assistance, $9,200.
Railroad, $11,950.
Warehouseman, $15,950.
Salesman, $17,800.
U.S.A.F., $15,850.
Custodian, $14,550.
Mechanic, $19,200.
Shipping Clerk, $17,500.
Admn. for I.B.M., $17,500.
Mother on Public Assistance, $11,200.
Attendant, $14,500.
Mother on Public Assistance, $8,600.
Mother on Public Assistance, $6,150.
Counselor for Vocational Rehab., $14,250.
Retired widow, $11,700.
Student, $10,900.
Student, $10,900.
Grocery Store Clerk, $15,000.
Covering Installer, $17,900.
Retired, $7,850.
Retired, $13,200.
Sales Clerk, $13,850.
Student, $9,900.
Widow, $7,400.
U.S.A.F., $17,500.
Janitor, $17,500.
Clerk, $12,250.
Apprentice Printer, $10,900.
Clerk, $12,450.
Student, $8,950.
Mother on Public Assistance, $8,900.
Grocery Clerk, $15,500.
Apprentice Carpenter, $14,800.
Clerk, $18,000.
Laundry Worker, $11,450.
Student, $17,500.
Secretary, $12,250.
Truck Driver, $16,900.
Retired, $15,300.
Electrician, $18,000.
Janitor, $10,250.
Custodian, $10,450.
Employed—Anderson & Miller, $14,300.
News Stand Operater, $9,000.
Retired, $6,100.
Salesman, $16,700.
Mother on Public Assistance, $12,500.
Student, $13,050.
Minister, $12,750.
Secretary, $14,300.
Waitress, $14,000.
Mother on Public Assistance, $8,950.
Lab Technician, $9,600.
City Refuse Department, $13,750.
Employed at Dry Cleaners, $17,450.
Printer, $11,250.
Engineering Aide—City, $17,850.
Fireman, $10,750.
Receptionist, $11,950.
Clerk—Grocery Store, $10,450.
Nurse, $8,400.
Upholsterer, $12,950.
Post Office Clerk, $14,000.
Beautician, $10,450.
Student, $8,400.
Secretary, $11,250.
Student, $9,450.
Widow, $14,600.
Barber, $14,000.
Custodian for City, $13,450.
Student, $7,900.
Truck Driver, $10,950.
Student, $14,000.
Student, $14,800.
Dental Tech., $16,900.
Wrecker, $12,200.
Student, $8,400.
Retired, $13,950.
Student, $10,700.
Salesman for Standard Oil, $15,900.
Salesman for Athletic Equip., $16,500.
Warehouseman, $14,500.
Mother on Public Assistance, $8,850.
Bus Boy, $9,950.
Student, $16,800.
Aide at Mr. St. Joseph, $8,400.
Retired, $9,450.
Offset Pressman, $17,500.
Mother on Public Assistance, $9,450.
Retired, $7,850.
Salesman for Prudential Dist., $11,450.
Widow & Fireman, $11,900.
F.A.F.B., $19,500.
Grocery Clerk, $10,900.
Retired, $10,900.
Telephone Engineer, $11,900.
U.S. Army, $15,500.
Truck Driver, $12,250.
Half Owner Service Station, $11,250.
Carpet Installer, $13,950.
Goodwill Industries, $11,250.
Shipping Clerk, $15,700.
Secretary, $14,750.
Clerk, $16,200.
Aide—Nursing Home, $13,800.
Service Station Attendant, $10,450.
Mill Worker, $10,500.
Widow—Maid at Ridpath, $11,500.
Collector—City Refuse Dept., $10,500.
Assistant Supervisor, $12,200.
Shoe Salesman, $13,950.
Aide—Nursing Home, $14,250.

SMALL BUSINESS ADMINISTRATION SUPPORTS SAFEGUARDS FOR INDEPENDENT SMALL BUSINESS IN BANK HOLDING COMPANY RULINGS

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

Mr. PATMAN. Mr. Speaker, as many Members of Congress know, the Federal Reserve Board is now in the process of deciding whether to substantially expand the scope of business activities permitted to bank holding companies beyond the activities presently permitted. They have held a series of hearings in this connection over the past several months.

One of the most interesting presentations made during these proceedings was that of the Small Business Administration on February 29, 1972.

The Small Business Administration is authorized under the Small Business Act to support the interests of small business concerns before departments and agencies of the Federal Government. Unfortunately, in the past, this agency has sometimes been lax in carrying out this mandate. Therefore, I am particularly pleased to see that the Small Business Administration saw fit to give its views to the Federal Reserve Board on this most important issue affecting the future of small business concerns in the American economy. I hope this will establish a precedent for similar actions in the future.

As the statement of the Small Business Administration points out, it is clear from the legislative history of the Bank Holding Company Act Amendments of 1970 that the interests of small business concerns must be taken into consideration by the Federal Reserve Board in determining whether bank holding companies should be permitted to enter businesses that the Fed has separately determined to be "so closely related to banking to be a proper incident thereto."

The statement goes on to say that:

SBA foresees a real danger of serious injury for small business if unrestrained expansion of bank holding companies into industries where small businesses thrive is permitted. The Board should reject any argument that bank holding company entry at the cost of diminution of small business viability is appropriate. The public interest requires clear assurance of continued opportunities for free market entry and small business growth potential in these kinds of industries.

Under unanimous consent insert in the RECORD at this point the complete statement of the Small Business Administration before the Federal Reserve Board on February 29, 1972, in the matter of proposed amendment to section 225.4 of regulation Y—Bank Holding Companies Interests in Non-Banking Activities:

STATEMENT OF THE SMALL BUSINESS ADMINISTRATION

The Federal Reserve Board has proposed (36 F.R. 21897) amending its Regulation Y to generally permit bank holding companies to engage in armored car and courier services. The Board proposes to find these activities so closely related to banking or managing or controlling banks that it would be in the public interest to consider them a proper incident thereto within the meaning of Section 4(c)(8) of the Bank Holding Company Act.

The views of the Small Business Administration incorporated herein are presented pursuant to the Small Business Act and Executive Order 11518, which provide for SBA advocacy of the interests of small concerns before all departments and agencies of the Federal Government.

In connection with this matter there are two primary areas in which SBA finds that comment is appropriate to further the interests of small business enterprise. First, clarification of the Board's affirmative duty to expressly determine and set forth the specific small business interests involved in this (and any other) proposed rulemaking under Section 4(c)(8) is necessary. Further, the effects a proposed rule would have upon these interests must be weighed by the Board. Second, the Board is urged not to adopt the specific proposed rule here, but rather to proceed instead by adjudication in armored car and courier service cases. Where any activity sought to be undertaken by a bank holding company invades an industry including a substantial number of small business concerns, rulemaking will not afford them the essential procedural protections of case-by-case adjudication.

SMALL BUSINESS INTERESTS AND EFFECTS

Section 4(c)(8) provides that in determining whether a particular activity is a proper incident to banking or managing or controlling banks, the Board shall consider whether its performance by an affiliate of a holding company can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices.

It is clear from the legislative history of section 4(c)(8) that small business aspects are an important element of this statutory public interest test. The Congress was particularly concerned with "the potential for unfair competition to be carried on by bank holding companies against small independent business" (Conference Report on 1970 Bank Holding Company Amendments, House Report No. 91-1747, pp. 18-19).

There are numerous references in both the Senate and the House debates indicating that small business ramifications of any proposed 4(c)(8) rule or order should be a major public interest consideration to be weighed by the Board.

Senator Sparkman, Chairman of the Senate Banking and Currency Committee, in submitting the conference agreement to the Senate stated "I am convinced that the bill finally agreed to is a good one and will meet this need for flexibility while at the same time preserve ample protection for independent small businessmen to insure that they will continue to flourish" (Congressional Record, Vol. 116, Part 32, p. 42422).

The Small Business Act (15 U.S.C. 631) clearly sets forth the public interest in small business entrepreneurship. It notes the finding of the Congress that the economic well-being and security of the Nation cannot be realized unless the actual and potential capacity of small business is encouraged and developed, and states that "the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise."

Executive Order 11518 provides that in order to insure that small business interests will be recognized, protected and preserved, all departments and agencies of the Government shall fully consider matters materially affecting the well-being or competitive strength of small business concerns and their opportunities for free entry into business, growth or expansion. In effecting such a policy, the Executive Order requires that all elements of the Government "shall act in a manner calculated to advance the valid interests of small concerns."

Small firms contribute significantly to the public welfare. They frequently are able to give better services through close personal supervision by their top management and have the flexibility to respond quickly with innovations to meet the needs of their customers. Small businesses often operate on tight margins and search hard for efficiencies to keep them competitive with larger firms. Particularly in small local markets, such as appear common in the armored car and courier industries, small firms may be a significant competitive factor.

The small business effects of possible bank holding company entry into these fields must be given thorough and explicit consideration by the Board. SBA forsees a very real danger of serious injury to small business if unrestrained expansion of bank holding companies into industries where small businesses thrive is permitted. The Board should reject any argument that bank holding company entry at the cost of the diminution of small business viability is appropriate. The public interest requires clear assurance of continued opportunities for free market entry and small business growth potential in these kinds of industries.

The reasoning and rationale as to the factual basis, economic and policy findings which support any Board determination should be fully and explicitly set forth by the Board. In view of the broad legislative nature of rules defining permitted areas closely related to banking and in the public interest for bank holding company participation full public explanation is essential. Therefore, it is requested that the hearing officer and the Board specifically particulate their views of the small business interests and effects attendant to any permitted bank holding company entry into the armored car and courier fields under interest 4(c)(8). SBA believes that the public interest criteria set forth in the 1970 Amendments incorporate this Congressional policy and require that small business aspects be fully and explicitly considered, and not submerged in general discussion of competitive or other effects. In the instant case the Board and hearing officer consideration and discussion of this small business interest shall include such matters as the ability of small business concerns to receive financing for entry into or expansion of armored car or courier operations; as well as effects on actual or potential competition, and services for the small business community.

Other important areas involving possible small business effects, which should be fully documented and discussed include:

Potentials for coerced or semi-voluntary tie-ins among banks, various types of bank holding company affiliates, and customers of bank holding company armored car and courier services;

Methods of bank holding companies in obtaining and retaining customers for 4(c)(8) activities;

The extent to which even "voluntary" tie-in may have adverse anticompetitive and small business effects;

The extent of competition already existing in these industries;

The effects of bank holding company entry into local armored car or courier activities in geographic areas where the holding company is well known and already possesses great economic power;

The effects on services to other commercial and small business customers if bank holding companies "skim-the-cream-off" local or regional markets in these services;

Whether any increased efficiencies or services to additional small business customers would be likely to result from bank holding company entry into such activities; and

The extent of and potential for bank holding company dominance and concentration of resources in local or regional areas.

SBA believes it is highly likely that if financially powerful bank holding companies are permitted to establish operations in these fields, there is little chance that small courier or armored car companies will be able to compete with them on a fair and equal basis; the Board should therefore realistically gather complete evidence on this factor and give it full weight in its determinations.

SECTION 4(C)(8) RULEMAKING INAPPROPRIATE IN THESE INDUSTRIES

We believe that these small business considerations, as well as serious questions on industrywide determinations and procedural aspects, require that the Board not adopt the proposed rule, but proceed instead on a case-by-case basis, issuing individual orders as appropriate.

Our information is that most of the firms in the armored car and courier fields are small business concerns. Rough estimates by our staff indicate that a large majority of companies providing courier services and armored car services may fall within the SBA size standards (i.e., an armored car or courier service is small if it has business receipts of less than $1 million annually, 13 CFR, Chapter 1, Part 121). These small firms serve banks, industrial and commercial customers; and provide a wide variety of special delivery express services throughout the nation.

Both armored car and courier services are essentially for-hire transportation, though of a specialized nature, and are largely small business industries. It is our understanding that they are regulated by State and Federal transportation regulatory agencies. We believe it is seriously open to question whether even limited armored car and courier transportation services should be found on an industrywide basis to be "closely related" under section 4(c)(8), in view of the small business overtones and transportation nature of these industries.

Moreover, it is our view that the Board should not utilize the rulemaking approach under section 4(c)(8) in industries with large numbers of small business concerns.

This conclusion follows from the inherently incomplete and projected nature of industry-wide data and from the unfocused and necessarily generalized character of the rulemaking procedure. Where the activity is questionable under section 4(c)(8) and there are a number of small concerns in the industry (such as in courier and armored car services), we believe that only the case-by-case adjudicatory procedure should be used where there is detailed factual analysis of the individual case and appropriate conditions and limitations. Board rulemaking in these industries on the basis of a necessarily general rather than specific factual record would be likely to prejudice fair treatment of small business. Furthermore, it cannot, by its very nature, result in the comprehensive and objective analysis and fully supported findings required by the statute.

Any convenience to bank holding companies or to Board administration in broad and flexible rulemaking definitions should, we believe, be viewed as a consideration of secondary weight compared to the substantive economic, small business and public interest findings which are necessary to support the Board in its determinations on the precise scope of allowable bank holding company activity. Meaningful and reasonable determinations in these industries may require detailed economic evidence on defining likely foreseeable competitive markets and commercial and bank-related developments in particular geographic areas.

Any Board use of general rulemaking in these industries would be particularly injurious to the many small concerns in these fields because of the Board's proposed procedures (12 C.F.R. 225.4(b)(1), 36 F.R. 25048; December 28, 1971) establishing presumptions that de novo entry by bank holding companies into areas designated as closely related to banking "can reasonably be expected to produce benefits to the public that outweigh possible adverse effects." The Board's regulations already provide simplified procedures for de novo entry.

The Board's existing and proposed procedures in such de novo cases lessen the protections and opportunities for hearing of small firms presenting factual data, arguments, and opposition to specific instances of bank holding company entry into the designated fields. Consequently, we believe that it would be inappropriate for the Board to designate by rule these industries with significant numbers of small concerns as "closely related to banking."

Small firms typically cannot afford the detailed evidentiary burden of showing likely malpractices or potential losses in specific cases if they must overcome heavy Board presumptions that the activity sought to be entered into by the bank holding company "can reasonably be expected to produce benefits to the public that outweigh possible adverse effects." We believe that small firms must be given a full and fair hearing in individual cases, with the statutory burden on the bank holding company to show affirmatively and clearly that its specific proposed activities are within the purposes of the Act and in the public interest.

CONCLUSION

In summary, (1) a complete and express statement of the economic and legal basis for any Board decision and Hearing Officer recommendation under section 4(c)(8) is of particular importance with respect to the small business aspects thereof. It is SBA's position that such a statement with respect to small business interest is mandated by section 4(c)(8) itself and its legislative history, and by the Small Business Act and Executive Order # 1518; and (2) using the rulemaking procedure, rather than the case-by-case adjudicative procedure, is inappropriate and could be statutorily defective in situations, such as those presently in question, involving a considerable number of diverse small business interests.

Respectfully submitted

ANTHONY G. CHASE,
Deputy Administrator.
JOHN A. KNEBEL,
General Counsel.
DONALD W. FARRELL,
Associate General Counsel.
STEPHEN A. KLEIN,
Chief Counsel for Advocacy.

THE ADMINISTRATION'S ECONOMIC STABILIZATION EFFORT FALLS SHORT OF MARK

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

Mr. PATMAN. Mr. Speaker, it is obvious that the economic stabilization effort is not working as Congress intended and a growing number of people are convinced that the program is being administered in an inequitable manner. As Chief Executive, only the President can bring order out of the conflicting and ineffective regulations which have been issued under this act.

Certainly, I am not condemning the entire effort, but there is too much sloppiness and weak administration to be tolerated in such an important program.

Such a program depends on an equality of sacrifice and many people feel that the administration is not imposing proper controls over such essential items in the cost of living as interest rates, rents, and prices on consumer goods. Instead of strong enforcement in those areas, the stabilization authorities seem to be resorting to Madison Avenue techniques.

Mr. Speaker, the Banking and Currency Committee has received a great number of complaints about the program from the public and Members of Congress.

Many Members of the House have let me know that they feel that the stabilization agencies are not making any real effort to follow the spirit of the Stabilization Act and the intent of Congress. The views of these Members are backed up by the public.

In addition, the judiciary has also complained bitterly about the procedures being carried out under the Economic Stabilization Act. U.S. District Judge Gerhard Gesell this past week criticized the Cost of Living Council for failing to hold public hearings. The judge stated that the Cost of Living Council's lack of clear procedures and its imprecise rulings made judicial review of its actions "difficult, if not impossible."

Mr. Speaker, I hope the President will take a strong hand in the economic stabilization program so that it will not be necessary for the Congress to reopen the issue. However, the Banking and Currency Committee will conduct oversight hearings unless there is an early and dramatic improvement in the administration of the law.

Mr. Speaker, I place in the RECORD a copy of a letter I have sent President Nixon on the stabilization program:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., March 7, 1972.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As you may know, a great number of people are concerned about the economic stabilization program. This Committee is receiving numerous inquiries concerning the complexities of economic regulation and the fairness with which the program is administered. In substance, the complaints, which come from Members of this Committee, other Members of Congress, and the general public, reflect a widespread belief that the program is being administered unfairly and that in several important respects the law has been completely ignored by those designated to carry out the responsibilities of the Act. Judging from observation of the operation of the Cost of Living Council, Pay Board and Price Commission and from the specific issues raised by the inquiries about the program, I am inclined to agree with this conclusion.

Among the actions taken by the various bodies empowered to administer the Economic Stabilization Act, these have caused the greatest amount of concern:

Interest Rates: You are aware, I am sure, of the Congressionally recognized need to control interest rates and the Congress' specific direction that controls over interest rates be employed whenever general wage and price controls are in effect. It is true an exception was written into the law. But, it is triggered only after a finding is made that interest rates in all categories are at satisfactory levels. The Cost of Living Council statement purporting to make such a finding failed to comply with the requirements of the Act. Before interest rates could legitimately be exempted from controls, the Congress contemplated a specific finding that the control of interest rates was unnecessary for the orderly development of economic growth and accompanying economic data and analyses to support that finding. But, the Cost of Living Council order regarding interest rates blatantly ignored these two very important requirements. As a consequence, there is a cloud over the legitimacy of this very important aspect of the stabilization program simply because the Council chose not to follow the spirit and letter of the law.

Prices: The regulations governing price increases are very complicated. As a result, consumers find it impossible to determine whether a specific increase is justifiable. Another consequence of complex regulations is that consumers cannot know what their rights are under the program. This means a seller can easily raise his prices knowing the consumer has little basis on which he could complain. Further, since the consumer under the regulations never really knows whether a price increase is within the law, it is impossible for him to police illegal price increases.

Rents: Although the problems of rent regulation are by and large the same problems that exist with pricing policies, the inequities found in these regulations are particularly harsh since rent constitutes a major portion of the average man's budget. Although the Price Commission promulgated rules designed to control rent increases this Committee's files are bulging with instances of rent increases as large as 9 percent. The tenants are very perplexed about these increases because the landlords cite as justification for these exorbitant new rates Phase II guidelines. As one Member of Congress told me, "This is preposterous." I agree.

Working Poor: The Congress exempted from controls "any individual . . . who is amongst the working poor." The Congress intended that the term "working poor"

should be defined as families with annual incomes of less than $6,900. This standard was perverted by the Cost of Living Council to mean workers making less than $1.90 per hour which, assuming a worker can find work for a full year, amounts to less than $4,000 annual salary. Under the present pay increase criteria, this means workers who are now unable to provide a decent living for their families are limited to wage increases of only 5.5 percent. This is far from what Congress had in mind.

Public Hearings: The Congress directed that public hearings be held in formulating the policies of economic stabilization and in implementing those policies. The reason for this requirement is very simple. Congress wanted the process opened up so that people would have confidence and faith in a program which admittedly is empowered to exercise a great deal of control over their economic well-being. Without public hearings, the people cannot understand the program; and therefore, the people cannot understand the importance of complying with what could prove in certain instances to be stringent controls. As a result, the program runs a grave risk of turning into shambles what was intended by Congress to be a mechanism for bringing inflation under control once and for all. To date, only two public hearings have been held. This in no way complies with the policy written into law that people should be heard in formulating a policy and that they should be informed of the basis of those policies through the medium of public hearings.

I would appreciate your looking into the issues raised in this letter and taking prompt steps to take appropriate action to insure that the Cost of Living Council, the Pay Board and the Price Commission fully comply with the Economic Stabilization Act of 1970, as amended. Unless prompt and effective steps are taken to insure full compliance with the intent of Congress, this Committee will be compelled to conduct oversight hearings. In the hopes that such hearings might be avoided, I would appreciate a complete and detailed report on what steps have been taken within the Executive Branch to turn the stabilization program around so that its operation reflects the intent of Congress.

It should be emphasized that we prefer to avoid oversight hearings. But, unless there is prompt assurance of action to conform stabilization policies to the intent of the law, this Committee will not hesitate to convene hearings to see that Act is used in accordance with the intent of Congress.

Sincerely,

WRIGHT PATMAN, *Chairman.*

AN APPROPRIATE AND LASTING TRIBUTE TO OUR LATE COLLEAGUE, THE HONORABLE JAMES G. FULTON, OF PENNSYLVANIA

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

Mr. SAYLOR. Mr. Speaker, I am introducing today a bill cosponsored by the entire Pennsylvania congressional delegation, to name the Carnegie-Bridgeville reach of the Chartiers Creek local flood protection project in Pennsylvania, in honor of our late and beloved colleague, James G. Fulton.

This project, designed specifically to serve the congressional district he so ably served, would become the "James G. Fulton Local Flood Protection Project," Chartiers Creek, Allegheny County, Pa.

The Members of the House are well aware of our late colleague's devotion to his responsibilities as a member of the Committee on Foreign Affairs and of the Committee on Science and Astronautics. This bill would memorialize his devotion to his responsibilities as a Representative of the 27th District of Pennsylvania.

Chartiers Creek is located in Allegheny and Washington Counties, southwestern Pennsylvania. In many parts of our country, the creek would be called a river. The stream in its natural state is 52 miles long from its source about 6 miles south of Washington, Pa., to its mouth on the Ohio River at McKees Rocks, 2.6 miles below Pittsburgh, Pa. The Chartiers Creek Basin is roughly rectangular in shape with a length of about 24 miles and an average width of about 12 miles. The drainage area about the mouth is 277 square miles. There are a number of tributaries. The steep profiles of the tributaries lend themselves to rapid runoff from the sometimes severe local storms typical of the region. Frequent flooding of the valley flow resulted.

The communities of the Chartiers Creek Basin that were affected by floods are old, established and well-developed. The valley is primarily industrial, but there are also large commercial and residential zones in the areas subject to flooding. Annual flooding was accepted as a matter of course, with severe flooding occurring on an average of every 5 or 6 years.

The flood that brought official Federal recognition occurred in connection with Hurricane Hazel in October 1954. Congressman Fulton and other local representatives pressed for emergency action and on the 26th of October the President declared the flooded localities in and around Allegheny County, including the Chartiers Creek Valley, a disaster area.

In the following June, Mr. Fulton introduced a resolution to the House Committee on Public Works, requesting a survey of Chartiers Creek for flood control, the beginning of a long struggle for authorization and appropriation. In the meantime, the flood of August 1956 occurred, the most severe of recent record, causing damages amounting to over $5,000,000—April 1962 values—in the Allegheny County part of Chartiers Creek Valley alone. Once again Mr. Fulton called on Federal, State, and local offices and agencies for assistance, and once again the valley was officially included in a "disaster area."

Efforts to obtain congressional approval and funds were finally successful, and the survey started in November 1957. Each succeeding year, 1958, 1959, 1960, 1961, our colleague sought for and obtained budget funds to continue the survey, which was completed in February 1963. The recommendations were for improvement of about 11 miles of creek channel from about 3½ miles above the mouth to the southern limits of the borough of Bridgeville in Allegheny County, and improvement of about 5 miles of creek channel through the adjoining boroughs of Canonsburg and Houston in Washington County.

I will not burden you with the details of getting the Allegheny County project underway. This job required much more than successful competition for Federal funds with other worthwhile projects. The city of Pittsburgh, six boroughs and five townships, all affected by valley flooding, had to be persuaded to agree to local cooperation. A large trunk sewer had been constructed in the channel bed for most of the creek within the project limits. Relocation of this sewer was a must, but payment for the relocation as part of the local cost participation was beyond the capabilities of the smaller municipal partners in the enterprise. Finally, after much effort, Federal, State, and county funds were pledged in their proper proportions.

On the 27th of June 1968, a contract was awarded to the Irvin T. Miller Construction Co. of Burgettstown, Pa., for construction of unit 1. On the 26th of July 1968, Congressman James G. Fulton launched the groundbreaking ceremony attended by dignitaries from the several levels of government concerned with the project. Typical of the man, an important commitment to a congressional task took him away before completion of the ceremony.

Jim Fulton lived to see the business area of old Carnegie Borough revitalized. He lived to see a potential flood carried safely through the improved channel in May 1971. He lived to note that on the 5th of October 1971 the President signed the appropriations bill carrying fiscal year 1972 funds for Chartiers Creek. And the 6th of October, Jim Fulton died.

In the orderly progress of construction, the job will probably take another 4 years to finish. At this midpoint, it is altogether fitting that we memorialize the man who was so instrumental in its inception.

POWER-CUTBACK RULE IRKS JET PILOTS

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

Mr. GUDE. Mr. Speaker, like the proverbial Phoenix, the question of what to do with Washington National and Dulles International Airports appears redundantly on the scene. Each resurrection, however, brings with it new and ever more troubling developments. The increasingly crowded conditions on the land and in the friendly skys make one wonder if some day, unlike the Phoenix, these jet powered birds may be unable to get off of the ground for want of room.

Along with the problems of air pollution, crowded conditions in the terminal at National, stalled lanes of traffic around the airport, and the increasing noise levels caused by jet engines, a new and most disturbing issue has been raised.

A story by Jay Mathews in today's Washington Post tells of growing concern among airline pilots who frequent Na-

tional for the safety of their flights. Those quoted believe that present noise abatement procedures, which require a pilot to cut back his engines by 40 percent once the plane reaches 1,500 feet, do not offer maximum safety to passengers. I submit the text of that story for the RECORD at this point:

RESIDENTS ALONG POTOMAC LIKE IT—POWER-CUTBACK RULE IRKS JET PILOTS

(By Jay Mathews)

Several times an hour, an airline pilot will put his jet in a steep climb after taking off at Washington National Airport, make a sharp turn at 1,500 feet over the 14th Street Bridge, align himself with the Potomac River and then abruptly reduce the thrust of his engines.

That 40 per cent cut in power—done easily with one hand on the three engine levers in a Boeing 727—is designed to quiet the noise from the huge 14,000-pound thrust turbines.

It may save the eardrums and plate glass windows of the hundreds of residents along the Potomac River below, but to the pilots themselves it is a procedure they'd rather be rid of.

"I'm inclined like this"—the pilot raises his forearm at a steep angle—"and I've got those three engines going and say, 'Well, you're doing fine'," says United Air Lines' Tom Cornell. "But what if I bust a jug—a turbine and need all the power there is?"

Pilots using National say they would prefer to keep climbing at full power, giving them more altitude and thus a greater margin to maneuver in case of an emergency.

The current procedures are safe, Cornell said, but the pilots would still like more of a margin. "We want noise abatement by technical changes [quieter engines] rather than operating in an environment of less than maximum safety," said Cornell, who represents United pilots in the local Air Line Pilots Association.

"There's a certain psychological reaction (among pilots) when they're in a takeoff. Nobody likes to cut back power," said FAA spokesman Robert Swanson. But he added that "we don't do anything that's not safe... All procedures that the FAA endorses are safe with what we consider to be an adequate margin."

For six years, since jetliners began using National, the pilots above and the home and office dwellers below have fretted about the demands of modern air travel that have brought them so noisily together.

The complaints about jet noise from residents of the Potomac River valley have since been a constant theme as urban transportation and living needs collide head on.

The pilots, generally loyal to the airline industry and its strong support of National as a shuttle air terminal, have voiced their concerns more softly, "I've felt for a long time that aircraft technology has far exceeded the ground situation," said United pilot Ernest W. Knutzen in a comparison of the increased speed and power of aircraft and the inconvenient locations and alignments of airports in the country.

The only uninhabited flight path out of National now is over the river. It twists here, turns there, and forces pilots to frequently manipulate their controls in following its course.

Noise abatement procedures call for the pilots to follow the river for 10 miles, up to Cabin John Bridge at the north and Mount Vernon to the south, before going back to full engine power and turning on a regular course.

The most frequent complaints from groundlings appear to come from those along the more narrow and winding banks of the river to the north of the airport, pilots and FAA officials say. A particularly sensitive area is the cluster of high-rise apartments, hotels and offices in the Rosslyn area of Arlington County.

Rosslyn juts into the Potomac, directly below the radio beam that guides pilots into National when weather reduces visibility.

Even in clear weather, pilots say, they must make two or three quick turns to avoid passing over the Rosslyn high-rises while at the same time avoiding a drift toward the luxury Watergate apartments, still another sensitive spot, on the Washington side of the river.

For their own safety, the pilots indicate they would prefer that the 16-story towers at Rosslyn not be there at all. The air safety representative for the local Air Line Pilots Association recently protested the proposed construction of a 17-story hotel near Rosslyn. The County Board rejected the proposal last week.

"Since the south approaches to the airport in good weather are, at best, minimum, it is hazardous to allow the raising of additional obstructions of this magnitude . . ." said Piedmont Airlines pilot R. G. Stevens in a letter to the board.

FAA officials, pressed by residents for less noise and by pilots for more safety, have subsidized research on quieter engines as one way out of the dilemma.

The noise problem is not unique to Rosslyn or to Washington National; it is nationwide. Indeed, officials at one airport quelled citizen complaints by buying their houses and moving them lock, stock and barrel out of the flight path. Pilots elsewhere also object to the noise abatement procedures at other airports on the grounds they reduce the margin of safety.

One local source of complaints has been a loosening of restrictions on late-night flights since the spring of 1970. Until then, no jet could land at or take off from National after 11 p.m. Now, delayed flights that were originally scheduled to take off or land before 10 p.m. have been allowed to complete their schedules.

As a result, some of the 76-ton aircraft have flown over Rosslyn as late as 3 a.m The airport has averaged 11 flights a week past 10 p.m., according to the FAA, and Rosslyn residents say at least three or four of those have been past 11 p.m.

In a letter to the Arlington County Board chairman explaining the change, one FAA official noted the many complaints from passengers with cars or friends at National who had been diverted to Dulles or Friendship airports as a result of the old absolute 11 p.m. deadline.

Mr. Speaker, the solution to this problem is not the elimination of those noise abatement procedures at the expense of those on the ground. Some of those procedures are already ignored. For example, the Federal Aviation Administration has established a curfew on jet traffic at National, but it consistently permits violations of its own curfew.

I am convinced that the solution to the problem is to cut back on the quantity of jet traffic at National. This solution will simply not be found under present circumstances. Urgently needed is a takeover of the area's three airports—National, Dulles, and Friendship—by a regional authority reflective of the needs and desires of the area's citizens.

RECENT ECONOMIC INDICATORS FORETELL CONTINUED ECONOMIC ADVANCE

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DEVINE. Mr. Speaker, a substantial number of recent economic statistics suggest continuing favorable economic developments ahead. These indicators span all areas of the economy.

In the business sector, prospects are bright for an upsurge in investment. Business expenditures on new plant and equipment are expected to rise over 10 percent in 1972, according to both Government and private surveys. New orders for producer's durable goods soared 18 percent in January over the previous month. And a private survey of purchasing agents shows a significant increase in those reporting higher incoming orders, higher inventories, and gains in production.

In the consumer sector, indices of employment and prices both improved recently. The overall unemployment rate declined to 5.7 percent in February, as more than 80 million people were employed. The hiring rate in manufacturing rose in January to the highest rate in a year, while the layoff rate declined. Both average weekly earnings and real income advanced strongly in February. The Consumer Price Index has increased only at a 2.6 percent annual rate since the wage-price freeze last August. Interest rates have declined across the board since August 15.

The housing sector is especially strong. Housing starts in January rose to a seasonally adjusted annual rate of 2.5 million, 40 percent above a year earlier. Housing permit figures have improved comparably. Savings flows at mortgage lending institutions remain very high, indicating the continued availability of funds to finance home construction and ownership.

Of course, even all of this good news does not signify that our economic future is secure. There may be unfavorable developments among some measures in the months ahead. But the preponderance of evidence promises continued economic expansion throughout all sectors of the economy.

SCHOOL OFFICIALS ON ADVISORY BODY

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

Mr. BEGICH. Mr. Speaker, today, I am introducing a bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

Congress originally established the ACIR in 1959 to bring together representatives of Federal, State, and local governments for the study of emerging public problems requiring intergovernmental cooperation. This Commission recently acquired national prominence when President Nixon designated it to advise him on the financial problems of our Nation's elementary and secondary school systems. Particular attention will be given to the possible effects resulting from any type of tax reform. I am submitting this amendment, Mr. President, because there is one very important and much needed group whose voice will be absent on this Commission. That voice

is the voice of locally elected school board officials.

Presently, the advisory commission consists of 26 members, three of which are appointed from the Senate and three from the House. The remaining 20 are appointed by the President as follows: Three must be officers of the executive branch, and three must be private citizens; four are appointed from a panel of at least eight Governors submitted by the Governor's Conference; three are appointed from a panel of at least six members of State legislative bodies submitted by the Council of State Governments; four are appointed from a panel of at least eight mayors submitted jointly by the American Municipal Association, and the U.S. Conference of Mayors; and three are appointed from a panel of at least six elected county officers submitted by the National Association of County Officials. Quite clearly, except for the level most immediately involved with the education issue—local school board officials—elected persons of virtually every level of government are represented. In view of the fact that board members can make very significant contributions to an understanding of the needs of local schools and local communities, I think this oversight should not be allowed to go uncorrected.

This amendment would simply expand the number of members on the Advisory Commission from 26 to 28 and provide that two members shall be appointed by the President from a panel of at least four elected school board officials submitted by the National School Boards Association.

Congress must take the initiative in trying to solve what is perhaps our biggest domestic crisis for 1972; the education entanglement. The ACIR's recommendations will affect 5 million employees, 50 million schoolchildren, and will involve expenditures of approximately $45 billion. A real expertise is needed, and a big step in providing this special knowledge can be made if the advice of the ACIR is given with both the counsel and membership of two school board members.

I think this is a reasonable and equitable proposal. President Nixon himself expressed his commitment to local control over local schools. It is, therefore, only right and proper that we give locally elected school officials a voice in formulating the national policies which will ultimately affect their local school districts, and with which they shall have to live.

By adopting this bill the Congress will extend the same privileges to elected school officials that are now enjoyed by officials of all other levels of government, and we will be making the Advisory Commission on Intergovernmental Relations a more effective advisory body as well.

DEPARTMENT OF INTERIOR ANNOUNCEMENT ON TRANS-ALASKA PIPELINE

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

Mr. BEGICH. Mr. Speaker, the Trans-Alaska pipeline has been the subject of a tremendous amount of study and preparation over the past months and years. The Department of the Interior is the lead agency in this work, and has been responsible for coordinating the efforts of all those who are working on this project. The primary goal is the formation of a complete and responsible environmental impact statement on the project in satisfaction of the National Environmental Policy Act of 1969. In the larger sense, the goal is responsible decisionmaking based on environmental understanding, and balancing the other factors involved.

On March 1, 1972, the Interior Department made an important announcement regarding this work, and released a fact sheet which summarizes the present situation. Because it is a complete official statement with general background included, I would like to bring it to the attention of my colleagues:

THE TRANS-ALASKA PIPELINE AND THE ENVIRONMENT

The Department of the Interior has taken unusually comprehensive measures to assure that its examination of the Trans-Alaska Pipeline proposal is in consonance with the spirit and intent of the National Environmental Policy Act of 1969 and with specific guidelines promulgated by the Council on Environmental Quality.

On August 29–30, 1969, the Department of the Interior initiated the first of three public hearings on the Pipeline project, four months before the enactment of the National Environmental Policy Act. The initial hearing was held in Fairbanks, Alaska. Subsequent hearings were held, respectively, on February 16–17, 1971, in Washington, D.C., and on February 25–March 1, 1971, in Anchorage, Alaska. A measure of the extent of public participation in the hearings can be gleaned by noting that the February 1971 hearing alone resulted in the production of more than 12,000 pages of testimony and exhibits.

In September 1969 the Department released draft stipulations for the Trans-Alaska Pipeline—which would attach to and condition any permits should the project be approved. They were prepared by an interagency group of Federal/State resource professionals and set forth explicit requirements to minimize environmental damage.

In November 1970, after ten months of meticulous examination of the engineering of the pipeline by an interagency Technical Advisory Board, the Department released a companion set of technical stipulations.

On January 13, 1971, the Department completed and made public a *Draft Environmental Impact Statement for the Trans-Alaska Pipeline* which included, as attachments, both the environmental and technical stipulations. This statement was reviewed by interested Federal agencies, by State and local governments and by the general public.

GATEWAY NORTH

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

Mr. ROUSH. Mr. Speaker, it has been almost 10 years now since I first began to champion the preservation of a unique scenic area in the United States, one particularly suited for recreation purposes and ecological studies. I refer to the Indiana Dunes along the shore of Lake Michigan.

This region of the Midwest is not only beautiful, but to quote the Department of the Interior's remarks in 1963:

The area . . . contains a unique combination of lakefront, dunes, and hinterland that is ideally suited to fulfillment of the recreational and open space needs of the people of this region; moreover, its scenic and scientific attractions would continue to draw people from all parts of our country.

In 1966 the Indiana Dunes National Lakeshore was created by Congress to preserve this region for the educational and recreational use of the people of the Midwest and the entire country.

However, several sections recommended by the Department of the Interior did not survive the legislative process at that time. Accordingly last July I introduced legislation (H.R. 10209) which would remedy those omissions and that would also add certain other areas found to be necessary as buffer areas or areas of special value as scenic river valleys, wetlands, semideveloped shore and dunes lands.

Part of the additions contained in H.R. 10209, and these were not considered before, are in the congressional district of the Honorable RAY MADDEN, my distinguished colleague from Indiana and a cosponsor of this legislation.

Just last week I received from Mayor Hatcher of Gary, Ind., a copy of a letter endorsing this proposal and the extension of the park to the Gary area. His letter was also a tribute to the unique qualities and beauty of the present parkland and the proposed expansion.

Moreover, he lays to rest the argument of opponents who contend that supporters of expanding the National Lakeshore seek to thwart industrial expansion. I quote extensively from his remarks. Mayor Hatcher notes:

In no way are we opposed to orderly, balanced industrial growth in the Calumet area; quite the contrary. However, no fair assessment of the present situation could deny that heavy industry has taken all the best of it while the people have been virtually dispossessed of their natural heritage. The average Gary citizen receives no clue to make him aware that he lives on the edge of one of the Great Lakes, once ringed with beautiful, wooded sand dunes.

He goes on to say:

The establishment of the Indiana Dunes National Lakeshore, while of paramount importance, has been a poignant reminder that too little was done too late. But, perhaps not. This bill (H.R. 10209), if passed, would retrieve a significant volume of additional private acreage in the precious remnant of unspoiled duneland in Gary from certain destruction.

Mayor Hatcher adds:

Not the least of the considerations concerning this bill is that the Indiana Dunes National Lakeshore would incorporate scenically and recreationally valuable lakefront dune area inside Gary.

He concludes by remarking that:

This city, always at the mercy of fluctuations in the steel industry—witness the present 40% unemployment rate—desperately needs, not only quality park development and preservation of irreplaceable open spaces, but the diversification in its economic base which a national park would certainly produce.

Mr. Speaker, the President has dedicated this administration to bringing

"parks to people." I applaud and endorse this concept and I shall be happy to support a Gateway East at the New York Harbor and a Gateway West in San Francisco Bay because I believe in the importance of conserving these areas and making them recreational parks for our people.

There are 10 million people within a 100-mile radius of the Indiana Dunes National Lakeshore and I also want to conserve and preserve this Gateway North for the people in the Midwest and those who journey there from the rest of the United States.

FDA ACCEDES TO LEAD-BASED PAINT BAN

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

Mr. RYAN. Mr. Speaker, I am very pleased to bring to the attention of the House that the Food and Drug Administration has taken affirmative action on a petition submitted by five child health advocates and me to ban paint with more than minute traces of lead from household use.

The children of this Nation are plagued by a devastating yet totally preventable disease: childhood lead poisoning. This dread affliction takes the lives of some 200 children between the ages of 1 and 6 each year. It leaves another 800 permanently institutionalized. All told, some 400,000 youngsters are subjected each year to this crippler and killer of young children.

The real tragedy, however, is that this disease is both totally man made and totally preventable. Its primary cause is the ingestion of lead-tainted paint and plaster fallen from dilapidated housing. The tragic mistake of painting millions of houses with paint containing dangerous levels of lead in the past decades was made in ignorance. With our current knowledge of the health hazards of lead in paint, it would be inexcusable to continue the mistakes of the past and to perpetuate this dreadful disease by failing to eliminate lead-based paint.

Therefore, on August 9, 1971, I was joined by five child health advocates in filing a formal petition with the Food and Drug Administration requesting that agency to ban paint with a lead content in excess of minute traces—0.06 percent lead by weight—from all household uses under the authority of the Hazardous Substances Act. Joining me in this effort were Prof. Joseph Page, associate professor at Georgetown University Law Center; Dr. Edmund O. Rothschild, Memorial Hospital for Cancer and Allied Disease, New York City; Journalist Jack Newfield; and Georgetown University law students Mary Win O'Brien and Anthony Young.

On November 2, 1971, the Food and Drug Administration published our petition in the Federal Register in order to allow interested individuals to submit comments on our proposal. At the same time, however, the FDA published another proposal—initiated by the FDA itself and endorsed by the paint industry—which would merely have required that paint with a lead content in excess of 0.5 percent bear a warning label.

The vast preponderance of medical and scientific testimony supported our petition to ban lead-based paint, pointing out the total insufficiency of both warning labels and a 0.5 percent definitional level.

Fortunately, the Food and Drug Administration was convinced by the evidence submitted on behalf of our petition. And on Friday, March 11, it announced that after December 31, 1972, paint and similar surface coatings can contain no more than 0.5 percent lead and after December 31, 1973, they can contain no more than 0.06 percent lead.

I believe that this decision will go a long way toward safeguarding future generations from a horrid—yet preventable—disease. And it demonstrates that the administrative process can work for consumers when they exert sufficient pressure and submit substantial evidence before a regulatory agency.

At this point in the RECORD I include the text of the FDA regulations as they appeared in the Federal Register of March 11, 1972.

I also include a news article from the March 10, 1972, Washington Evening Star and an article by Victor Cohn which appeared in the Washington Post of March 11. I commend them to the attention of my colleagues.

[From the Federal Register, March 11, 1972]

CLASSIFICATION OF CERTAIN LEAD-CONTAINING PAINTS AND OTHER SIMILAR SURFACE-COATING MATERIALS AS BANNED HAZARDOUS SUBSTANCES

(Part 191—Hazardous substances: Definitions and procedural and interpretative regulations)

In the matter of classifying certain lead-containing paints and other surface-coating materials as banned hazardous substances:

In the FEDERAL REGISTER of November 2, 1971 (36 F.R. 20985), the Commissioner of Food and Drugs published a notice proposing to declare, under section 3(a) of the Federal Hazardous Substances Act, paints and other surface-coating materials containing more than specified levels of lead and other named heavy metals to be hazardous substances (§ 191.5(a)(2)) and to be products requiring special labeling under section 3(b) of the act (§ 191.7(b)(7)). This is referred to below as the Commissioner's proposal.

In the same issue of the FEDERAL REGISTER (36 F.R. 20986), a notice was published on behalf of petitioners Joseph A. Page et al., which proposed that paint for household use containing more than minute traces of lead be classified as a banned hazardous substance pursuant to sections 2(q)(1)(B) and 3(a)(2) of the act. This is referred to below as the Page proposal.

Approximately 200 comments were received from consumers, consumer and public interest groups, the paint and chemical industries, trade associations, physicians, medical schools, professional societies, Federal, State, and local government agencies, and others. The principal comments are as follows:

The American Academy of Pediatrics, relying on published studies with lead and data respecting the maximum daily permissible intake of lead from all sources, recommended that paints containing more than 0.06 percent of lead be banned if intended for use on interior surfaces, toys, or other children's articles. The Academy agreed with the Commissioner that small amounts of lead in paints when considered in conjunction with other sources of lead in the environment constitute a substantial addition to the body burden that can reasonably be avoided and that any unnecessary exposure should be eliminated or minimized. It also stated that the labeling of paint containers would have little effect in preventing lead poisoning and that paint containing 0.5 percent lead will not provide sufficient protection for children 1 to 3 years of age. The Academy stated that it is estimated that approximately 50 percent of these children repetitively ingest nonfood substances and that abdominal X-rays obtained in the diagnostic evaluation of children suspected of having lead poisoning indicate that very large quantities of foreign substances such as paint, putty, and plaster may be ingested, often without the parent's awareness.

The Bureau of Community Environmental Management, Health Services and Mental Health Administration, Department of Health, Education, and Welfare commented that cautionary labeling does not provide adequate protection, that the availability of lead in paint to children should be held to the lowest concentration possible with current technology and consistent with reasonably good manufacturing practices, and that the maximum concentration of lead in paints intended for use on interior surfaces readily available to children should not exceed 0.06 percent.

The Environmental Protection Agency submitted an in-house technical report which concluded that lead in paint in excess of 0.05 percent could constitute a danger to the health of children with pica. They stated that cautionary labeling would be inadequate to protect the public health and safety and recommended that lead-based paint be banned from interstate commerce.

The medical community generally endorsed the Page proposal and supported the recommendation of the American Academy of Pediatrics. Some physicians from medical centers located in large metropolitan areas submitted the results of their own clinical findings and studies which indicate the hazard posed by lead in paint. Other physicians cited studies which indicate that children can accumulate toxic levels of lead over an extended period of time from paints containing 0.5 percent or less lead. Two physicians cited cases of children wtih excessive body burdens of lead which they could attribute only to paint containing less than 1 percent lead. The medical communtiy generally commented that the labeling proposed by the Commissioner would not provide adequate protection because subsequent occupants of dwellings would not know what paints were applied by previous residents and because labeling may be totally disregarded or misinterpreted.

Nearly all comments from consumers, consumer and public interest groups, and Government agencies (other than those discussed above) endorsed the Page proposal. Some stated that the Commissioner's proposal would not provide sufficient protection against interior use of lead paints, while others suggested that lead paints for interior use be banned and that cautionary labeling be required for other lead paints. Comments from the public health departments for the cities of Philadelphia and New York state that the labeling ordinances and regulations of their cities, which are similar to those in the Commissioner's proposal, have been inadequate to protect children. Both the American Public Health Association and the health departments for the State of New York and the county of Los Angeles support the recommendation of the American Academy of Pediatrics. Some comments suggested other maximum levels for lead in paint. For example, the Congressional Black Caucus recommended that all lead from household paints be banned; the Natural Resources

Defense Council and the Department of Public Health of the city of Philadelphia recommended 0.05 percent as a maximum level for lead in paint.

Paint chemical manufacturers and their trade associations generally supported the Commissioner's proposal and opposed the Page proposal. With respect to the Commissioner's proposal, several comments requested clarification of the labeling statement and sufficient time to reformulate and relabel their products. With respect to the Page proposal, many comments stated that the language "minute traces of lead" is vague and nonspecific; that the data relied on by the petitioners and by the American Academy of Pediatrics is based on lead ingestion studies done with lead compounds other than the lead compounds used in paints and coatings; that scientific data or human experience has not proven that paints containing 1 percent lead are hazardous; that lead is used as a dryer and the substitution or other compounds for lead may be hazardous; and that implementation would cause a severe economic hardship because it is not within the existing state-of-the-art of the paint industry to eliminate all lead from all paint. Several comments contended that the statutory procedures for banning have been ignored in the Page proposal in that only after labeling has been proven inadequate can consideration be given to banning. Other comments stated that warning labels are adequate protection because they prevent misapplication of paint products and serve the public interest by allowing useful, needed paint products to remain on the market. Some comments stated that lead is a necessary component of certain products (e.g., certain exterior primers, rust inhibitors, and automobile touchup paint).

A number of paint manufacturers and their trade associations commented that the inclusion of heavy metals other than lead in the Commissioner's proposal is inappropriate. They stated that the toxicity of different forms of these metals has not been established and suggest that action be deferred pending further scientific investigation. Some manufacturers submitted data which they contend shows that certain heavy metal compounds other than lead are not hazardous, while others stated that adequate test methods need to be developed. Another manufacturer stated that certain of these heavy metals are necessary in the manufacture of fire-retardant coatings and warning colors. Only a few other comments were received that expressed an opinion concerning the Commissioner's proposal as it related to other heavy metals, and none of these were supported by scientific data

The Commissioner, having considered the comments and other relevant material, concludes as follows:

Although paints and other surface-coating materials containing lead do not present an imminent hazard to the public health, they must be considered on the basis of cumulative toxicity over extended periods of time and in conjunction with other sources of lead in the environment. Based on the currently available scientific and medical data, regulatory action must be taken to minimize the health hazards to future generations.

The health hazard from lead will not be effectively eliminated by cautionary labeling requirements. The statute does not provide that such labeling must be tried and proven inadequate before a hazardous substance can be banned. Instead, section 2(q)(1)(B) explicitly provides for banning products from interstate commerce on the basis of a specific finding "notwithstanding such cautionary labeling as is or may be required." Cautionary labeling has not been proven effective in eliminating lead poisoning in many cities which presently have such requirements. In any event, the hazard persists long after the product has been separated from its labeling.

The prudent course of action is to reduce, as rapidly as possible, the amount of lead to which children are exposed. The Commissioner agrees that limiting the amount of lead to "minute traces," as set forth in the Page proposal, is not feasible because that phrase is vague and would not provide manufacturers with specific standards, and it could not be effectively enforced by the Food and Drug Administration. In addition, limiting regulatory action only to paint is inadequate to protect the public health and safety because other surface-coating materials containing lead are used in and around the household and are accessible to children.

The preponderance of medical opinion supports a regulation limiting the amount of lead in products intended for interior surfaces and for toys or other children's articles to 0.06 percent because that level will provide a marign of safety. However, such a regulation would not prevent the use of products containing higher amounts of lead on exterior surfaces. These surfaces are generally as accessible to children as interior surfaces, and, as the comments points out, children have been subjected to lead poisoning by ingesting products containing lead that were applied to exterior surfaces. In addition, if products containing lead are available for exterior use, they may be misused for interior surfaces.

The Commissioner recognizes that restrictions placed upon the use of lead may result in economic hardship and in the substitution of other components for use as dryers. The statute makes no exception for economic hardship. Several compounds have been suggested as substitutes for lead. Each manufacturer, prior to marketing consumer products, must take steps to determine that any substitute for lead has been adequately tested for safety and shown to be safe. Any banning order should therefore provide a reasonable time to test substitutes for lead and establish their safety, and at the same time provide adequate protection to the public.

The National Paint and Coatings Association, which represents more than 900 companies, has notified the Commissioner that it anticipates its members can produce by January 1974 interior products not exceeding the 0.06 percent maximum lead level and can produce by January 1975 exterior products not exceeding the 0.06 percent maximum lead level. Some paint and chemical manufacturers have notified the Commissioner that they can reformulate their products to meet the 0.06 percent maximum lead level in a shorter time period. On February 19, 1972, a notice was published in the Federal Register (37 F.R. 3780) requesting that additional information from the industry be submitted by April 7, 1972. If, after considering this information, the Commissioner finds that lead can be eliminated from paints and other surface-coating materials more rapidly than the implementation dates specified in the following order, an appropriate amendment will be made.

Therefore, the Commissioner finds that, notwithstanding such cautionary labeling as is or may be required under the Federal Hazardous Substances Act, the degree or nature of the hazard involved in the presence or use of lead in paints and other surface-coating materials in households is such that the objective of the protection of the public health and safety can be adequately served only by keeping such substances, when so intended or packaged, out of the channels of interstate commerce. Under section 2(q)(1) of the act, this will have the additional effect of banning such products from use on any toy or other article intended for use by children.

Since lead may be a necessary component of products intended for particular uses, as suggested by several comments, the Commissioner is prepared to consider petitions proposing amendment of the regulation. Pursuant to 21 CFR 191.201, petitions showing reasonable grounds will be published in the Federal Register. Consideration will also be given in late 1973 to petitions for extension of the implementation date upon a showing that the public health will not be jeopardized and that technological necessity requires additional time to meet the 0.06 percent maximum lead level.

At this time, further information is required before a final order can be promulgated regarding the use of certain elements, other than lead, in paint and other surface-coating materials. Additional data on the use of these materials will be obtained in response to the Federal Register notice of February 19, 1972 (37 F.R. 3780), and these products will be considered at a later date.

Therefore, pursuant to provisions of the Federal Hazardous Substances Act (secs. 2(f)(1)(A), (q); 74 Stat. 372, as amended, 80 Stat. 1304–05; 15 U.S.C. 1261 (f)(1)(A), (q)) and the Federal Food, Drug, and Cosmetic Act (sec. 701(e), (f), (g); 52 Stat. 1055–56 as amended by 70 Stat. 919 and 72 Stat. 948; 21 U.S.C. 371 (e), (f) (g)), and under authority delegated to the Commissioner (21 CFR 2.120): *It is ordered,* That Part 191 be amended by adding a new subparagraph (6) to § 191.9(a), as follows:

§ 191.9 Banned hazardous substances.

(a) Under the authority of section 2(q)(1)(B) of the act, the Commissioner declares as banned hazardous substances the following articles because they possess such a degree of hazard that adequate cautionary labeling cannot be written and the public health and safety can be served only by keeping such articles out of interstate commerce:

* * * * *

(6) (i) Any paint or other similar surface-coating material intended, or packaged in a form suitable, for use in or around the household that:

(*a*) Is shipped in interstate commerce after December 31, 1973, and contains lead compounds of which the lead content (calculated as the metal) is in excess of 0.06 percent of the total weight of the contained solids or dried paint film; or

(*b*) Is shipped in interstate commerce between December 31, 1972, and December 31, 1973, and contains lead compounds of which the lead content (calculated as the metal) is in excess of 0.5 percent of the total weight of the contained solids or dried paint film.

(ii) Any toy or other article intended for use by children that:

(*a*) Is shipped in interstate commerce after December 31, 1973, and bears any paint or other similar surface-coating material containing lead compounds of which the lead content (calculated as the metal) is in excess of 0.06 percent of the total weight of the contained solids or dried paint film; or

(*b*) Is shipped in interstate commerce between December 31, 1972, and December 31, 1973, and bears any paint or other similar surface-coating material containing lead compounds of which the lead content (calculated as the metal) is in excess of 0.5 percent of the total weight of the contained solids or dried paint film.

Any person who will be adversely affected by the foregoing order may at any time within 30 days after its date of publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 6–88, 5600 Fishers Lane, Rockville, Maryland 20852, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the

provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in six copies. Received objections may be seen in the above office during working hours, Monday through Friday.

Effective date. This order shall become effective 45 days after its date of publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be given by publication in the FEDERAL REGISTER.

(Secs. 2 (f) (1) (A), (q), 74 Stat. 372, as amended 80 Stat. 1304–05, 15 U.S.C. 1261(f) (1) (A), (q); sec. 701 (e), (f), (g), 52 Stat. 1055–56 as amended by 70 Stat. 919 and 72 Stat. 948; 21 U.S.C. 371 (e), (f), (gg)

Dated: March 8, 1972.

JAMES D. GRANT,
Deputy Commissioner of Food and Drugs.

[FR Doc. 72-3750 Filed 3-10-72; 12:30 p.m.]

[From the Washington Post, March 11, 1972]

FDA BANS LEAD FROM HOME PAINTS

(By Victor Cohn)

The Food and Drug Administration yesterday ordered lead banned from all household paints starting in 1974.

Responding to years of complaints from inner city residents that young children were getting lead-poisoning from eating peeling paint, FDA Commissioner Charles C. Edwards gave paint-makers until Dec. 31 to cut lead in paints and surface coatings to no more than one-half of 1 per cent.

After Dec. 31, 1973, no such paint may contain more than six-hundredths of a per cent, a trace amount.

Only Friday the country's paint-makers told a Senate health subcommittee that such a limit was "unreasonable and "unnecessary" for children's health.

Members of the National Paint and Coatings Association, said Executive Secretary Robert Roland, were ready to accept a one-half of one per cent limit—one FDA proposed as recently as Nov. 2.

But since November, Edwards said, the FDA has been convinced by the American Academy of Pediatrics that that level would not protect children one to three years old.

Half of these children "repetitively" eat paint, putty and plaster, often without their parents' knowledge, the medical group claims.

Thirty to 50 percent of District of Columbia babies may be expected to have an undue body burden of lead before school age, a 1971 survey by Georgetown University doctors reported. Damage may range from mild nervous disorders to severe mental retardation.

Inner city children, say health authorities, suffer today from a combination of sources—eating fat chips of old, often pre-World War II heavily leaded paint and breathing air heavy with lead from gasoline.

The new rules will not get at the vast problem of lead from old paints. Many paints contained more than 50 per cent white lead before World War II.

Lead was reduced greatly in more advanced paints in the 1940s. In 1955 the paint industry, spurred by the pediatrics group, agreed to a voluntary limit in interior paints of no more than one percent.

A New York City survey recently found that paints made by 25 of 76 firms did not comply with this limit, however. Some labels even state "safe for cribs and playpens" despite lead content as high as 9 per cent.

In a D.C. survey, 72 of 97 samples contained less than 1 percent lead—but 3 of 58 interior paints contained 5 percent.

New paints as well as old are a poisoning problem. Rep. William F. Ryan (D-N.Y.) has repeatedly cited medical studies showing that children commonly eat paint chips containing lead from several layers. These and up to high lead levels even though there is little lead in single layers.

Ryan and five medical and law specialists and students petitioned FDA in August asking it to ban all lead-based home paints. Congressional Black Caucus members did the same last month.

Now Ryan, Sen. Edward M. Kennedy (D-Mass.) and others are asking for increased federal spending to detect and treat lead poisoning and get old paint removed from apartments.

A Ryan-Kennedy act authorized $30 million for 1971 and 1972, and President Nixon for the first time requested $2 million for fiscal 1972. But Congress appropriated $7.5 million, and none of this sum, Ryan said yesterday, has reached local communities yet.

Ryan and Kennedy ask $50 million as "a bare minimum" for fiscal 1973 in view of more than $30 million in local requests in hand already. The President has budgeted $9.5 million.

The FDA ruling also applies to toys and other painted children's articles. It covers exterior as well as interior paints.

Paint-makers put lead in paint for drying and anti-corrosion qualities and often for color, and thought it safe to use more lead in outside paint. But many house-holders, it has been shown, use exterior paint in interiors.

The Lead Industries Association has supported a bill in Congress that sets the same low lead levels for paint as yesterday's FDA order.

Speaking for the paint industry, however, Roland yesterday called the FDA action "a hastily conceived regulation done for political reasons alone to satisfy Congress." The action will boost paint prices and force small manufacturers out of business, he added, and could eliminate some colors and gloss enamels.

FDA said that since November it examined 200 comments from consumers, doctors, governments, public interest groups and industry. "This demonstrates that the administrative process can work for consumers," said Ryan, "when the consumers put enough pressure and evidence before regulatory agencies, so the agencies can no longer close their eyes."

[From the Washington Star, March 10, 1972]

FDA, SPURRED BY CITIZENS, TOUGHENS LEAD PAINT RULE

The Food and Drug Administration today acceded to the position of a group of citizen petitioners who have battled for more than four months to convince the agency to take strong action aimed at preventing children's deaths from paint-induced lead poisoning.

In disclosing its final regulations on the amount of lead to be allowed in household paint, the FDA almost completely abandoned its earlier position in favor of far more stringent guidelines drafted by the citizen petitioners.

The new regulations specify that "any paint or other similar surface-coating material intended or packaged in a form suitable for use around the household" and shipped in interstate commerce after Dec. 31, 1973, can contain no more than 0.06 percent lead.

MAJOR VICTORY

In 1973, household paint will be allowed to have as much as 0.5 percent lead—the level originally advocated by the FDA as a permanent standard but rejected almost unanimously by the medical profession, other government agencies and consumer organizations.

Until that interim guideline goes into effect at the end of this year, household paint can contain as much as one percent lead and still conform to federal standards.

Adoption of the 0.06 percent or "minimum traces" level as a permanent standard represents a major victory for five citizens who last November banned together to challenge the FDA during the often complex rule-making proceedings which precede the issuance of government regulations.

Sponsors of that successful effort were Rep. William F. Ryan, D-N.Y.; Joseph A. Page, an associate professor at the Georgetown University Law Center; Anthony L. Young and Mary Win O'Brien, both students at Georgetown; Jack Newfield, a New York writer; and Dr. Edmund O. Rothschild, a New York physician.

They were aided by the American Academy of Pediatrics; the Environmental Protection Agency; two units of the Department of Health Education and Welfare; and a number of city, county and state health departments—all of which opposed the FDA's original standard as too lenient to be effective.

Ingestion of flaking household paint with a high lead content is believed to be responsible for the deaths of approximately 200 children each year. An estimated 12,000 to 16,000 other youngsters suffering from paint-induced lead poisoning are treated and survive each year, but about half of them apparently are left mentally retarded.

GRADUAL TIGHTENING

The principal support for the FDA's original position came from the National Paint and Coatings Association, a Washington-based trade association representing the country's paint manufacturers. The major concession given to the industry was the 22-month period during which the standards will be gradually tightened.

On the other hand, the FDA rejected the position of the industry—and its own staff—which would have allowed an exemption from the standards for household paints whose containers include labels warning of the higher-than-acceptable lead content.

"The health hazard from lead will not be affected by cautionary labeling requirements," Dr. Charles C. Edwards, the FDA commissioner, said today.

OPERATION OF INTERIM LICENSING OF CERTAIN THERMOELECTRIC PLANTS NEEDED

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

Mr. DINGELL. Mr. Speaker, I am introducing today a bill which would amend the National Environmental Policy Act, by specifying the nature of the environmental impact statement to be filed with respect to certain thermalelectric generating facilities.

In December, 1971, the District Court of the District of Columbia handed down an opinion in the case of Izaak Walton League against Schlesinger, holding that a full statement was required to be filed before a plant could be operated for testing or operation purposes, even though construction on that plant had begun before NEPA had been enacted. That decison, also known as the Quad Cities decision, has created considerable concern in both regulatory and utility circles.

The bill which I introduce today would have the effect of permitting the issuance of operating licenses for steam plants requiring a Federal license, with a somewhat relaxed NEPA procedure for a short period of time. It is intended to

provide relief in the narrow set of circumstances in order to allow existing plants to conduct testing activities and to operate in emergencies under environmental safeguards. The exemption which it provides would terminate on July 1, 1973—a point in time after which I have been assured that the regulatory agencies involved can meet their full responsibilities under NEPA.

The bill needs informed criticism and discussion. I am introducing it for that purpose—to see that all parties who may be interested in this issue are given an opportunity to consider the matter and to offer such suggestions as they may feel are appropriate. It is our hope to hold hearings on this bill at an early date, and to see that all views are given full consideration before action is taken.

I hope and expect that the environmental community will give this bill very careful consideration. Responsible members of this group have recognized that the transition from what some have termed "the bad old—environmental—days" to the present is a complicated matter, requiring some adjustment by both sides of most issues. Whether this is such a case, and the extent to which the basic principles of NEPA should be modified is a matter which will occupy the foreground of any consideration of this or other bills with a similar purpose.

What experience we have had with NEPA tells us that the basic purposes of the bill are sound. Agencies within the Government have so indicated to our committee, in oversight hearings on the legislation. It is not our intention to create substantial exceptions to its principles. It is our intention to accommodate these principles to the needs of reality, where it is shown that this must be done.

We solicit the views of any person or group upon this bill, in order that the committee may have before it the full range of considerations which may bear upon its ultimate adoption.

As proposed, the bill reads as follows:

H.R. 13752

A bill to amend the National Environmental Policy Act of 1969 to provide for the interim licensing of the operation of certain thermoelectric generating plants, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 106. (a) Notwithstanding any other provision of this Act, in any proceeding subject to section 102(2)(C) of this Act for the issuance by a Federal agency of a license to operate a thermoelectric generating plant, the Federal agency, if—

"(1) the application for such license was filed with such agency on or before September 9, 1971,

"(2) the application for the permit to construct such plant was filed with such agency on or before January 1, 1970, and

"(3 the statement required under such section 102(2)(C) with respect to the issuing of such license to operate is not completed by such agency as of the effective date of this section.

may issue an interim license to operate such plant.

"(b) Any interim license issued pursuant to this section—

"(1) may authorize the operation of the plant concerned only—

"(A) to the extent necessary to carry out appropriate testing of the plant, and

"(B) to provide emergency power at times, when the system to which it is connected is operating at peak capacity, but in no case may the plant be operated for this purpose beyond 20 per centum of its rated capacity.

"(2) shall state the period of time for which it is effective and may contain provisions for the extension of such period, but in no event may such permit be valid after (A) the date on which the statement required under section 102(2)(C) of this section with respect to the license referred to in subsection (a)(1) of this subsection is completed, or (B) July 1, 1973, whichever first occurs; and

"(3) be subject to such other terms and conditions as the Federal agency deems necessary and appropriate to carry out this section.

"(c) No interim license may be issued pursuant to this section until after the Federal agency consults with the Council on Environmental Quality with respect to the terms and conditions of the license. The issuance of any such interim license shall be consistent with an appropriate regard for environmental values in accordance with such rules and regulations as the agency may deem necessary, and shall be without prejudice to any subsequent licensing action with respect to the plant concerned which may be taken by the agency. No interim license may be issued unless the Federal agency—

"(1) determines that the issuance of the interim license will not have a significant, adverse impact on the quality of the environment; or

"(2) considers and balances—

"(A) whether it is likely that the conduct of the activity under the interim license will give rise to a significant, adverse impact on the environment; the nature and extent of such impact, if any; and whether redress of any such adverse environmental impact can reasonably be effected should modification or termination of the interim license be required;

"(B) whether the conduct of the activity under the interim license should foreclose subsequent adoption of alternatives in facility design or operation; and

"(C) the effect of delay in issuance of the interim license upon the public interest."

PERSONAL ANNOUNCEMENT: MARINE MAMMAL PROTECTION ACT

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

Mr. MIKVA. Mr. Speaker, I regret that I was unavoidably absent last week when the House voted to amend and to pass the Marine Mammal Protection Act (H.R. 10420). Had I been present, I would have voted "aye" on roll 70.

When H.R. 10420 came to the floor under suspension of the rules last December, I voted against passage. The bill was simply too weak to merit the designation "protection." It would have permitted the continued slaughter of sea mammals, subject only to the inconvenience of applying for a Federal license to kill.

Fortunately the House refused to pass H.R. 10420 in December, and insisted that it be brought to the floor under a more regular procedure which would allow strengthening amendments to be offered.

When the bill came up the second time, last week, it was amended to provide for a 5-year moratorium on the taking of protected sea mammals. With this strengthening amendment the bill is a more meaningful conservation effort. Although there were other amendments which the House failed to adopt and which would have improved the bill even further, I would have voted in favor of final passage had I been present.

PERSONAL ANNOUNCEMENT

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

Mr. MIKVA. Mr. Speaker, I regret that I was unavoidably absent last week when the House voted on the conference report accompanying H.R. 1746, expanding the jurisdiction of the Equal Employment Opportunity Commission and providing the EEOC with enforcement powers.

Had I been present I would have voted "aye" on roll 67. In addition, I would have voted "no" on roll 68, final passage of the bill H.R. 11624 providing additional funds for Transpo '72.

THE LATE CARL WEIDEMAN, EX-CONGRESSMAN AND RETIRED JUDGE

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

Mr. NEDZI. Mr. Speaker, it is my sad duty today to inform the House that Carl M. Weideman, a former Congressman from Michigan's 14th District, a Wayne County circuit judge for 18 years, and a prominent personality in Detroit-area life for nearly half a century, passed away this week at his Grosse Pointe Park home.

Judge Weideman, a big, gregarious man, served one term in the House, being elected to the 73d Congress. I note that our distinguishehd colleague, EMANUEL CELLER, WRIGHT PATMAN, and WILLIAM COLMER, are the only Members of the 92d Congress who served in the 73d Congress.

But it was as a judge that Carl Weideman will be most remembered.

A graduate of the University of Michigan, he served in the U.S. Navy during World War I. After graduation from the Detroit College of Law, he was a trial lawyer in the Detroit area. In 1932 he won election to Congress on the Democratic ticket.

In 1936 he was elected Wayne County circuit court commissioner, a post which dealt with landlord-tenant relations. In 1950, he was appointed circuit court judge by Gov. G. Mennen Williams, one of the first major appointments by the Governor, who was then in his first term.

Judge Weideman, who stood 6 feet 4, was an imposing figure, on the bench and on the speaking circuit, where he was much in demand. He retired from the bench in 1968. But he remained active almost to the end, which came on his 74th birthday.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PEPPER (at the request of Mr. GRAY), for Monday, March 13, 1972, on account of official business.

Mr. NELSEN (at the request of Mr. GERALD R. FORD), for the remainder of the week, on account of official business.

Mr. PEPPER (at the request of Mr. BOGGS), for today, on account of official business.

Mr. JACOBS, for March 14, 15, 16 and 17, on account of return to 11th District of Indiana for rest of week.

Mr. KEE (at the request of Mr. MCFALL), for Monday, March 13, 1972, 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. HECHLER of West Virginia, for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

(The following Members (at the request of Mr. HOGAN) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. HALPERN, for 5 minutes, today.

Mr. HAMMERSCHMIDT, for 1 hour, on Wednesday, March 15.

Mr. ESCH, for 5 minutes, today.

Mr. CÓRDOVA, for 10 minutes, today.

Mr. SEBELIUS, for 10 minutes, today.

Mr. MYERS, for 60 minutes, on March 28.

(The following Members (at the request of Mr. RUNNELS) and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. ASPIN, for 10 minutes, today.

EXTENSION OF REMARKS

By uanimous consent, permission to revise and extend remarks was granted to:

Mr. GROSS and to include extraneous matter.

(The following Members (at the request of Mr. HOGAN) and to include extraneous matter:)

Mr. HALPERN in two instances.

Mr. MCDADE in two instances.

Mr. HUNT.

Mr. WYMAN in two instances.

Mr. GROVER.

Mr. DERWINSKI in four instances.

Mr. GOODLING.

Mr. BROYHILL of Virginia.

Mr. THOMSON of Wisconsin.

Mr. SPRINGER.

Mr. SCHERLE in 10 instances.

Mr. GUDE.

Mr. SCHMITZ.

Mr. KEMP in three instances.

Mr. BELL.

Mr. HILLIS.

The following Members (at the request of Mr. RUNNELS) and to include extraneous material:

Mr. ROSTENKOWSKI.

Mr. ANNUNZIO.

Mr. DRINAN in four instances.

Mr. DINGELL.

Mr. BEGICH in three instances.

Mr. CARNEY in three instances.

Mr. CLAY in six instances.

Mr. DIGGS in two instances.

Mr. EDWARDS of California in two instances.

Mr. HAGAN in three instances.

Mr. RARICK in three instances.

Mr. ROGERS in five instances.

Mr. EVINS of Tennessee in two instances.

Mr. WALDIE in three instances.

Mr. MONAGAN.

Mr. FOUNTAIN.

Mr. DULSKI in seven instances.

Mr. NICHOLS.

Mr. MOSS.

Mr. ANDERSON of California in two instances.

Mr. VAN DEERLIN in two instances.

Mr. ICHORD.

Mr. FRASER in five instances.

Mr. GRIFFIN in two instances.

Mr. BOLLING in four instances.

Mr. RODINO.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1746. An act to further promote equal employment opportunities for American workers.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on March 10, 1972, present to the President, for his approval, a bill of the House of the following title:

H.R. 10834. Authorizing the State of Alaska to operate a passenger vessel of foreign registry between ports in Alaska, and between ports in Alaska and ports in the State of Washington, for a limited period of time.

ADJOURNMENT

Mr. RUNNELS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 32 minutes p.m.), the House adjourned until tomorrow, Tuesday, March 14, 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:

1724. A letter from the president and national executive director, Girl Scouts of the United States of America, transmitting the 22d annual report of the Girl Scouts, covering the fiscal year ended September 30, 1971, pursuant to section 7 of the act of March 16, 1950, as amended (H. Doc. No. 92-264); to the Committee on the District of Columbia and ordered to be printed with illustrations.

1725. A letter from the Chairman, National Commission on Productivity transmitting his first annual report, covering the period from July 1970, through February 1972, pur-1970, and for other purposes; to the Committee on Banking and Currency.

1726. A letter from the Commissioner of Education, Department of Health, Education, and Welfare, transmitting the final report and recommendations of the President's Commission on School Finance, pursuant to section 809(d) of Public Law 91-230; to the Committee on Education and Labor.

1727. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation 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; to the Committee on Foreign Affairs.

1728. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting a draft of proposed legislation to amend section 304, title III of the International Claims Settlement Act of 1949, as amended, to provide for additional claims for payment out of the Italian Claims Fund; to the Committee on Foreign Affairs.

1729. A letter from the Secretary of the Interior, transmitting the annual report on the anthracite mine water control and mine sealing and filling program; to the Committee on Interior and Insular Affairs.

1730. A letter from the Assistant Secretary of the Interior, transmitting a report on the deferment of 1971 and 1972 repayment installments due on a small reclamation projects loan repayment contract with the Roosevelt Irrigation District, Buckeye, Ariz., pursuant to 78 Stat. 584 and 85 Stat. 488; to the Committee on Interior and Insular Affairs.

1731. A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act to authorize increased appropriations; to the Committee on Interior and Insular Affairs.

1732. A letter from the Chairman, American Revolution Bicentennial Commission, transmitting summary reports of the meeting of the Commission and the national bicentennial conference held on February 21-23, 1972; to the Committee on the Judiciary.

1733. A letter from the Acting Administrator of General Services, transmitting the 1971 annual report on the status of public building projects authorized for construction and alteration by the Public Buildings Act of 1959, pursuant to 40 U.S.C. 610(a); to the Committee on Public Works.

1734. A letter from the Administrator of Veterans' Affairs, transmiting a draft of proposed legislation to amend title 38, United States Code, to increase the rates of compensation for disabled veterans; to the Committee on Veterans' Affairs.

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:

[*Pursuant to the order of the House for March 9, 1972, the following report was filed on March 11, 1972*]

Mr. BLATNIK: Committee on Public Works. H.R. 11896. A bill to amend the Federal Water Pollution Control Act; with an

amendment (Rept. No. 92-911). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted March 13, 1972*]

Mr. PATMAN: Committee on Banking and Currency. H.R. 13120. A bill to provide for a modification in the par value of the dollar, and for other purposes. (S. Rept. No. 912). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABOUREZK:

H.R. 13740. A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly, and for other purposes; to the Committee on the Judiciary.

By Mr. ADAMS (for himself, Mr. BURKE of Massachusetts, and Mr. DAVIS of Georgia):

H.R. 13741. A bill to amend the Public Works and Economic Development Act of 1965, as amended, to establish an emergency Federal economic assistance program, to authorize the President to declare areas of the Nation which meet certain economic and employment criteria to be economic disaster areas, and for other purposes; to the Committee on Public Works.

By Mr. ASPIN:

H.R. 13742. A bill to create the position of ombudsman, and for other purposes; to the Committee on House Administration.

By Mr. ASPIN (for himself and Mr. PEPPER):

H.R. 13743. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to encourage and assist the use as a crime deterrent of identifying marks made on personal property by electric etching pencils; to the Committee on the Judiciary.

By Mr. BEGICH:

H.R. 13744. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. BLANTON:

H.R. 13745. A bill to amend the Internal Revenue Code of 1954 to provide that married individuals who file separate returns shall be taxed at the same income tax rates as unmarried individuals and to provide a special rule in the case of earned income which is community income; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 13746. A bill to amend the Organic Act of Guam, and for other purposes; to the Committee on Ways and Means.

H.R. 13747. A bill to amend the Internal Revenue Code of 1954 to remove the $5 million limitation on certain amounts available to the Virgin Islands for emergency relief purposes and essential public projects; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 13748. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

H.R. 13749. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

By Mr. CORMAN (for himself and Mr. BEGICH):

H.R. 13750. A bill to prohibit common carriers in interstate commerce from charging elderly people more than half fare for their transportation during nonpeak periods of travel, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN:

H.R. 13751. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of net operating losses of regulated transportation corporations; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 13752. A bill to amend the National Environmental Policy Act of 1969 to provide for the interim licensing of the operation of certain thermoelectric generating plants, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DULSKI (for himself, Mr. HENDERSON, and Mr. HOGAN):

H.R. 13753. A bill to provide equitable wage adjustments for certain prevailing-rate employees of the Government; to the Committee on Post Office and Civil Service.

By Mr. FULTON (for himself, Mr. BLANTON, and Mr. JONES of Tennessee):

H.R. 13754. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pensions to World War I veterans and widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 13755. A bill to amend title 5 of the United States Code with respect to the observance of Memorial Day and Veterans Day; to the Committee on the Judiciary.

By Mr. LANDRUM:

H.R. 13756. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of net operating losses of regulated transportation corporations; to the Committee on Ways and Means.

By Mr. McFALL (for himself, Mrs. CHISHOLM, Mr. MATSUNAGA, Mr. CONYERS, and Mr. MILLER of California):

H.R. 13757. A bill to amend the Public Works and Economic Development Act of 1965 in order to increase the authorization of appropriations for the fiscal year ending June 30, 1973, for public works and development facilities grants, and to require that a larger percentage of such appropriations be expended in certain redevelopment areas; to the Committee on Public Works.

By Mr. MONAGAN:

H.R. 13758. A bill to amend title 18 of the United States Code to permit certain broadcasts of lottery information; to the Committee on the Judiciary.

By Mr. MORGAN (by request):

H.R. 13759. A bill to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. NICHOLS:

H.R. 13760. A bill to amend title 18 of the United States Code to increase the penalty for destruction of aircraft or aircraft facilities; to the Committee on the Judiciary.

By Mr. PETTIS:

H.R. 13761. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of net operating losses of regulated transportation corporations; to the Committee on Ways and Means.

By Mr. RARICK:

H.R. 13762. A bill to provide for a refund of all or part of the social security taxes paid by a deceased individual whenever there is no other person who is or could become entitled to benefits on his wage record, if the total of any benefits theretofore paid on such wage record is less than the total of such taxes; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 13763. A bill to authorize and direct the Secretary of the Army to classify project lands at Lake Texoma for sound recreational use; to the Committee on Public Works.

By Mr. SARBANES:

H.R. 13764. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for adoption fees and related costs incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. MORGAN, Mr. BARRETT, Mr. FLOOD, Mr. BYRNE of Pennsylvania, Mr. CLARK, Mr. DENT, Mr. NIX, Mr. MOORHEAD, Mr. SCHNEEBELI, Mr. WHALLEY, Mr. GREEN of Pennsylvania, and Mr. JOHNSON of Pennsylvania):

H.R. 13765. A bill to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pa., as the "James G. Fulton flood protection project"; to the Committee on Public Works.

By Mr. SAYLOR (for himself, Mr. MCDADE, Mr. ROONEY of Pennsylvania, Mr. GOODLING, Mr. VIGORITO, Mr. BIESTER, Mr. EILBERG, Mr. ESHLEMAN, Mr. GAYDOS, Mr. WILLIAMS, Mr. COUGHLIN, Mr. YATRON, Mr. WARE, and Mr. HEINZ):

H.R. 13766. A bill to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pa., as the "James G. Fulton flood protection project"; to the Committee on Public Works.

By Mr. SAYLOR (for himself and Mr. BLATNIK):

H.R. 13767. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of "food supplements," and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SEBELIUS:

H.R. 13768. A bill to establish policy and principles for planning the use of the water and related land resources of the United States; to the Committee on Interior and Insular Affairs.

By Mr. SHIPLEY:

H.R. 13769. A bill to amend the Internal Revenue Code of 1954 to provide that amounts not in excess of $500 a year received by volunteer firemen shall not be subject to income tax; to the Committee on Ways and Means.

H.R. 13770. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of the income of a retired teacher shall be exempt from income tax; to the Committee on Ways and Means.

By Mr. SIKES (for himself, Mr. CEDERBERG, Mrs. HANSEN of Washington, Mr. LONG of Maryland, Mr. MCKAY, Mr. PATTEN, and Mr. TALCOTT):

H.R. 13771. A bill to authorize the military secretaries to determine family housing facilities under their jurisdiction to be inadequate as public quarters and permit their voluntary occupancy by military personnel with dependents at a charge less than the occupant's basic allowance for quarters; to the Committee on Armed Services.

By Mr. SKUBITZ:

H.R. 13772. A bill authorizing the improvement of certain roads in the vicinity of Melvern and Pomona Reservoirs, Osage County, Kans.; to the Committee on Public Works.

By Mr. SLACK:

H.R. 13773. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. STEED:

H.R. 13774. A bill to amend chapter 15 of title 38, United States Code, to provide for

the payment of pensions to World War I veterans and widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H.R. 13775. A bill to amend title 39, United States Code, with respect to the franked mail of Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VANIK:

H.R. 13776. A bill to repeal the meat quota provisions of Public Law 88-482; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.J. Res. 1102. Joint resolution authorizing the Secretary of the Army to cause a survey to be made for flood control and allied purposes, in the vicinity of Alice, Tex.; to the Committee on Public Works.

By Mr. SIKES (for himself, Mr. QUILLEN, Mr. HATHAWAY, Mr. HAGAN, Mr. MIZELL, Mr. HALEY, Mr. GIBBONS, and Mr. CHAPPELL):

H.J. Res. 1103. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. WOLFF:

H.J. Res. 1104. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. CAREY of New York (for himself, Mr. COLLINS of Illinois, Mr. DAVIS of Georgia, Mr. DONOHUE, Mr. EVINS of Tennessee, Mr. LENT, Mr. MILLER of California, Mr. MURPHY of Illinois, Mr. O'HARA, Mr. NEDZI, Mr. SARBANES, and Mr. WALDIE):

H. Res. 891. Resolution calling for peace in Northern Ireland and the establishment of a united Ireland; to the Committee on Foreign Affairs.

By Mr. PERKINS:

H. Res. 892. Resolution: Request for survey; to the Committee on Public Works.

By Mr. UDALL:

H. Res. 893. Resolution establishing as a standing subcommittee of the Committee on Post Office and Civil Service a Subcommittee on Congressional Mailing Standards; to the Committee on Rules.

By Mr. WOLFF (for himself, Mrs. HICKS of Massachusetts, Mr. DANIELSON, and Mr. COLLINS of Illinois):

H. Res. 894. Resolution expressing the sense of the House of Representatives that the President should suspend, in accordance with section 481 of the Foreign Assistance Act of 1961, economic and military assistance and certain sales to Thailand for its failure to take adequate steps to control the illegal traffic of opium through its borders; to the Committee on Foreign Affairs.

MEMORIALS

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

327. By the SPEAKER: Memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to adoption of the Griffin amendment concerning school busing; to the Committee on Education and Labor.

328. Also, memorial of the Legislature of the State of Oklahoma, requesting the Congress to propose an amendment to the Constitution of the United States relative to the assignment of students to public schools; to the Committee on the Judiciary.

329. Also, memorial of the Legislature of the State of Washington, relative to the importance of short-haul transportation; to the Committee on the Judiciary.

330. Also, memorial of the Legislature of the State of Washington, relative to commemoration of the settlement of the dispute over the San Juan Islands during 1872; to the Committee on the Judiciary.

331. Also, memorial of the Legislature of the State of Vermont, relative to establishment of a national cemetery in Vermont; to the Committee on Veterans' Affairs.

332. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to establishment of a national cemetery in Massachusetts; to the Committee on Veterans' Affairs.

333. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to Federal assumption of the full cost of veterans' services; to the Committee on Veterans' Affairs.

334. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to expansion of the medicare program and increasing the funding of medical research; to the Committee on Ways and Means.

335. Also, memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to enactment of the Social Security Amendments of 1971; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. FORSYTHE:

H.R. 13777. A bill for the relief of Edith I. Miller; to the Committee on the Judiciary.

By Mr. RARICK:

H.R. 13778. A bill for the relief of Anna Yose; to the Committee on the Judiciary.

H.R. 13779. A bill for the relief of Adu Shomazu; to the Committee on the Judiciary.

By Mr. TERRY:

H.R. 13780. A bill to authorize the Administrator of Veterans' Affairs to convey certain property in Canandaigua, N.Y., to Sonnenberg Gardens, a nonprofit, educational corporation; to the Committee on Veterans' Affairs.

By Mr. WYATT:

H.R. 13781. A bill for the relief of Loren Ted Ward, Jr.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

BYELORUSSIAN INDEPENDENCE DAY

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 13, 1972

Mr. HALPERN. Mr. Speaker, Saturday, March 25, is the 54th anniversary of the proclamation of independence of the Byelorussian Democratic Republic. This nation, populated by one of the oldest Slavic peoples, remained free and independent for a short 3-year period before it was overrun by the trampling boots of the Soviet Red army in 1921.

We in the free world should never permit these brave, albeit enslaved, people to think that their plight has been forgotten. Especially at this time of the year when the Byelorussian counterpart to our July Fourth approaches, it is important that we take time out to note this event.

Ever since 1918 when the Byelorussians became an independent nation following the collapse of czarist domination, the tiny nation has been riding a politically rocky road. Its short-lived independence ended with a Soviet promise of greater things but what developed was more than five decades of oppression, degradation, and complete denial of self-determination.

Mr. Speaker, as we look briefly at the history of these valiant people, we in the U.S. Congress should take this opportunity to hope and pray that someday—we hope soon—Byelorussia can once again join with other nations of the world as a free and independent member.

As far back as 1914, V. I. Lenin, founder of modern international communism, held out to subject peoples the promise to uphold "the full right to self-determination of all nations." This line has been followed by his Red disciples who have viewed the aspirations of racial and national groups as convenient tinder for lighting the fires of international revolution—but not as factors to be considered in the treatment by the Soviet Government of the peoples under its own domination.

If the Byelorussian people were given the right of self-determination proclaimed by Lenin, I wonder if they would elect to stay within the Union of Soviet Socialist Republics? There is much evidence indicating that they would not.

The Soviet Republic of Byelorussia is inhabited by some 10 million White Russians, different in many respects from their compatriots in other parts of the Soviet Union. The central government has sought by every means to wipe out the differences in language, culture, and tradition which distinguish these peoples from their fellow citizens.

The Soviet Government argued in 1945 that all the Soviet republics should have seats in the United Nations General Assembly. It succeeded in obtaining seats for both the Ukraine and Byelorussia. If they, themselves maintain that Byelorussia is a truly independent sovereign state—and this is the criterion for a seat, in the U.N. General Assembly—then they should allow Byelorussia to be independent. If Byelorussia is not sovereign and independent—and we all know that it is not—then it should not have a seat in the U.N. General Assembly.

We can hope that the self-determination of peoples will some day become a universal reality—in the Soviet Empire as well as in other parts of the world.