

tion that an employee is going to work for one company all or most of his career, and second, that a company will stay in business forever in the same or expanded condition as it was when it installed its pension plan.

We must realize, as the American worker has realized, that we are in a mobile job market economy, where men and women frequently change their jobs. We must realize too that our economy is going through constant overhauling, which affects the security and stability of the Nation's workers. With such mobility and such change in our economic policies, we must improve the system of private pension plans. We need to give to the American worker the security he is entitled to, so that when he retires he will be able to support himself adequately.

Last year the Senate Labor Subcommittee released a preliminary report on the private pension plan system. The study reviewed 51 plants having a total of \$10 billion in assets. The private pension plans at these plants provided for no vesting or 11 or more years of employment before vesting. Over a 20-year period, only 5 percent of all participants who left their jobs between 1950 and 1970 received benefits from their pension plan. In contrast, in 36 plants with assets of \$6 billion with 10 years of vesting or less, 16 percent of all participants who left since 1950 have received benefits. Workers who have participated in pension plans have seen their retirement income go down the drain due to either layoffs, job switches, early retirement, or faulty employer practices.

#### THE PENSION REINSURANCE AND PROTECTION ACT OF 1973

The bill I am introducing today would help to remedy this problem. It would give the participant a vesting right after 8 years of service at 30 percent, with a yearly increase of 10 percent thereafter. Thus a participant in any private pension program would receive some money

from the pension fund after his 8th year, and would have 100-percent vestment after 15 years of service.

Many private pension plans lack adequate funding. Some companies put less money in the fund than they are required to do by the pension agreement. Others switch the money to different accounts for their own purposes. Consequently, at times of financial crisis, a company may not be able to meet its obligation to pay the participant the money he is owed. If a company goes bankrupt pension plans are at the bottom of the list of debts to be paid off. It is the interest of employers to provide adequate financing of pension plans. A 65-year-old retiree with 35 years of work credit, on a pension plan of \$300 a month will, on the average, receive \$51,840 during the remainder of his life. If the company, in order to insure this payment, puts away the money at the time of his retirement and not before, the total amount required to pay this employee this money would be \$38,675. But if the company puts the money into a fund in each of the 35 years this person is employed, it would cost the firm only \$16,640 or \$475.44 a year. In other words, the funded cost is only 32 percent of the pay-as-you-go or unfunded cost.

#### REINSURANCE PROTECTION

The assets of private pension plans are larger than the assets of the federally run social security program, yet no Federal insurance is available for these plans. We insure the banks of this country, and require their proper management, why not the pension plans which cover millions of workers and contain billions of dollars? The bill I am proposing will require sound management and Federal reinsurance of these pension plans.

#### PORTABILITY

Finally we come to one of the most important aspects of this bill—portability. Many a worker has three, four,

five, or more jobs during his lifetime due to the mobility of this country's job market. Often a person will join a pension plan each time he is employed and then forfeits that money when he moves to a new place of employment. Consequently, when he retires, all that money is lost. This is obviously unfair. Thus, this bill creates a fund where deposits will be made by a member plan upon request of the participant, equal to the current discounted value of the participant's vested right under the plan. I cannot stress strongly enough the importance of this type of program. If such a program is not passed with the other proposals in this bill, the problems that now confront us in the pension plan system will remain unsolved. A worker may have all the vesting rights he deserves, the adequate funding necessary to meet the requirements of his pension agreement, a federally backed guarantee, but still not receive one penny of pension money because during his lifetime he has a number of different jobs.

#### CONCLUSION

Our end goal—the spirit of this bill—is to provide the needed security the retired worker is entitled to have. The recent social security benefit increases were in this spirit. But more must be done. We must protect the worker from the policies of some employers who do not adequately fund pension plans. We must provide the American worker with the right to receive these payments if he desires to retire before the age of 65 or is laid off prematurely. A few years ago Congress passed the Securities Investor Protection Act establishing a Federal Insurance corporation to guarantee stock market investors and market speculators against losses due to financial difficulties in brokerage firms. It is time we pass a Pension Protection Act that will protect the millions of American workers from inadequate pension funding and give to these many million people the security to which they are entitled.

## HOUSE OF REPRESENTATIVES—Friday, June 8, 1973

The House met at 12 o'clock noon.

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

*I will lift up mine eyes unto the hills, from whence cometh my help.—Psalms 121: 1.*

O God, our Father, we thank Thee for the morning and for the gift of another day. Through all its hours help us to walk humbly with Thee and to live happily with our fellow men. Give to us health of body, cleanliness of mind, and generosity of spirit that we may do our work with all our hearts. We would work to make our dreams come true and dream to make our work worth doing.

Deliver us from fears that frustrate us, from bitterness that belittles us, and from worries that weary us and wear us out. Grant unto us the faith that fortifies, the hope that heartens, and the love that lifts us up.

Let Thy presence live in our hearts that our coming in and our going out

may be in the path of Thy holy will ministering to the welfare of our country and meeting the needs of our people; through Jesus Christ our Lord. 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 bill of the House of the following title:

H.R. 4704. An act for the relief of certain former employees of the Securities and Exchange Commission.

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

S. 71. An act for the relief of Uhel D. Polly.

#### INFLATION AND PRICES REACH NEW HIGHS

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

Mr. TAYLOR of North Carolina. Mr. Speaker, news that wholesale prices last month soared at an annual rate of 24 percent emphasizes again that inflation has become our Nation's most pressing problem. Obviously, there has been no break in the inflation spiral.

I am informed today by the Economic Research Service of the U.S. Department of Agriculture that soybean meal has

jumped from \$93.50 per ton in June 1972 to a recent high of \$450 per ton and No. 2 yellow corn from \$1.25 to \$2.59 per bushel during the same period. Such wild price increases in feed grain costs spell disaster for the farmer producing livestock, milk, and poultry products and for the consumer.

We read that the President is considering steps to cool the economy, but so far administration policies have been too weak and too late.

The President's advisers are clinging to scraps of favorable news and ignoring the daily evidence that their economic policies are not working. This is not only wishful thinking, but it is willful denial of obvious facts.

The President should scrap phase III of his price control program and go back to wage, price, rent controls, at least as tough as phase II and broader in scope.

When Congress extended the President's power to control prices some 2 months ago, I voted for mandatory price controls at the existing levels, and when that was defeated, I supported a 12-month extension of existing authority. Since then, each day has brought bad news in regard to inflation, with food prices, feed grain prices, lumber prices, and many other prices out of control. The economy had gained reasonable stability under phase II, but phase III is a hopeless failure. President Nixon should admit this and go back to tougher controls.

#### MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS WHOLESALE PRICE INDEX IS ECONOMIC WARNING SIGNAL TO THE NATION

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

Mr. O'NEILL. Mr. Speaker, may I say that I must concur with the remarks of the gentleman from North Carolina (Mr. TAYLOR).

Mr. Speaker, alarm signals continue to go off in all sectors of the economy. Today it is the wholesale price index which is flashing red.

The Labor Department reports that the index jumped another 2 percent in May and is now 13 percent higher than a year ago. Over the past 3 months the wholesale index has risen at an annual rate of 23 percent.

What that is going to mean is higher prices for consumers when those goods and foodstuffs finally get to the stores and supermarkets. Instead of relief from inflation, as the Nixon administration was predicting earlier this year, the American people have nothing to look forward to except more inflation.

I have already pointed out the inequity in the economy, as Mr. Nixon is managing it. Prices are rising at the fastest peacetime rate since World War II. Corporate profits are up 26 percent in the first quarter of this year. Executive pay went up 13½ percent in 1972. And the working men and women of America are taking home less today in real wages than they were 6 months ago.

Yet the President still refuses to impose wage-price controls, as the Congress has authorized him to do, or to deal in any way with this major problem. The economy has become a national crisis.

#### CONFERENCE REPORT ON H.R. 2246, EXTENDING PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

Mr. BLATNIK. Mr. Speaker, I call up the conference report on the bill (H.R. 2246) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, may I correctly assume that the gentleman will take some time to explain what transpired in the conference?

Mr. BLATNIK. If the gentleman will yield, we will have for the RECORD the full story and, of course, we will be present to answer any questions on the floor, and if we do not have the answers, we will be glad to supply them for the RECORD.

Mr. GROSS. Mr. Speaker, I thank the gentleman and withdraw my reservation of objection.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 5, 1973.)

Mr. BLATNIK. Mr. Speaker, we bring before the House the conference report on H.R. 2246, which is a bill to extend the Public Works and Economic Development Act of 1965 for an additional year, through fiscal year 1974.

First, I wish to express my sincere appreciation to my colleague, "Bizz" JOHNSON of California. Bizz JOHNSON has carried much of the burden of this important legislation over the last few years and he was floor manager for our economic development legislation in the House last year. I also wish to thank the other conferees, ROBERT E. JONES, of Alabama, a strong supporter of economic development legislation who managed H.R. 2246 on the floor earlier this year, and who was one of the initiators of the Appalachian Regional Development Act; WILLIAM HARSHA of Ohio, and JOHN PAUL HAMMERSCHMIDT of Arkansas, for their efforts in effecting a prompt resolution to the differences between the House and Senate. I wish particularly to thank the Republican Members for their continued efforts to find common ground with the administration to insure the continuation of this vitally needed and proven successful program.

On June 5, Members of the House and Senate Public Works Committees met in conference and reached agreement on a compromise version of H.R. 2246.

This conference agreement contains a bare-bones authorization of \$430 million to continue the economic development programs—reduced by more than 60 percent from the \$1.2 billion which the House approved last March. The \$430 million in the bill now is the absolute minimum required to keep the economic development programs alive while Congress conducts an in depth review of all aspects of our efforts to promote economic growth in lagging areas.

The conference agreement represents our sincere—but final—effort to cooperate with the administration in balancing our shared goal of economy with the need to maintain these absolutely essential economic development programs. We have worked hard with the Members of the Senate to find some common ground with the administration on this much needed legislation, and we have lowered authorizations to the absolute minimum possible while still maintaining our commitment to economically distressed areas throughout the Nation, to the regional commissions, and to the nearly 300 communities affected by the recent closing of defense installations.

The drastic reduction in the authorizations from the House bill should not in any way imply a diminution in the need for these funds, but rather indicates our steadfast commitment to working at achieving a budget level acceptable to all parties. The economic development program has been a great success—communities across the Nation have created effective development organizations at the local level, and it is imperative to maintain funding for these organizations over the coming year even at the cost of lowering authorizations in order to seek compromise with opponents of this development strategy.

It was the sense of the conferees that these authorizations represent a minimum of what is needed for this program and that, with careful division of whatever funds are available among the various titles, it should be possible to continue all the current economic development programs at somewhere near their current level of funding. It may require careful allocation of funds to assure that no program under the various titles of the act receives a disproportionate share of the available funds, and that all titles have sufficient funds to continue both existing EDA and regional commission programs at meaningful levels. The authorizations as agreed to by the conferees will themselves provide an indication of the approximate emphasis which we believe should be placed on each of the programs.

Following is an outline of what the conference agreement on H.R. 2246 does.

The agreement extends the Economic Development Act of 1965 for an additional year, through fiscal year 1974, by authorizing a total of \$430 million. Authorizations for the programs under the act as recommended in the conference report are as follows:

Two hundred million dollars is authorized for public facility grant programs, far below the amount currently authorized by law and close to the



amount that could be appropriated while staying within the limits of the budget;

Fifty-five million dollars is authorized for business development programs, \$1.5 million above the amount appropriated this year; and

Thirty-five million dollars is authorized for technical assistance under title 3. This amount is \$15 million less than the original house bill, and current law, and is \$3.5 million above the amount appropriated in 1973.

It is from this authorization that funding for the relief of areas affected by recent defense installation closings must come. There have been 274 actions to consolidate, reduce, realine, or close military and civilian positions in 32 States, the District of Columbia, and Puerto Rico. This authorization is also necessary to retain funding for the economic development district program so this structure can be carried over into future legislation.

Forty-five million dollars is authorized for growth centers under title 4. This is \$5 million below the amount authorized in the house bill, in the current law, and appropriated for fiscal year 1973. This funding must be continued at least at this reduced level because it is the sole source of project funds for growth centers under the legislation.

Ninety-five million dollars is authorized for the title 5 regional commissions. This is a minimum level considering the progress that has been made in regional planning and the increase in the number of commissions operating under the authority of the act. Two new commissions were created recently, at the administration's initiation, and there are now 29 State members of the seven existing regional commissions. The five original commissions, which have been in existence for several years, have completed their development plans—plans which must now be funded under this authorization.

The amount of money authorized in this bill is modest compared to the payoff that we can expect from the operation of these programs in areas of high unemployment and economic distress.

In addition to the simple extension with new authorizations, the bill reinstates a moratorium on the dedesignation of redevelopment areas or other areas that are eligible for assistance under the act.

Three miscellaneous amendments made by the Senate were constructive and were accepted by the conferees.

One such amendment requires a report to the Congress within 30 days after enactment from the Inter-Agency Economic Adjustment Committee listing details of utilizing unused defense property and other efforts to assist each community affected by defense installation closings.

Another amendment contained in the Senate amendment and accepted by the conference requires the President to instruct the Secretary of Commerce and Office of Management and Budget to examine past and current Federal efforts to secure balanced national economic development and to submit a proposal to

the Congress within 6 months for restructuring Federal economic programs into a coordinated plan for assistance.

The bill, as reported by the conference, also permits the Secretary, at his discretion, to pay up to 100 percent of administrative expenses of Indian organizations eligible to receive technical assistance under the act. The current law authorizes the Secretary to pay up to 75 percent of administrative expenses to such organizations.

This vitally needed program of economic development assistance has received strong support in both Houses on previous occasions.

The House considered and passed H.R. 2246 on March 15 by a vote of 278 to 108. That bill authorized a total of \$1,222.5 million for the programs I have outlined above.

On May 8, the Senate took up the House bill, and amended and passed it by a vote of 81 to 16, substantially reducing the total amount authorized by the bill to \$362.5 million.

In the short life of EDA, since 1965, evaluations have demonstrated that these programs have created over half a million new jobs and there is no other existing Federal program that could perform the function carried out by this legislation.

The transfer of these programs to other agencies, as recommended by the President in his budget, is extremely unrealistic, and can never carry out the work now being performed by existing programs. I therefore hope you will join with me in voting to accept the conference report on H.R. 2246 and for the continuation of our valuable and badly needed economic development effort.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, the extension of the Public Works and Economic Development Act of 1965, as amended, is both necessary and desirable. This act has allowed the greatest flexibility of any Federal program in local decisionmaking for rifle-shot aid to economically distressed areas of the country. EDA is a Federal-local partnership in action; this valuable planning and technical assistance vehicle has proven itself a responsible tool for delivering the Federal dollar to meet local needs. It is totally coordinated with the needs of the local community.

We have heard unfounded statements that EDA programs have been ineffective and have failed in their intended purpose. However, evidence presented to the Congress indicates that the agencies established under this legislation have been responsible for the creation of more than half a million jobs in lagging areas since they began work in 1965.

The Administration has suggested that various other programs, some untried and even not yet existent, should be substituted for the tested and successful economic development programs we have now.

The Rural Development Act, the Small Business Act, the Better Communities Act, the Responsive Govern-

ments Act, and the Federal Water Pollution Control Act have been so mentioned. Although the existing programs mentioned fulfill the purpose for which they were enacted, they cannot substitute for the current economic development programs. We, therefore, find the administration proposal far from satisfactory.

One current argument for this proposed substitution is that the Rural Development Act will offer the same dollar amount as does EDA, that it is rural in nature, and that it allows greater local decisionmaking. Any comparison, however, between these two acts cannot be entirely valid. Most fundamentally, EDA has gotten people to think about economics. We cannot say that the Rural Development Act will do the same. Through self-assigned goals of development under existing economic development programs, these communities, areas, and regions lagging in the natural process of growth and development could measure the results.

Under proposed RDA guidelines, in place of existing substate districts, the States' Governors will be asked to designate an area or areas within their respective states for RDA funds. These areas may be multicounty, a county, or a small area and may be designated without regard to economic distress. On the basis of such designations, allocations of industrial and municipal 5 percent interest loan money will be made to the Governors who will, in turn, allocate to the designated areas. It is not known at this time what the formula for the allocation of the grant money—a mere \$10 million—will be.

RDA is, in its present form, clearly not a program designed to replace the only Federal program devoted to upgrading the lagging economies of areas through Federal-local partnership as contained in EDA.

Rural Development money is loan and loan-guarantee money. Any economically distressed community would be reluctant to take on the burden of loans for development of public facilities. Without the grants, technical assistance and planning money offered by EDA, these lagging communities have a slim chance for economic recovery under this proposed alternative.

The administration's proposal to increase funding under the Small Business Act certainly cannot adequately compensate for the loss of the business development loan authority under the Economic Development Administration. EDA loans are aimed at creating jobs in lagging areas of the Nation. SBA loans, on the other hand, do not have job creation as a requirement, nor are they restricted to economically distressed areas. Also, the average effective job-creating EDA loan has been for an amount in excess of \$1 million, whereas SBA is restricted by law to loans not larger than \$350,000.

Another substitution, the proposed Better Communities Act—if it were passed by the Congress, which is by no means certain—could not possibly go into effect until fiscal year 1974. Even the President's budget recognizes this fact. This would leave a gap of a full year between the termination of existing

programs and the beginning of a new program. This alone is certainly a compelling reason to continue the existing legislation for another year, in order to retain the momentum of existing programs and to provide orderly transition to any new programs the Congress may establish.

The Housing and Urban Development Act's section 701 program has a proposed \$110 million appropriation for fiscal year 1974, \$10 million over the fiscal year 1973 appropriations. This additional \$10 million is provided specifically to permit the States to support activities of regional commissions, if they wish. This is an effort to replace title V under the economic development legislation, currently being funded at a \$41 million annual appropriation. Furthermore, the \$10 million is to be allocated equally among the 50 States, whereas the \$41 appropriation is currently being allocated only to distressed areas within the 29 States participating in the seven regional commissions now in existence. Consider that the regional commission grant program now in the law permits the commissions to take action on projects identified by their plans as worthwhile. Without the ability to make grants, the regional commissions would become impotent planning agencies, without the power to act on their plans, which have been prepared over the last several years and which are now complete and ready to be implemented.

Another of the administration's proposed substitutes, the Responsive Governments Act, has not even been written yet, much less approved by the Congress, so it is difficult to comment on it.

Grants under the Federal Water Pollution Control Act are necessarily aimed at correcting existing pollution problems. The construction of new sewage treatment facilities necessary to job creation in lagging areas has a low priority in this program.

Finally, the administration has stated that the Public Works and Economic Development Act programs are inflationary. The authorizations contained in the conference report on H.R. 2246 for these programs for next year is \$430 million. The administration's proposed substitutes, on the other hand, carry a much higher price tag, in excess of \$3 billion. Certainly, if there is to be criticism of spending which fosters inflation, that criticism would be better directed at the administration's \$3 billion proposal

than at the bill recommended by the conferees.

Also, the administration's proposals do not allocate funds differently between lagging economies, which are not prone to inflation, and those which are already laboring at the limits of productive capacity and are inflating rapidly. For example, under the \$2.3 billion Better Communities Act, a revenue sharing proposal, funds would be allocated as freely to a community with full employment and a spiraling wage scale as to a depressed community with high unemployment and a declining wage and price structure. Such a program defies commonsense with regard to inflation, as well as equity.

Existing economic development programs, on the other hand, focus Federal funds specifically on lagging areas, areas which have large unused manpower and other resources, where there is little danger of stimulating inflation because of competition for scarce resources.

Economic, social and political factors all play a role in location patterns of new industries. EDA has contributed to this pattern by offering assistance to distressed communities in their efforts to attract industries through industrial parks, water and sewer lines and basic facilities which are essential to a community's viability. This program has been highly successful; it is unique; it has the development of these lagging areas in mind; it is needed; and there is currently no acceptable alternative either in existence or proposed.

For the remainder of the year, the Committees on Public Works of the Senate and House plan extensive review and investigation of Economic Development legislation to see if any changes are needed to further the efforts of domestic development. Additionally, the committees will review any proposed alternatives to EDA. If, in the wisdom of the Congress, changes are needed to streamline development legislation, or to reduce or eliminate any duplication, then action will be taken.

Overall, a 1-year extension of the existing economic development programs has much to recommend it, especially in light of the economic difficulties which it now appears we will be experiencing in the next 6 to 12 months. These include a possible decline in the overall economy, severe economic dislocation caused by closing of military installations, and dam-

age caused by flooding in certain portions of the Nation.

Certainly, there is every reason to prefer extension of the existing economic development legislation to a series of not yet existent or inadequate programs which may or may not be able to deal effectively with our economic problems. I respectfully submit that the conference report should be approved and the bill to extend the Economic Development Act be sent on to the President.

Following are a section-by-section analysis of H.R. 2246 as agreed to in conference and a chart showing the funding authorizations of the existing economic development program and of H.R. 2246 at each stage of development:

SECTION BY SECTION ANALYSIS OF H.R. 2246 AS AGREED TO AND REPORTED BY THE CONFERENCE

SECTIONS OF BILL

1—Amends Title I (Public Facility Grants and Supplemental Grants) by amending Section 105 of the Act to authorize \$200 million for fiscal year ending June 30, 1974 to carry out title.

2—Amends Title II (Public Facility Loans and Financial Assistance for Business Development) by amending Section 201(c) to authorize \$55 million for fiscal year ending June 30, 1974 to carry out title.

3—Amends Title III (Technical Assistance, Research, and Information)

3(a)—Amends Section 301(b) to permit the Secretary to pay up to 100% administrative expenses of an Indian tribe.

3(b)—Amends Section 302 to authorize \$35 million for fiscal year ending June 30, 1974 to carry out title.

4—Amends Title IV (Area and District Eligibility) by amending Section 403(g) to authorize \$45 million for fiscal year ending June 30, 1974 to carry out title.

5—Amends Title V (Regional Action Planning Commissions) by amending Section 509 (d) to authorize \$95 million for fiscal year ending June 30, 1974 to carry out title.

6—Amends Section 2 of the Act of July 6, 1970 (P.L. 90-304) to reinstate a moratorium on de-designation of "redevelopment areas" to June 30, 1974.

7—Requires a report to Congress within 30 days after enactment from the "Inter-Agency Economic Adjustment Committee" listing details of utilizing unused defense property and other efforts to assist each community with plans for its economic development.

8—Requires the President to instruct the Secretary of Commerce and the Office of Management and Budget to examine past and current Federal efforts to secure balanced national economic development and to submit proposal to Congress within six months for restructuring Federal economic programs into coordinated plan for assistance.

Total funds authorized, \$430 million.

H.R. 2246 TO EXTEND THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT THROUGH FISCAL YEAR 1974

[In millions of dollars]

	Current authorization in act	Bill as passed by House	Bill as passed by Senate	Compromise of authorizations in bill	Actual 1973 appropriation
Title I: Public facility grants	800.0	800.0	200.0	200	166.5
Title II: Business development	170.0	170.0	50.0	55	53.5
Title III: Technical assistance	50.0	50.0	25.0	35	31.5
Title IV: Growth centers	50.0	50.0	12.5	45	50.0
Title V: Regional commissions	152.5	152.5	75.0	95	41.7
Total	1,222.5	1,222.5	362.5	430	343.2

Mr. BLATNIK. Mr. Speaker, will the gentleman yield on that point concerning the amount finally agreed upon in the conference?

CXIX—1183—Part 15

Mr. JOHNSON of California. I yield to the gentleman from Minnesota.

Mr. BLATNIK. The gentleman from California raises a very good point when

he states that the House made considerable concessions to the conferees of the Senate and yet also tried to meet the wishes of the administration. In short,



from the approximately \$1.2 billion in the House bill, which received approximately 70 percent of the vote in the House when it was considered by the body on March 15th, we went all the way down, by two-thirds, by cutting out 792.5 million and we come in with a bare-bone, skin and scalp operation of one-third of the amount. Is that correct?

Mr. JOHNSON of California. The gentleman is correct.

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

Mr. JOHNSON of California. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that in all categories, or the titles, or whatever they are in this bill, that the present funding level is \$400 million and some odd dollars?

Mr. JOHNSON of California. \$343.2 million.

Mr. GROSS. \$434.2 million? That is what the conference report calls for?

Mr. JOHNSON of California. No. The conference report calls for \$430 million in all categories.

Mr. GROSS. That is the figure that I want. The Senate had originally passed a bill for \$250 million; is that correct?

Mr. JOHNSON of California. No. The Senate had passed a bill for \$362.5 million, in all categories.

Mr. GROSS. But the House was called upon to vote on \$1.2 billion; is that correct?

Mr. JOHNSON of California. The bill called for \$1,222,500,000 as it passed the House, and 70 percent of the Members of the House voted in favor of it.

Mr. GROSS. So this is in the neighborhood of one-third of the amount that the Committee on Public Works submitted to the House and asked the House to vote on.

My question is, were the heads of the members of the House Committee on Public Works in the clouds or were they in orbit when they submitted the original bill to the House?

Mr. JOHNSON of California. No. I would answer the gentleman from Iowa that that figure was the amount authorized by existing law in effect in 1973. The program has never been funded to the extent of its full authorization in any of its categories, but they have carried on a very active program of assistance throughout the United States in the areas most in need of help.

The amount of money that has been spent in this program has created over half a million jobs throughout the United States. The people who testified in support of the bill were very much in favor of it. The administration people who testified said that they were going to replace this particular act with other special revenue-sharing programs that they were going to bring before the Congress later, and that amounted to a good many billion dollars, probably \$4 billion in the overall, about \$3 billion more than the EDA bill as it passed in the House.

Since that time these programs have not come up, so in our deliberations with the Senate in conference we agreed to cut the amounts back to take care of the needed programs until these other pro-

grams are brought before the Congress and considered by this body.

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

Mr. JOHNSON of California. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I voted against the bill when it was before the House, and for the reason that I thought it was unconscionably high. I want to commend the committee for capitulating and reducing this bill to within some area of reason.

I thank the gentleman for yielding.

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

Mr. JOHNSON of California. I yield to the gentleman from Texas.

Mr. KAZEN. There is an amendment that the Senate put on this bill and that the House accepted which requires a report to Congress within 30 days after enactment from the Inter-Agency Economic Adjustment Committee, listing details of utilizing unused defense property and other efforts to assist each community that has lost a military installation. My city is one of those that has had a base ordered closed.

My question is this: Our closing becomes effective on Sept. 30. Is there any way that we can slow that process down in order to find out what the Federal Government is actually going to do with that property and how best we may be able to utilize that property to obtain jobs in my community?

Mr. JOHNSON of California. We did adopt the amendment that calls for this study to be made, but I do not think there is any way we can slow down the closing of these bases that have been selected. They have been ordered closed, and they are on phaseout at the present time.

The bill calls for a study to be made, and a report submitted to Congress within 30 days from date of enactment.

Mr. KAZEN. I also understand that there will be some money authorized under this bill in order to assist those communities in planning the development of these properties that have been closed in order to best utilize them to alleviate the economic impact which the base closing will have on the community.

Mr. JOHNSON of California. That is right. Under title III, technical assistance, there is \$35 million authorized, and some of this money could be made available for this type of thing.

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

Mr. JOHNSON of California. I yield to the gentleman from Minnesota, the chairman of the Committee on Public Works.

Mr. BLATNIK. Mr. Speaker, the House insisted on this amount, realizing the need of the additional communities that do not have industrial development committees and which need technical assistance. The authorization is closer to the current appropriation of \$31.5 million and is \$10 million more than the Senate provided. That is why we insisted on the additional \$10 million.

Mr. KAZEN. I thank the chairman.

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

Mr. JOHNSON of California. I yield to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Speaker, I congratulate the members of the Public Works Committee on both sides of the aisle, especially my colleague from California, Mr. JOHNSON, the floor manager of the bill, for their exceptionally good work on this important and necessary legislation. On March 15 I reintroduced H.R. 2246, designed to extend the life of the Economic Development Administration 1 year. Over 100 of my colleagues joined with me in cosponsoring this proposal.

At the time, my statement on the floor urged the administration to confer with the Governors of Appalachia, city managers in Michigan, county administrators in California, mayors in New England, and EDA regional directors to "tell it like it is," in order that the administration would better realize the success of EDA.

Since that time, the House and Senate have passed this bill and the Senate has already acted favorably on the conference report. I urge my colleagues in the House to give the House conference report an overwhelming vote of approval today.

Mr. Speaker, the Public Works and Economic Development Act of 1965 is scheduled to go out of existence on June 30 of this year. The agencies created by this act, the Economic Development Administration, EDA, and the Regional Economic Development Commissions, have done a fine job in bringing a better economic future to hundreds of communities across our land. The work of these agencies should be continued.

President Nixon's budget advocates ending the work of EDA and the regional commissions at the end of this fiscal year. To accept this proposal would be a very grave error.

Unemployment—even during the current overheated economic boom—continues at the level of 5 percent nationally and is much higher in the distressed areas of our Nation, in the central cities, and in much of rural America. In my home district, Stanislaus and San Joaquin counties have been rated high on the Department of Labor's unemployment list.

Even now, more than 4.4 million of our citizens are out of work, and the outlook for the next year indicates a rapidly approaching slowdown in the economy during which unemployment could be heading back up toward 6 percent once again.

Under these circumstances, it would be very unwise to dismantle the one program which can respond to the coming economic slowdown, and which can help alleviate the suffering visited upon families when work cannot be found.

The administration wants to discontinue the work of EDA and the regional commissions in the name of fighting inflation. This is a fallacious argument. Inflation comes from putting too great a strain on existing resources—and the EDA and regional commission programs work in distressed areas of the Nation where resources are not strained, where there are large pools of idle manpower.

Bringing the unemployment rate in a distressed area down from 15 percent to, say, 6 percent through the EDA program is not going to bid up wages and is not inflationary.

In fact, if EDA and the regional commissions had been funded at higher levels over the last 8 years and had been able to build up more of our distressed areas, perhaps we would not now be facing the prospect of rapid inflation. We would have built up our productive capacity through EDA and regional commission projects to such an extent that current production levels would not be bumping against overall capacity. In short, the EDA and regional commission programs are just about the opposite of inflationary.

Instead of continuing these proven existing programs, the administration has proposed replacing them with a number of unproven alternative programs given the concern we all have over the current high rate of inflation.

Under these circumstances, it appears much the wiser course for the Congress to continue the EDA regional commission programs, rather than to trust our future to the uncertain alternatives being proposed by the administration. For this reason, I hope you will join me in voting to accept the conference report on H.R. 2246.

Mr. HARSHA. Mr. Speaker, I yield to the distinguished gentleman from Arkansas, the ranking minority member of the subcommittee and the minority floor manager on this bill, who has done an outstanding job on this legislation and who has given us his great assistance on this. I yield to the gentleman from Arkansas (Mr. HAMMERSCHMIDT) such time as he may consume.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of the conference report to H.R. 2246. The Public Works and Economic Development Act has been highly effective in creating jobs in economically distressed areas of the Nation. Evidence presented to the Congress indicates that the agencies established under this legislation have been responsible for the creation of more than half a million jobs in lagging areas since they began work in 1965.

The conferees have reached agreement on a 1-year extension measure which recognizes the importance of carrying on this work and acknowledges the need for fiscal responsibility in congressional authorizations.

On March 15 of this year, the House passed by a margin of over 2 to 1 the 1-year extension of the Public Works and Economic Development Act of 1965, as amended. This extension was designed to allow time for the committee to conduct investigations and hearings on the issue of domestic development and to make subsequent recommendations for any changes, if the necessity is indicated. H.R. 2246 extended the act at current authorization levels of over \$1.2 billion.

The Senate amended the bill and reduced authorizations to \$362.5 million. H.R. 2246, as amended, passed the Senate on May 8 by an overwhelming vote.

In my judgment, the conference re-

port represents a sound compromise for the EDA extension. The other body added two very important study provisions which the House conferees found desirable. One would require a report to Congress within 30 days from the Inter-Agency Economic Adjustment Committee listing details of utilizing unused defense property and other efforts to assist each community with plans for its economic development. The other would require the President to instruct the Secretary of Commerce and OMB to examine current and past Federal efforts to secure balanced national economic development and submit a proposal to Congress within 6 months for restructuring Federal economic programs into a coordinated plan for assistance.

The authorization agreed to by conferees for H.R. 2246 totals \$430 million for fiscal year 1974. This reduces by \$792.5 million the initial authorization approved by the House on March 15. The report before us today would authorize \$200 million for title I public facility grants, \$55 million for title II business development, \$35 million for title III technical assistance, \$45 million for title IV growth centers and \$95 million for title V regional commissions.

This total of \$430 million will provide for a viable economic development program in the coming fiscal year. The amount of EDA funding actually appropriated for fiscal year 1973 substantiates this fact. The current fiscal year appropriation includes: \$166.5 million for title I, including \$30 million for disaster assistance, \$53.5 million for title II; \$31.5 million for title III; \$50 million for title IV; and \$41.7 million for title V. Therefore, if the total authorization in H.R. 2246 is appropriated, we would have an increase of \$86.8 million in EDA funds in fiscal year 1974.

The extension of EDA into 1974 and the expenditure of \$430 million is justified by its superior record of accomplishment. I strongly disagree with the administration's proposal to abolish the existing EDA programs as of June 30 of this year. Although there are reasons to examine the effectiveness of the existing programs and make selective improvements, there is no justification for wholesale abandonment of our efforts to stimulate the creation of jobs in lagging areas of the Nation.

The administration has suggested that various other programs be substituted for EDA assistance. In effect, we are asked to discard a tested and successful program for other untried and even not yet existent programs. For example, the Better Communities Act, the Responsive Government Act, the Rural Development Act, and Small Business Administration Act have been mentioned. The Better Communities Act is currently a proposal before Congress, and the Responsive Government Act has not even been written yet. By abolishing EDA on June 30, we would be faced with a gap of at least a year before the beginning of new programs.

The administration has further recommended replacing existing regional commission programs with an additional \$10 million for use by all 50 States un-

der the Housing and Urban Development Act's section 701 planning program. This will not work. Current programs provide more than four times this amount for use only in lagging portions of only 29 States. How, therefore, can we cut funding from \$41.7 to \$10 million and add another 21 States to the program? This would dilute the regional commission program as well as leave it powerless by removing the ability to make grants to carry out their approved planning.

I am a strong supporter of the Small Business Administration, as well as EDA. However, they have two different sets of criteria aimed at meeting different needs. The administration's proposal to increase funding under the Small Business Act would not compensate for loss of the business development loan authority under EDA. While EDA loans are aimed at creating jobs in economically depressed areas, SBA loans do not have a job creation requirement and they are not restricted to distressed areas of the country. While the SBA loan is restricted by law to \$350,000, the average effective job-creating EDA loan has been for an amount in excess of \$1 million. By any definition, a workable program to create employment is not small business.

Many highly distressed urban areas have benefited from the public facility grant program under the Economic Development Act. The proposal to fund public facility assistance under the Rural Development Act would not compensate for EDA in urban areas, because the rural development program is a rural loan program.

Grants for correcting pollution problems under the Federal Water Pollution Control Act cannot adequately replace EDA assistance. Construction of new sewage treatment facilities necessary to job creation has a low priority in this program. In addition, the budget authority for 1974 and 1975 under the 1972 Water Pollution Control Act represents a decrease of more than one-half the amount authorized by Congress.

The administration has stated that the Public Works and Economic Development Act programs are inflationary. With a 1974 authorization of less than half a billion dollars, I do not agree. Additionally, EDA funds are not fed into the general economy of the Nation. They are funneled into areas with severe economic depression. All Federal funds under EDA programs are focused specifically upon lagging areas where there exists a large pool of unused manpower and other resources. Inflation is not stimulated by the EDA approach. It is stimulated by competition for scarce resources and allocating Federal funds to areas with full employment and a spiraling wage scale. EDA directs its assistance to communities with high unemployment and a declining wage and price structure.

The Economic Development Administration and its programs exemplify the administration's concept of "new federalism." EDA has proven itself as a responsible vehicle for delivering the Federal dollar to meet the local need. It allows the greatest flexibility of any Federal program in local decisionmaking.



In conclusion, the transition to a peacetime economy is increasingly more evident. We still have severely depressed areas in America and the increasing removal of military activities from other areas promises to create new threats to those areas which have been economically sound. Certainly, this is no time to abandon the sole Federal program devoted to job creation and economic growth. I strongly urge my colleagues, in the best interests of the Nation, to vote in favor of the conference report on H.R. 2246.

Mr. HARSHA. Mr. Speaker, I rise in support of this conference report.

As it has been indicated, it is a bare bones authorization. We have cut the original House version down by practically two-thirds, recognizing of course the economic situation of the Nation and the budgetary impact this program would have upon the administration's budget.

For several months the gentleman from Arkansas (Mr. HAMMERSCHMIDT) and I have been negotiating with the administration in trying to determine a position they would accept so we could proceed with enacting this legislation and proceed with the very vital work and accomplishments that have been rendered by the Economic Development Administration. I am advised that the appropriate officials of the administration will recommend to the President that he sign this measure into law.

I am also advised, and the members of the conference committee were advised by me, that the administration would seek an appropriation of \$200 million and that they would commit themselves to spend that \$200 million. Of course, we here cannot write that limitation into the legislation because that is a matter for the Appropriations Committee and a matter for the administration to justify before that committee, but I mention it here so that all Members are put on notice that the administration does intend to request an appropriation of \$200 million, and it will, as I understand it, fully expect to spend that \$200 million.

There is one other caveat which is this: the administration expects to implement this legislation through the transition period until such time as it gets its own programs of special revenue sharing, of assistance under the 701 HUD planning procedures, and additional funding under the Small Business Administration Act and the Rural Development Act. Particularly, the special revenue sharing has not been enacted and we do not know whether it will be enacted. The Rural Development Act is not functioning as yet. Until those programs are written into the law and functioning properly I think it is only proper that we have a transition period and proceed with this act until such time as some other procedure can take its place.

But while that is the intention of the administration, Mr. Speaker, I would like to point out that I believe the Public Works Committee chooses to treat this as a transition period until such time as we can write a more effective and productive Economic Development Act. The Public

Works Committee has great faith in this act.

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

Mr. HARSHA. I yield to the gentleman from Minnesota.

Mr. BLATNIK. Mr. Speaker, I want to express my appreciation of, and indebtedness to, the gentleman from Ohio for clarifying the bill in detail and very logically, we feel, and for emphasizing this very important aspect of the need for a transition period, which this bill will permit.

We have conducted a most careful consideration, scrutiny, and evaluation of those bills. They will not come up for another year. In the meantime, the EDA program will be studied to see where it can be improved and strengthened, so we are not lagging behind in economic development.

Mr. Speaker, I thank the gentleman from Ohio for giving me the time to explain this at this point.

Mr. HARSHA. Mr. Speaker, the gentleman is particularly correct in saying that we hope to improve what we think is already a very workable program.

Mr. Speaker, one other point I would like to make is that, while the administration will ask for an appropriation of \$200 million and intends to spend that much money, we do not know what the title or program breakdown of that appropriation will be. Here again, that is the work of the Committee on Appropriations. We in the legislative committee cannot mandate where that money is placed, but we fully expect that the administration will prorate that \$200 million to a great degree throughout the entire bill.

Again, we leave that possibility up to them. Mr. Speaker, I urge my colleagues to approve this conference report.

Mr. JONES of Alabama. Mr. Speaker, the Public Works and Economic Development Act of 1965 has served us well for almost a decade. This act and its predecessors, the area redevelopment and accelerated public works legislation, have created jobs for literally hundreds of thousands of Americans at a cost that is almost insignificant in view of the tremendous results that have been accomplished.

I am not sure that the suffering of a work can be measured in dollars and cents. But if it could be, the sum of money requested for authorizations for H.R. 2246 would seem unimportant indeed when compared with the great good achieved by relieving the anguish of the jobless families helped by this program.

The Public Works and Economic Development Act has produced more than half a million jobs in the few short years since its creation.

More than 500,000 jobs have been created in less than 8 years—a tremendous achievement.

To put this accomplishment into perspective, consider that our current national unemployment is about 4.4 million persons. Without EDA's job creation efforts, that number would be above 5 million persons. Our current unemployment rate is 5 percent, a figure which is already too high. But, if it were not for

EDA's efforts in past years, unemployment would now be running well above 6 percent.

When one considers that EDA's job-producing efforts have been limited to the most depressed areas of our Nation, the agency's achievement appears even more remarkable.

EDA is confined by legislation to working in communities which have severe economic problems; for example, unemployment well in excess of the national average, very low median family income, or sudden drastic rise in unemployment, as caused by the recent severe flooding in Mississippi, or by close-down of a factory or a military installation. The communities in which EDA works are among the very hardest in the Nation in which to stimulate economic growth.

Nevertheless, EDA and the regional commission have done their job and done it well. People who were previously unemployed and who were taking more from our society in the form of unemployment compensation payments and welfare than they were giving back have been made into productive members of society who are able to contribute to the well-being of all.

In essence, the EDA and regional commission programs offer us the opportunity to convert unproductive expenditures, such as welfare and unemployment compensation into investments in productive jobs. The same funds which are now used to keep a man on the dole can be used to put him to work on a job producing the goods we all need.

The real intent and purpose in forming the regional commission on a multistate basis is to establish the Federal-State partnership closer to the people. They are patterned after the Appalachian Regional Development Act that established the Appalachian Regional Commission.

Like the Appalachian Regional Development Act, the economic development programs are widely supported by the State Governors, by mayors of large and small cities, and by the citizenry at the local level. The existing legislation must be continued until adequate improved legislation can be enacted to fill the vital job now being performed by this act in assisting communities to improve their economic environment.

In the long run, if the jobs that these agencies have created last long enough—and the record shows that these jobs do last—the individual so employed will pay back the cost of creating their jobs several times over through Federal, State, and local taxes.

The EDA and regional commission programs are really investment programs—investment of otherwise unproductive funds in the creation of useful jobs which will repay their cost many times over.

There are not many Federal programs which offer this kind of bargain. The EDA and regional commission programs, however, truly are a bargain, a bargain we should take advantage of by passing H.R. 2246 now.

Mr. WRIGHT. Mr. Speaker, unless we pass H.R. 2246 today, we are threatened with imminent loss of one of the most valuable programs in Government to-

day—the job-creating program of the Economic Development Administration, and the regional economic development commissions.

The Economic Development Administration is empowered to cooperate with the local leadership of any community in the Nation which is suffering from excessive unemployment to work to bring new jobs to the area. Whether EDA takes action in any particular community is based on various realistic measures of need, such as high unemployment, low family income, and threatened sudden rise in unemployment.

This last criteria—sudden rise in unemployment—is particularly important at this point in time.

As we are all well aware, the Department of Defense has recently announced 274 separate actions in 32 States concerning realignment of Defense facilities. These actions will result in the elimination of more than 42,000 jobs and the transfer of thousands more out of communities in which they are presently located.

It goes without saying that loss of a substantial number of jobs deals a severe blow to any community.

To my knowledge, the Economic Development Administration is the only program in Government available to counteract this sudden employment loss in many communities. EDA is empowered to move into action quickly to develop new jobs in these areas which have been severely affected by defense realignments.

It would be ironic indeed if, at the very time that many communities are newly in need of the assistance that EDA can offer, we allowed this valuable program to expire.

The heart of the matter is that the Federal Government has created an economic crisis in hundreds of communities across the Nation, and it is the Federal Government's responsibility—a responsibility in which it must not fail—to help solve the severe problems it has created.

There is little doubt but that EDA can do the job. When similar problems have arisen in the past, for example in Seattle, EDA has been ready and able to give the affected community technical assistance in planning for new economic activity to replace that which has been lost. And then, when the planning is done, EDA has the tools to see to it that the planning can be translated into action. Through the public works grant and business loan programs, EDA can bring new economic life to these communities.

With continuing high unemployment and Government dislocation of existing job patterns, there is little question but that a program of economic readjustment assistance continues to be strongly needed in this Nation. We can best assure that such a program will continue by passing H.R. 2246 without further delay.

Mr. DORN. Mr. Speaker, EDA and the Regional Commissions such as Coastal Plains have helped to bring good jobs, steady income, and more economic security than ever before to thousands of families in South Carolina and throughout the Nation. I am proud to be a co-

sponsor of this legislation. Our people in the formerly less-developed areas can now hope to find good employment close to home. EDA, the Regional Commissions and the Appalachia program are helping to stop the great out-migrations of our people to the crowded metropolitan areas. Today, people who had left our area in search of better jobs have been able to return home and find beneficial employment.

Mr. Speaker, when our Public Works Committee considered this legislation last year one of the most eloquent witnesses to appear before the committee in support of the bill was our own great Gov. John West. Our Governor has firsthand knowledge of the tremendous accomplishments of the EDA and of the Regional Commissions.

EDA grants have greatly assisted the development of technical education centers all over the Nation. For example, in our hometown of Greenwood, an EDA "growth center," EDA assistance has been instrumental in the development of a tremendously successful technical education program. In South Carolina we are proud of the Nation's leading technical education program, a program that has received important EDA assistance. Employees can be trained to accept good-paying positions with industry even before the plant's construction is completed. Time and again in South Carolina we have seen that technical education quickly leads to industrial jobs with high pay. Other eligible EDA counties in our area have recently received tremendously important public facility grants for continued economic progress.

Mr. Speaker, the conference report now before the House authorizes a total of \$430 million for next year, including \$200 million for public facility grants such as municipal water treatment plants and \$95 million for the several regional commissions.

This is good legislation and a wise investment in continued economic progress, Mr. Speaker, and we urge its passage.

Ms. ABZUG. Mr. Speaker, as a member of the Subcommittee on Economic Development of the Public Works Committee and as a representative from an area which has had some good experience with the economic development program and looks forward to having much more in the future, I rise in support of the conference report.

The Nixon administration is out to kill the EDA program, claiming that it lacks local control and does not sufficiently coordinate projects. Both of these claims are false. EDA is an excellent example of a program which coordinates numerous projects being conducted within a given target area, including public works and facilities construction, loans and loan guarantees to small businesses, and the creation of employment. As for local control, the local economic development agencies have ample say in how the Federal funds are to be spent.

It is tragic that we must be here today trying to keep EDA alive, when what we should be doing if we really care about our people is expanding it, especially in urban areas. We also should be giving it

full funding, for only with enough money to really do the job will EDA reach its full potential.

To pass the conference report now before us is the least we should do with respect to EDA, and I urge your affirmative vote this afternoon.

Mr. GINN. Mr. Speaker, my purpose today is to speak on behalf of H.R. 2246 which extends the life of two vital and essential economic development programs: EDA and the Title V Regional Commissions. I studied the report of the conferees very carefully and find myself in total agreement with their recommendations to this distinguished body. I am very familiar with the agencies provided for in this piece of legislation. I am convinced their work is essential and must be carried on if we are to alleviate economic inequities facing many of the underdeveloped regions of our Nation. The projects funded by both EDA and the Title V Regional Commissions have attracted thousands of jobs and provided economic benefits for many of our citizens which may not have happened had it not been for the existence of these agencies.

Especially valuable has been the demonstration grant authority invested in the Title V Commissions which has permitted funding of a variety of worthwhile projects. In my district in Georgia, for example, this demonstration grant authority made possible the construction of a marine resources extension center which seeks to make optimum use of one of our greatest natural resources—the Atlantic Ocean and nearby estuary waters. At the same time, we have been able to secure much needed scheduled air service to connect many of our smaller growth centers with major metropolitan centers in and adjacent to the coastal plains region. Without this authority, these projects would never have come to pass.

I urge my fellow Members of Congress to join with me in supporting these vital programs. The economic benefits derived far outweigh the dollars we will invest to continue these programs for another year. In addition, I want to urge the President, upon passage of this bill, to not only sign it and make the extension of these programs a reality but to carefully consider the appropriation of these funds authorized to assure fair and equitable distribution of the moneys to all the agencies provided for in each title of the act. It is essential that each of these programs receive their fair share of the funds authorized so that they may continue to work in the best interests of the citizens of the Nation.

Mr. PRICE of Illinois. Mr. Speaker, today we are called upon to act on the conference report on H.R. 2246, extension of the Public Works and Economic Development Act of 1965. This legislation would authorize \$430 million for economic development assistance to depressed areas. In addition, a provision is included to require the Secretary of Commerce and the Office of Management and Budget to report to the Congress on Federal efforts to achieve balanced economic development, including the pro-



posed restructuring of certain economic development programs.

The purpose of the Economic Development Act is to provide Federal assistance to State and local governments so that they may more easily develop the planning and financing for solid and lasting economic improvement and the creation of permanent jobs. The employment situation in my congressional district, the 23d of Illinois, is more serious than in most other areas of the United States, but clear progress may be directly attributable to the Economic Development Act. The long-range planning for economic growth and technical assistance made possible by the Economic Development Act has proven itself in southern Illinois.

Mr. Speaker, I know this legislation has overwhelming support in the House, and I feel confident that we will adopt this measure today and send it to the President. The present economic situation is too serious and this program too effective to take any action other than the adoption of this conference report. In addition, the congressional oversight provision is a plus for our constitutional system of checks and balances, which has been distorted by the Executive in recent years. This legislation is needed, and it has my unqualified support.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in strong support of the conference report to extend the authorization for the programs of the Economic Development Administration.

While I commented in depth on the substance and need for this legislation when it was first before the House earlier this year, I would like to reiterate my support at this time and to extend my personal appreciation to the conferees for being able to develop a viable compromise bill.

I do not believe that the bill goes far enough in promoting EDA's work toward economic development and stabilization, because I am convinced the EDA has been one of the most effective Federal agencies in the effort to revitalize our rural areas by reducing the trend toward migration to already crowded cities.

However, I recognize the realities we face and I do believe the legislation before us will permit EDA to continue its work in assisting local governmental agencies meet their needs for planned economic development.

It is, of course, these local entities which must provide the impetus for achieving our economic potential. EDA has shown it can complement the local effort effectively. I hope this bill will have the support of every Member of this body.

Mr. JOHNSON of California. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

Mr. GERALD R. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the

point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 276, nays 2, not voting 155, as follows:

[Roll No. 197]

YEAS—276

Abdnor	Gialmo	Nelsen
Abzug	Gibbons	Nichols
Adams	Ginn	Nix
Anderson,	Gonzalez	Obey
Calif.	Grasso	O'Hara
Andrews, N.C.	Green, Oreg.	O'Neill
Annunzio	Green, Pa.	Owens
Archer	Grover	Patten
Armstrong	Gubser	Pepper
Ashley	Guyer	Perkins
Barrett	Hailey	Pickle
Beard	Hammer-	Pike
Bell	schmidt	Poage
Bennett	Hanley	Podell
Bergland	Hanrahan	Powell, Ohio
Bevill	Hansen, Idaho	Preyer
Blester	Hansen, Wash.	Price, Ill.
Blatnik	Harsha	Price, Tex.
Boland	Hawkins	Pritchard
Bolling	Hechler, W. Va.	Quie
Bowen	Heckler, Mass.	Quillen
Brademas	Heinz	Railsback
Breaux	Helstoski	Randall
Brinkley	Henderson	Rarick
Broomfield	Hicks	Rees
Brown, Calif.	Hinshaw	Regula
Brown, Mich.	Hogan	Rogers
Buchanan	Holt	Rinaldo
Burke, Fla.	Holtzman	Roberts
Burke, Mass.	Hosmer	Robinson, Va.
Burleson, Tex.	Huber	Rodino
Burlison, Mo.	Hungate	Roe
Burton	Hunt	Roncalio, Wyo.
Butler	Hutchinson	Roncalio, N.Y.
Byron	Johnson, Calif.	Rose
Camp	Johnson, Pa.	Runnels
Carey, N.Y.	Jones, Ala.	Ruth
Carney, Ohio	Jones, Okla.	St Germain
Casey, Tex.	Jones, Tenn.	Sandman
Chamberlain	Jordan	Sarasin
Clark	Karh	Sarbanes
Clausen,	Kastenmeier	Satterfield
Don H.	Kazen	Schneebeli
Cleveland	Keating	Schroeder
Cohen	Kemp	Selberling
Collier	Ketchum	Shipley
Collins, Ill.	King	Shoup
Conlan	Kuykendall	Shriver
Conte	Kyros	Shuster
Coughlin	Latta	Sikes
Cronin	Leggett	Sisk
Culver	Lehman	Slack
Daniel, Dan	Long, La.	Smith, Iowa
Daniels,	Long, Md.	Smith, N.Y.
Dominick V.	Lujan	Snyder
Danielson	McCollister	Spence
Davis, Wis.	McCormack	Stanton,
de la Garza	McFall	J. William
Dellenback	McKay	Stark
Dellums	McKinney	Steele
Dennis	Macdonald	Steelman
Dent	Madigan	Steiger, Ariz.
Derwinski	Mahon	Steiger, Wis.
Devine	Mailliard	Stephens
Dickinson	Mallory	Stokes
Dingell	Mann	Stratton
Dorn	Martin, Nebr.	Stubblefield
Downing	Martin, N.C.	Studds
Drinan	Mathias, Calif.	Sullivan
Dulski	Matsunaga	Talcott
Duncan	Mayne	Taylor, Mo.
du Pont	Meeds	Taylor, N.C.
Eckhardt	Mezvinsky	Teague, Calif.
Edwards, Calif.	Miller	Teague, Tex.
Erlenborn	Mills, Ark.	Thompson, N.J.
Esch	Minish	Thomson, Wis.
Evins, Tenn.	Mink	Thone
Fascell	Mitchell, Md.	Thornton
Findley	Mizell	Tierman
Flowers	Montgomery	Towell, Nev.
Ford, Gerald R.	Moorhead, Pa.	Treen
Forsythe	Morgan	Udall
Fountain	Moss	Van Deerlin
Frelinghuysen	Murphy, Ill.	Vanik
Frenzel	Murphy, N.Y.	Vigorito
Froehlich	Myers	Walsh
Gaydos	Natcher	Wampler
Gettys	Nedzi	Whalen

White  
Whitehurst  
Widnall  
Williams  
Wilson, Bob  
Wilson,  
Charles, Tex.

Wolff  
Wright  
Wylie  
Yates  
Young, Alaska  
Young, Fla.  
Young, Ga.

Young, Ill.  
Young, S.C.  
Zablocki  
Zwack

NAYS—2

Gross

Landgrebe

NOT VOTING—155

Addabbo	Foley	Mosher
Alexander	Ford,	O'Brien
Anderson, Ill.	William D.	Parris
Andrews,	Fraser	Passman
N. Dak.	Frey	Patman
Arends	Fulton	Pettis
Ashbrook	Fuqua	Peyser
Aspin	Gilman	Rangel
Badillo	Goldwater	Reid
Bafalis	Goodling	Rhodes
Baker	Gray	Riegle
Blaggi	Griffiths	Robison, N.Y.
Bingham	Gude	Rogers
Blackburn	Gunter	Rooney, N.Y.
Boggs	Hamilton	Rooney, Pa.
Brasco	Hanna	Rosenthal
Bray	Harrington	Rostenkowski
Breckinridge	Harvey	Roush
Brooks	Hastings	Rousselot
Brotzman	Hays	Roy
Brown, Ohio	Hébert	Roybal
Broyhill, N.C.	Hillis	Ruppe
Broyhill, Va.	Hollifield	Ryan
Burgener	Horton	Saylor
Burke, Calif.	Howard	Scherle
Carter	Hudnut	Sebelius
Cederberg	Ichord	Skubitz
Chappell	Jarman	Staggers
Chisholm	Johnson, Colo.	Stanton,
Clancy	Jones, N.C.	James V.
Clawson, Del	Kluczynski	Steed
Clay	Koch	Stuckey
Cochran	Landrum	Symington
Collins, Tex.	Lent	Symms
Conable	Litton	Ullman
Conyers	Lott	Vander Jagt
Corman	McClary	Veysey
Cotter	McCloskey	Waggonner
Crane	McDade	Waldie
Daniel, Robert	McEwen	Ware
W. Jr.	McSpadden	Whitten
Davis, Ga.	Madden	Wiggins
Davis, S.C.	Maraziti	Wilson,
Delaney	Mathis, Ga.	Charles H.,
Denholm	Mazzoli	Calif.
Diggs	Melcher	Winn
Donohue	Metcalfe	Wyatt
Edwards, Ala.	Michel	Wyder
Eilberg	Milford	Wyman
Eshleman	Minshall, Ohio	Yatron
Evans, Colo.	Mitchell, N.Y.	Young, Tex.
Fish	Moakley	Zion
Fisher	Mollohan	
Flood	Moorhead,	
Flynt	Calif.	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rogers with Mr. Minshall of Ohio.  
Mr. Rosenthal with Mr. Peyser.  
Mr. Staggers with Mr. Goodling.  
Mr. Rostenkowski with Mr. Mitchell of New York.  
Mr. Steed with Mr. Edwards of Alabama.  
Mr. Roush with Mr. Mosher.  
Mr. Symington with Mr. McEwen.  
Mr. James V. Stanton, with Mr. Brown of Ohio.  
Mr. Waggonner with Mr. O'Brien.  
Mr. Stuckey with Mr. Lott.  
Mr. Waldie with Mr. Horton.  
Mr. Alexander with Mr. Parris.  
Mr. Flood with Mr. Pettis.  
Mr. Harrington with Mr. Robison of New York.  
Mr. Evans of Colorado with Mr. Scherle.  
Mr. Conyers with Mr. Milford.  
Mr. Corman with Mr. Rousselot.  
Mr. Hamilton with Mr. Vander Jagt.  
Mr. Kluczynski with Mr. Fish.  
Mr. Landrum with Mr. Ruppe.  
Mr. Fisher with Mr. Sebelius.  
Mr. Madden with Mr. Williams.  
Mr. Diggs with Mr. Ryan.

Mr. Metcalfe with Mr. Foley.  
 Mr. Mathis of Georgia with Mr. Passman.  
 Mr. Flynt with Mr. Skubitz.  
 Mr. Mazzoli with Mr. Roybal.  
 Mr. Roy with Mrs. Griffiths.  
 Mr. Jones of North Carolina with Mr. Symms.  
 Mr. Riegle with Mr. Badillo.  
 Mr. Biaggi with Mr. Aspin.  
 Mr. Jarman with Mr. Blackburn.  
 Mr. Bingham with Mr. Burke of California.  
 Mr. Clay with Mr. Ichord.  
 Mr. Fraser with Mr. Hanna.  
 Mr. Moorhead of California with Mr. Patman.  
 Mrs. Boggs with Mr. Arends.  
 Mr. Rooney of New York with Mr. Rhodes.  
 Mr. Fulton with Mr. Anderson of Illinois.  
 Mr. Hays with Mr. Saylor.  
 Mr. Addabbo with Mr. Cederberg.  
 Mr. Howard with Mr. Maraziti.  
 Mr. Brasco with Mr. Gude.  
 Mr. Molloy with Mr. Baker.  
 Mr. Rangel with Mr. Lent.  
 Mr. McSpadden with Mr. Andrews of North Dakota.  
 Mr. Koch with Mr. McCloskey.  
 Mr. Brooks with Mr. Collins of Texas.  
 Mr. Breckenridge with Mr. Frey.  
 Mr. Whitten with Mr. Bray.  
 Mr. Yatron with Mr. Eshleman.  
 Mr. Rooney of Pennsylvania with Mr. McDade.  
 Mr. Charles H. Wilson of California with Mr. Del Clawson.  
 Mr. Chappel with Mr. Ashbrook.  
 Mr. Young of Texas with Mr. Clancy.  
 Mrs. Chisholm with Mr. William D. Ford.  
 Mr. Cotter with Mr. Brotzman.  
 Mr. Davis of Georgia with Mr. Hudnut.  
 Mr. Delaney with Mr. Conable.  
 Mr. Denholm with Mr. Broyhill of North Carolina.  
 Mr. Davis of South Carolina with Mr. Robert W. Daniel, Jr.  
 Mr. Eilberg with Mr. McClory.  
 Mr. Fuqua with Mr. Broyhill of Virginia.  
 Mr. Donohue with Mr. Hastings.  
 Mr. Gray with Mr. Michel.  
 Mr. Gunter with Mr. Bafalis.  
 Mr. Hébert with Mr. Carter.  
 Mr. Hollifield with Mr. Goldwater.  
 Mr. Litton with Mr. Crane.  
 Mr. Melcher with Mr. Harvey.  
 Mr. Moakley with Mr. Hillis.  
 Mr. Reid with Mr. Gilman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

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

There was no objection.

#### MARITIME AUTHORIZATION

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 426 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 426

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the

Union for the consideration of the bill (H.R. 7670) to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LONG of Louisiana. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. Latta), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 426 provides for an open rule with 1 hour of general debate on H.R. 7670, a bill to authorize appropriations for fiscal year 1974 for certain maritime programs of the Department of Commerce. The bill also increases the ceiling of the title XI Government guarantee program from \$3 to \$5 billion.

H.R. 7670 provides for a total authorization of \$531,315,000. There is no increased cost to the Government associated with section 3 of the bill that increases the authority of the Government's title XI guarantee program from \$3 to \$5 billion.

The bill's authorization includes \$275 million for ship construction and modernization and \$221,515,000 for ship operation subsidies. The bill also authorizes \$20 million for research and development activities; and \$3,773,000 for reserve fleet expenses. The bill authorizes \$8,600,000 for maritime training at the Federal Merchant Marine Academy, and \$2,427,000 for financial assistance to State marine schools.

Mr. Speaker, I urge adoption of House Resolution 426 in order that we may discuss and debate H.R. 7670.

Mr. Latta. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 426 provides for the consideration of H.R. 7670, the maritime authorization for fiscal year 1974. This is an open rule with 1 hour of general debate.

The purpose of H.R. 7670 is to authorize appropriations for programs of the Maritime Administration within the Department of Commerce for fiscal year 1974, and to increase the ceiling of the title XI Government guarantee program from \$3 to \$5 billion.

The total cost of this bill is \$531,315,000. This cost is broken down as follows:

\$275,000,000 for acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships. Three is a proviso stating that the appropriation act may provide that unobligated balances previously appropriated for purchase of modern or reconstructed U.S.-flag vessels for layup in the National Defense Reserve Fleet, may also be used for construction-differential subsidy.

Payment for obligations incurred for ship operation subsidies is in the amount of \$221,515,000.

\$20,000,000 is authorized for expenses necessary for research and development activities. This amount includes reimbursement of the vessel operations revolving fund for losses resulting from expenses of experimental ship operations.

For reserve fleet expenses, the amount is \$3,773,000.

There is \$8,600,000 authorized for maritime training at the Merchant Marine Academy; and \$2,427,000 for financial assistance to State marine schools.

There is also authorized such supplemental amounts for the increases in salary, pay, retirement, or other employee benefits authorized by law.

Title XI of the Merchant Marine Act of 1936, authorizes the Maritime Administration to guarantee loans placed commercially for funds used for the construction of U.S.-flag vessels. The title XI program has been so successful that the authorized ceiling has been increased from \$3 billion to \$5 billion.

Mr. Speaker, I know of no objection to this rule and urge its adoption.

Mr. LONG of Louisiana. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 274, nays 0, not voting 159, as follows:

[Roll No. 198]

YEAS—274

Abdnor	Camp	Dulski
Abzug	Carey, N.Y.	Duncan
Adams	Carney, Ohio	du Pont
Anderson,	Casey, Tex.	Eckhardt
Calif.	Chamberlain	Edwards, Calif.
Annunzio	Clark	Erlenborn
Archer	Clausen,	Esch
Armstrong	Don H.	Evins, Tenn.
Ashley	Cleveland	Fascell
Barrett	Cohen	Findley
Beard	Collier	Flowers
Bell	Collins, Ill.	Ford, Gerald R.
Bennett	Conlan	Forsythe
Bergland	Conte	Fountain
Bevill	Coughlin	Frelinghuysen
Blester	Cronin	Frenzel
Blatnik	Culver	Fröhlich
Boland	Daniel, Dan	Gaydos
Bolling	Daniels,	Gettys
Bowen	Dominick V.	Gialmo
Brademas	Danielson	Gibbons
Breaux	Davis, Wis.	Ginn
Brinkley	de la Garza	Goldwater
Broomfield	Dellenback	Gonzalez
Brown, Calif.	Dellums	Grasso
Brown, Mich.	Dennis	Green, Oreg.
Buchanan	Dent	Green, Pa.
Burke, Fla.	Derwinski	Gross
Burke, Mass.	Devine	Grover
Burleson, Tex.	Dickinson	Gubser
Burlison, Mo.	Dingell	Guyer
Burton	Dorn	Haley
Butler	Downing	Hammer-
Byron	Drinan	schmidt



Hanley  
Hanrahan  
Hansen, Idaho  
Harsha  
Hawkins  
Hechler, W. Va.  
Heckler, Mass.  
Heinz  
Helstoski  
Henderson  
Hicks  
Hinshaw  
Hogan  
Holt  
Holtzman  
Hosmer  
Huber  
Hungate  
Hunt  
Hutchinson  
Johnson, Pa.  
Jones, Ala.  
Jones, Okla.  
Jones, Tenn.  
Jordan  
Karth  
Kastenmeier  
Kazen  
Keating  
Kemp  
Ketchum  
Kling  
Kuykendall  
Kyros  
Landgrebe  
Latta  
Leggett  
Lehman  
Long, La.  
Long, Md.  
Lujan  
McCollister  
McCormack  
McFall  
McKay  
McKinney  
Macdonald  
Madigan  
Mahon  
Mailliard  
Mallory  
Mann  
Martin, Nebr.  
Martin, N.C.  
Mathias, Calif.  
Matsunaga  
Mayne  
Meeds  
Mezvinisky  
Miller

Mills, Ark.  
Minish  
Mink  
Mitchell, Md.  
Mizell  
Montgomery  
Moorhead, Pa.  
Morgan  
Moss  
Murphy, Ill.  
Murphy, N.Y.  
Myers  
Natcher  
Nedzi  
Nelsen  
Nix  
Obey  
O'Hara  
O'Neill  
Owens  
Patten  
Pepper  
Perkins  
Pickle  
Pike  
Poage  
Podell  
Powell, Ohio  
Preyer  
Price, Ill.  
Price, Tex.  
Pritchard  
Quile  
Quillen  
Rallsback  
Randall  
Rarick  
Rees  
Regula  
Reuss  
Rinaldo  
Roberts  
Robinson, Va.  
Rodino  
Roe  
Roncallo, Wyo.  
Roncallo, N.Y.  
Rose  
Rosenthal  
Runnels  
Ruth  
St Germain  
Sandman  
Sarasin  
Sarbanes  
Satterfield  
Schneebeli  
Schroeder  
Seiberling  
Shipley

Shoup  
Shriver  
Shuster  
Sikes  
Slack  
Smith, Iowa  
Smith, N.Y.  
Snyder  
Spence  
Stanton  
Stark  
Steele  
Steelman  
Steiger, Ariz.  
Steiger, Wis.  
Stokes  
Stubblefield  
Studds  
Sullivan  
Talcott  
Taylor, Mo.  
Taylor, N.C.  
Teague, Calif.  
Teague, Tex.  
Thompson, N.J.  
Thomson, Wis.  
Thone  
Thornton  
Tiernan  
Towell, Nev.  
Treen  
Udall  
Van Deerlin  
Vanik  
Vigorito  
Walsh  
Wampler  
Whalen  
White  
Whitehurst  
Widnall  
Wiggins  
Williams  
Wilson, Bob  
Wilson  
Charles, Tex.  
Wolff  
Wright  
Wyllie  
Yates  
Young, Alaska  
Young, Fla.  
Young, Ga.  
Young, Ill.  
Young, S.C.  
Zablocki  
Zwach

## NAYS—0

## NOT VOTING—159

Addabbo  
Alexander  
Anderson, Ill.  
Andrews, N.C.  
Andrews, N. Dak.  
Arends  
Ashbrook  
Aspin  
Badillo  
Bafalis  
Baker  
Blaggi  
Bingham  
Blackburn  
Boggs  
Brasco  
Bray  
Breckinridge  
Brooks  
Brotzman  
Brown, Ohio  
Broyhill, N.C.  
Broyhill, Va.  
Burgener  
Burke, Calif.  
Carter  
Cederberg  
Chappell  
Chisholm  
Clancy  
Clawson, Del.  
Clay  
Cochran  
Collins, Tex.  
Conable  
Conyers  
Corman  
Cotter  
Crane

Daniel, Robert W., Jr.  
Davis, Ga.  
Davis, S.C.  
Delaney  
Denholm  
Diggs  
Donohue  
Edwards, Ala.  
Ellberg  
Eshleman  
Evans, Colo.  
Fish  
Fisher  
Flood  
Flynt  
Foley  
Ford  
William D.  
Fraser  
Frey  
Fulton  
Fuqua  
Gilman  
Goodling  
Gray  
Griffiths  
Gude  
Gunter  
Hamilton  
Hanna  
Hansen, Wash.  
Harrington  
Harvey  
Hastings  
Hays  
Hébert  
Hillis  
Hollifield  
Horton

Howard  
Hudnut  
Ichord  
Jarman  
Johnson, Calif.  
Johnson, Colo.  
Jones, N.C.  
Kluczynski  
Koch  
Landrum  
Lent  
Littton  
Lott  
McClory  
McCloskey  
McDade  
McEwen  
McSpadden  
Madden  
Maraziti  
Mathis, Ga.  
Mazzoli  
Melcher  
Metcalfe  
Michel  
Milford  
Minshall, Ohio  
Mitchell, N.Y.  
Moakley  
Mollohan  
Moorhead, Calif.  
Mosher  
Nichols  
O'Brien  
Parris  
Passman  
Pattman  
Pettis  
Peyser

Rangel  
Reid  
Rhodes  
Riegle  
Robison, N.Y.  
Rogers  
Rooney, N.Y.  
Rooney, Pa.  
Rostenkowski  
Roush  
Rousselot  
Roy  
Roybal  
Ruppe  
Ryan  
Saylor

Scherle  
Sebelius  
Sisk  
Skubitz  
Staggers  
Stanton, James V.  
Steed  
Stephens  
Stratton  
Stuckey  
Symington  
Symms  
Ullman  
Vander Jagt  
Veysey

Waggonner  
Waldie  
Ware  
Whitten  
Wilson, Charles H., Calif.  
Winn  
Wyatt  
Wydler  
Wyman  
Yatron  
Young, Tex.  
Zion

So the resolution was agreed to.  
The Clerk announced the following pairs:

Mr. Hays with Mr. Arends.  
Mr. Rooney of New York with Mr. Rhodes.  
Mr. Hébert with Mr. Michel.  
Mr. Addabbo with Mr. Fish.  
Mr. Fisher with Mr. Bafalis.  
Mr. Gray with Mr. Gude.  
Mrs. Griffiths with Mr. Brown of Ohio.  
Mr. Chappell with Mr. Broyhill of North Carolina.  
Mrs. Chisholm with Mr. Hanna.  
Mr. Davis of Georgia with Mr. Bray.  
Mr. Delaney with Mr. Cederberg.  
Mr. Diggs with Mr. Madden.  
Mr. Hollifield with Mr. Del Clawson.  
Mr. Howard with Mr. Maraziti.  
Mr. Johnson of California with Mr. Harvey.  
Mr. Kluczynski with Mr. Clancy.  
Mr. Rostenkowski with Mr. Anderson of Illinois.  
Mr. Rooney of Pennsylvania with Mr. McDade.  
Mr. Koch with Mr. Gilman.  
Mr. Brasco with Mr. Conable.  
Mrs. Boggs with Mr. Broyhill of Virginia.  
Mr. Nichols with Mr. Baker.  
Mr. Clay with Mr. Riegle.  
Mr. Harrington with Mr. Brotzman.  
Mr. Alexander with Mr. Andrews of North Carolina.  
Mr. Blaggi with Mr. Conyers.  
Mr. Cotter with Mr. Ashbrook.  
Mr. Fuqua with Mr. Carter.  
Mr. Fulton with Mr. Robert W. Daniel, Jr.  
Mr. Melcher with Mr. Andrews of North Dakota.  
Mr. McSpadden with Mr. Crane.  
Mr. Fraser with Mr. McCloskey.  
Mr. Mollohan with Mr. Collins of Texas.  
Mr. Rangel with Mr. Foley.  
Mr. Flynt with Mr. Blackburn.  
Mr. Flood with Mr. Eshleman.  
Mr. Roush with Mr. Hillis.  
Mr. Brooks with Mr. McClory.  
Mr. Bingham with Mr. Mosher.  
Mr. Breckinridge with Mr. Wydler.  
Mrs. Hansen of Washington with Mr. Hastings.  
Mr. Ichord with Mr. McEwen.  
Mr. Landrum with Mr. Aspin.  
Mr. Littton with Mr. O'Brien.  
Mr. Roybal with Mr. Peyser.  
Mr. Roy with Mr. Vander Jagt.  
Mr. Mazzoli with Mr. Wyman.  
Mr. Whitten with Mr. Parris.  
Mr. Charles H. Wilson of California with Mr. Pettis.  
Mr. Yatron with Mr. Goodling.  
Mr. Young of Texas with Mr. Zion.  
Mr. Ellberg with Mr. Saylor.  
Mr. Donohue with Mr. Minshall of Ohio.  
Mr. Denholm with Mr. Ruppe.  
Mr. Davis of South Carolina with Mr. Badillo.  
Mr. Ullman with Mr. Scherle.  
Mr. Waldie with Mr. Robison of New York.  
Mr. Passman with Mr. Skubitz.  
Mr. Moakley with Mr. Mitchell of New York.  
Mr. Evans of Colorado with Mr. Horton.  
Mrs. Burke of California with Mr. Ware.  
Mr. Corman with Mr. Rousselot.  
Mr. Hamilton with Mr. Hudnut.  
Mr. Jarman with Mr. Lott.

Mr. Jones of North Carolina with Mr. William D. Ford.  
Mr. Mathis of Georgia with Mr. Sisk.  
Mr. Metcalfe with Mr. Milford.  
Mr. Patman with Mr. Winn.  
Mr. Reid with Mr. Lent.  
Mr. Rogers with Mr. Symms.  
Mr. Gunter with Mr. Sebelius.  
Mr. Ryan with Mr. Wyatt.  
Mr. Staggers with Mr. Stratton.  
Mr. James V. Stanton with Mr. Symington.  
Mr. Steed with Mr. Stuckey.  
Mr. Stephens with Mr. Frey.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mrs. SULLIVAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7670) to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN).

The motion was agreed to.

## IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7670, with Mr. CULVER in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentlewoman from Missouri (Mrs. SULLIVAN) will be recognized for 30 minutes, and the gentleman from New York (Mr. GROVER) will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

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

Mr. Chairman, I rise to urge the passage of H.R. 7670, a bill to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce. H.R. 7670 would authorize these funds for the Maritime Administration in the total amount of \$531,315,000, to be apportioned as follows:

Construction subsidy	-----	\$275,000,000
Operating subsidy	-----	221,515,000
Research and development	-----	20,000,000
National Defense Reserve Fleet	-----	3,773,000
Federal Maritime Academy	-----	8,600,000
State Marine Schools	-----	2,427,000

Before going into some of the important elements of this fiscal year 1974 maritime authorization bill, Mr. Chairman, I would like to put the U.S.-flag maritime situation into proper perspective.

I think this is best done by comparing the existing U.S.-flag fleet to the surging Soviet Russia merchant marine. The comparative figures which I am about to give between the two fleets will be for merchant vessels over 1,000 gross tons, as of June 30, 1972.

As of that date, the U.S.-flag merchant fleet had 659 privately owned vessels, as against 2,079 Russian-flag merchant vessels. Of course, it must be noted that

none of the Russian vessels are privately owned and the entire Russian merchant fleet is State owned. The 659 privately owned U.S.-flag merchant vessels totaled 9,149,000 gross tons, as compared to 11,941,000 gross tons for the 2,079 Russian vessels. We now rank seventh in the total order of world merchant fleets, and the Russians now rank sixth. We have, unfortunately, changed ranking with the Russians in the last year.

I would like to point out that in 1947 there were 5,000 merchant vessels under the U.S. flag. The fact that we have dropped to 659 indicates that there is something wrong with our merchant ship program and that we are approaching a dangerously low figure of U.S.-flag merchant vessels. I think it should be pointed out, however, Mr. Chairman, that there is a considerable difference in the quality and type of ships between the U.S.-flag and Russian-flag fleets. We have one of the most, if not the most, modern and efficient container ship fleets in the world. The Russians are just now beginning to build container vessels for their merchant marine. These capital intensive, quick turn around, highly efficient vessels are obviously much more productive than the old style break bulk vessels, which comprise most of the present Russian-flag merchant fleet.

In addition to being in the vanguard of the container vessel development, the United States has also been the chief proponent of the LASH and SeaBee vessel concepts. The U.S.-flag merchant fleet now boasts some 19 Lash vessels and 3 SeaBee vessels. The Lash and SeaBee, of course, are barge-carrying vessels embodying the concept of the mother cargo and the barges then being towed back and forth for loading and unloading, while the mother ship makes various calls. As with the container ships, the Lash and SeaBee are much more efficient than the old style break bulk vessels, so the numerical superiority of the Russian fleet is mitigated to a considerable extent by the more modern and efficient cargo technique vessels just mentioned, which comprise a good share of the U.S.-flag merchant marine.

While the U.S.-flag fleet has much to be proud of as a result of these innovative concepts, still the numbers are dwindling dangerously and the U.S. Merchant Marine is still beset by a number of problems.

Before moving on to the main elements of this authorization bill, I wanted to give some background to the U.S.-flag merchant fleet which I thought might be helpful to an understanding of the purposes and elements of the maritime authorization bill before us for our consideration.

With respect to the construction program, the administration requested \$275 million for vessel construction for 1974. Although this \$275 million is \$180 million less than the funds appropriated in the last fiscal year, these funds, together with \$50 million of unobligated 1973 funds carried forward, would allow the Maritime Administration to contract for 17 bulk vessels in 1974. The Maritime Administration contemplates that these

17 vessels would be a mix of the following: 2 OBO's (oil-bulk-ore carriers); 3 tankers (up to 100,000 DWT); 3 VLCC's; 6 LNG's; and 3 dry bulk carriers.

As to the operating subsidy program, the Maritime Administration requested \$221,515,000, which is \$10,485,000 less than the funds appropriated last year, but is augmented by an estimated appropriation carry-over balance of \$25,485,000, which would provide for a total of \$247 million.

I think it is important to note, Mr. Chairman, that U.S. container ships are now operating on the North Atlantic trade route without operating subsidy, which is resulting in a savings to the U.S. taxpayers of \$25.6 million annually. In addition, I think it is important to note that considerable progress has been made in reducing manning on new vessels currently used in the U.S.-flag fleet so that the crews on some 86 new ships have been reduced by an average of 4.2 crew members per ship, which amounts to a savings of more than \$110 million in operating differential subsidy costs over the lives of these vessels.

With respect to the research and development activities of the Maritime Administration, your committee favorably reported the request of \$20 million for R. & D., which is \$9 million less than the appropriation for fiscal year 1973. This \$20 million will be augmented by \$5 million carried over from 1973. The major emphasis in fiscal year 1974 will be on such projects as the development of nuclear and automated merchant ships, improvement of shipbuilding techniques and materials, and various pollution abatement measures.

The House Merchant Marine Committee favorably reported the Administration's request of \$3,773,000 for reserve fleet expenses, which was a decrease of \$127,000 from the previous year, due to the declining number of ships in the National Defense Reserve Fleet. These funds will maintain preservation measures on about 323 retention ships in three active Reserve Fleet sites. I would like to note, Mr. Chairman, that the declining numbers of National Defense Reserve Fleet ships is of great concern to our Members because of the possible future necessity to break out such ships in future crises.

Finally, the Administration requested, and your committee approved, \$8,600,000 for the maritime training of future merchant marine officers at the Merchant Marine Academy at Kings Point, N.Y.; and \$2,427,000 for financial assistance to the six State marine schools. These funds are used for the upgrading of these facilities and for the training of cadets at these various maritime academies.

The Merchant Marine Committee favorably reported section 2 of H.R. 7670, without amendment. This section authorizes additional supplemental amounts for fiscal year 1974 for the activities specified in section 1 of the bill to the extent necessary for increases in salaries, pay, retirement, or other employee benefits authorized by law.

The purpose of this section is to avoid amending the fiscal year 1974 authoriza-

tion bill if supplemental appropriations for fiscal year 1974 are sought for this purpose.

Section 3 of H.R. 7670 would amend section 1103(f) of the Merchant Marine Act of 1936, as amended, by striking the figure \$3 billion and inserting in lieu thereof the figure \$5 billion. Title XI of the Merchant Marine Act of 1936 authorizes the Maritime Administration to guarantee loans placed commercially for funds used for the construction of U.S.-flag vessels. The Government's guarantee, secured by a mortgage on the vessel, enables vessel owners to obtain needed investment capital at competitive interest rates. This aid is available in financing the construction of unsubsidized as well as subsidized vessels. The title XI program has been very successful so that in the Merchant Marine Act of 1970 we increased the authorized ceiling of the Maritime Administration from \$1 billion to \$3 billion and the program has continued to grow and diversify.

The Maritime Administrator testified that under the present contract schedule, the existing title XI authority of \$3 billion would be "exhausted sometime during the early fiscal year 1974, perhaps July, August or September," and that if the title XI authority is not forthcoming, the impact on MARAD's construction program "would be a disaster." This program has historically never cost the taxpayer any funding. The title XI program is funded by a revolving fund and this fund has been continually growing. At present, this fund has accumulated over \$40 million.

The increase in the title XI ceiling from \$3 billion to \$5 billion would involve no additional cost to the Federal Government.

You will note, Mr. Chairman, that the above items of expense in this maritime authorization bill does not relate directly to the improvement of port facilities. I mention this because the Congress at present, right now, is faced with the critical issue of offshore port terminals for the importation of raw materials, especially petroleum products. There is no port on the east or gulf coasts of the United States which can handle a tanker over about 100,000 DWT. There are hundreds of foreign-flag tankers over this tonnage and we are right now engaged in construction of a number of U.S.-flag tankers up to 285,000 DWT. Obviously, our runaway energy needs are going to require tremendous imports of petroleum products in the immediate future. If we do not construct several port terminals off our coasts to handle these large capacity tankers, then the importation of petroleum products will be largely by foreign-flag tankers via such non-American port areas as Nova Scotia and the Bahamas. I submit that this is totally unacceptable.

Although the offshore port terminals problem is not within the funding of the maritime authorization bill, the House Committee on Merchant Marine and Fisheries is vitally involved in such matters relating to this offshore port terminals facilities as their relation to maritime trade, to traffic separation schemes,



to vessel utilization and safety, to transfer operations, to port safety and security, and to disposal of waste materials.

Our committee is also concerned with these terminals with respect to their impact on ocean pollution, their impact on site selection of potential marine sanctuaries, their impact on site selection of adjacent shore areas, their impact on fisheries, and the impact of the National Environmental Policy Act on these terminals. I recognize, Mr. Chairman, that other committees of the Congress also have legitimate interests with respect to the offshore terminals problem. Our committee has been working with these committees on this problem and it is my fervent hope that these committees can continue to work together on the crucial issue so that we may jointly produce a responsive and responsible piece of legislation dealing with this critical matter.

H.R. 7670 was reported unanimously from the House Merchant Marine and Fisheries Committee. After full and careful consideration of the record, I strongly urge my colleagues in the House to support H.R. 7670 so that the Maritime Administration can continue to successfully implement the Merchant Marine Act of 1970, and so that we may restore this country to its rightful place as a leading maritime nation.

Mr. WYLIE. Mr. Chairman, will the gentleman from Missouri (Mrs. SULLIVAN) yield?

Mrs. SULLIVAN. Yes, I will be happy to yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, recently I received a copy of an article which appeared in a newspaper at home concerning some money in this bill for reimbursing U.S. shipowners for carrying wheat to Russia. As I understand, there is or has been already appropriated \$35 million for this purpose, and that there is another \$26.9 million authorized for this purpose in this bill.

I wonder if the gentleman would explain the situation in this regard to me for the RECORD.

Mrs. SULLIVAN. Yes, I would be happy to explain. There is no funding in this 1974 fiscal year authorization of appropriations bill for the Russian wheat sales. This is so because we do not know what is to be sent in the future.

Mr. WYLIE. Have we paid the owners of U.S.-flag ships carrying wheat to Russia money to subsidize the operation?

Mrs. SULLIVAN. Owners of U.S.-flag ships, yes. And I may say one of the reasons the subsidy cost has been so high is that when the ships got to port to be loaded with the wheat they had to wait sometimes between 25 and 50 days in port to be loaded, and all the while they are in port waiting that subsidy is being paid.

Mr. WYLIE. Is the U.S. Government being reimbursed by the Soviet Union for any money spent to subsidize these wheat shipments? I am trying to establish the situation for the record.

Mrs. SULLIVAN. Not for the subsidy, no.

Mr. GROVER. Will the gentleman yield?

Mrs. SULLIVAN. I yield to the gentleman from New York.

Mr. GROVER. I understand that there has been a new agreement and a new revised formula revising downward the subsidy to ships of the United States and substantially upward the recapture or reimbursement by the Soviet Union for the subsidies.

Mr. WYLIE. In other words, we are paying American-flag shipowners money to transport wheat to the Soviet Union. Is that correct?

Mrs. SULLIVAN. That is correct. Yes.

Mr. WYLIE. I thank the gentleman.

Mr. GROVER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, it is a pleasure for me to join the distinguished chairman of the Merchant Marine and Fisheries Committee, the gracious lady from Missouri (Mrs. SULLIVAN) in support of this maritime authorization bill for fiscal year 1974.

I am sure that I speak for my colleagues on both sides of the aisle in extending to our chairman my very best wishes. We share a common goal—the expansion of our merchant marine—and we are equally determined to achieve this goal as embodied in the Merchant Marine Act of 1970.

H.R. 7670 authorizes funds for the third year of expanded ship construction since enactment of the Merchant Marine Act of 1970. The act recognized our overwhelming dependence on foreign flag tankers and highlighted the staggering increase in foreign oil imports which would be experienced during the decade of the 1970's. That, of course, was 2 years before the words "energy crisis" became a household term.

Thus, the primary emphasis of our construction program has been directed toward providing ships to transport a substantial share of this ever-growing volume of oil and other bulk commodities essential to our economy. These include the first VLCC's, the largest crude carriers ever built in this country, the first OBO's—ships capable of carrying oil, bulk commodities and grain, and the first liquid natural gas carriers to be built in the United States.

Approximately 90 percent of our foreign trade is in the area of bulk commodities. Only 10 percent of our trade is capable of being transported in our liner vessels. That 10 percent of our trade was virtually the entire focus of our shipbuilding effort before the 1970 Act.

The funds authorized to be appropriated for fiscal year 1974, together with unexpended balances carried forward, will provide for the construction of 17 ships. This will probably include three very large tankers, six liquid natural gas carriers, two OBO's, three moderate-size tankers and three dry bulk carriers. This mix of ships demonstrates our continued focus on obtaining ships to move our vital energy supplies, primarily liquid petroleum.

These ships will be built at a subsidy rate of 39 percent or less. Actually, contracts already have been awarded for the construction of three LNG carriers at a rate of 23.7 percent, well below our final

target CDS rate of 35 percent to take effect in 1976. Bear in mind that the subsidy rate averaged 53.6 percent in 1969.

This program is working, Mr. Chairman. We are making steady progress. Nearly 40 ships have been ordered and an additional 16 converted into modern container ships under the provisions of the Merchant Marine Act of 1970. This building rate is, of course, below the 30-ship per year forecast when the program began; however, numbers do not tell the full story. In terms of productivity, we are surpassing the carrying capacity of the 30-ships contemplated in 1970. We are building much larger and faster ships than our maritime industry was expected to utilize when the act was in its formative stages 4 years ago.

The operating subsidy level authorized for fiscal year 1974 will cover our liner fleet as it has traditionally, as well as a steady growth in bulk carriage on the Great Lakes and in world-wide trades.

Realistically, what are we aiming toward? The Assistant Secretary for Maritime Affairs has expressed a goal of lifting 17 percent of our total trade by the end of this decade. We now hover at about 3 percent due, of course, to our negligible carriage of bulk imports. At the end of this decade, our total trade will be perhaps a billion tons of cargo annually.

Given this perspective, 17 percent will indeed be a respectable share for our merchant marine.

I will turn briefly, Mr. Chairman, to section 3 of this legislation, which is in effect a committee amendment to the bill originally submitted by the Administration. Section 3 increases the ceiling on Federal ship mortgage insurance from \$3 billion established by the Merchant Marine Act of 1970 to \$5 billion. The importance of title XI of the Merchant Marine Act cannot be overemphasized. Ship mortgage insurance is, of course, an essential element of our subsidized shipbuilding program. Equally important, however, is its impact upon domestic unsubsidized shipping. This includes the construction of tankers for coastwise service and for the existing Alaskan oil movement from the Cook Inlet fields; barges and towing vessels for the inland and intercoastal waterways; and a wide variety of watercraft such as hydrofoil commuter ships which are stimulating such high interest around the country.

Without title XI, it is doubtful that many avenues of financing would be open to American ship operators. In the 92d Congress, legislation was enacted to simplify the documentation required under title XI, Public Law 92-507. That legislation brought ship financing into the 1970's and substantially broadened the market for title XI debentures. The stimulus provided by the Merchant Marine Act of 1970 coupled with greater institutional investor acceptance has virtually used up the current obligatory authority of the Government. If this program is to continue without pause, the authority of the Government to guarantee title XI mortgages must be extended. The \$2 billion increase provided in section 3 of this legislation will insure the

continued viability of both the subsidized and domestic shipbuilding programs.

Our distinguished chairman has fully explained the various provisions of this authorization bill, and I, of course, concur in her estimation of the need for these funds. We have begun to develop a maritime presence calculated to fulfill our essential ocean shipping requirements. I, therefore, urge my colleagues to continue the strong support they have given to this effort.

Mr. Chairman, I yield such time as he may use to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I also wish to add my support for H.R. 7670, the Maritime Authorization bill for fiscal year 1974.

The Merchant Marine Act of 1970 is indeed resulting in the construction of a record number and variety of ships primarily to meet our energy and raw materials needs. The impact of this effort is most clearly measured in terms of cargo-carrying capacity.

For example, had the very large tankers now under construction been in service in 1972, they could have increased the U.S.-flag share of our oil trade from 2.2 to 23.1 percent.

Similarly, the annual cargo capacity of the ships now on the ways would have increased our share of all U.S. trade from 5.3 to 8.9 percent, almost doubling during that year.

Of course, as these ships enter service, our total trade as the gentleman from New York (Mr. GROVER) has indicated will be rising at a dramatic rate. We cannot say, therefore, that upon delivery of these ships the percentages I have used will hold, but they are very indicative of the growth taking place in the fleet.

The impact of this program upon our shipyards has been equally impressive. U.S. shipyards have committed over \$120 million in investments since 1960 in order to expand and improve facilities and to gain in productivity. It is estimated that some \$350 million will be required in shipyard expansion for LNG and large tanker construction by our major yards during the next few years.

Currently, commercial shipbuilding is at the highest level in U.S. peacetime history. There are presently on order or under construction 80 ships in excess of 4 million deadweight tons valued at \$2.5 billion. This compares with orders of 1.8 million tons worth \$1.1 billion just 3 years ago.

It is worth noting here that over 40 percent of the value of these orders represents purchases of steel, machinery and other ship components from suppliers throughout the United States. The impact of this program is, therefore, spread throughout the economy.

This legislation has received careful consideration by the Committee on Merchant Marine and Fisheries. It has broad bipartisan support, and I commend it to my colleagues.

Mrs. SULLIVAN. Mr. Chairman, I yield such time as he may use to the chairman of the Subcommittee on Merchant Marine, Mr. CLARK.

Mr. CLARK. Mr. Chairman, in the interest of time I will be brief and ask unanimous consent to revise and extend my remarks. I rise to join our distinguished Chairman in urging the strong support of the House for H.R. 7670. As the Gentlewoman from Missouri has gone into some detail on the various elements of the bill, and I know there are Members on both sides of the aisle who wish to speak in support of it, I wish to say I am 100 percent in support of H.R. 7670—a bill to get our merchant marine back in business. I will limit myself to a few general remarks on what I consider to be the more important provisions of this legislation.

Mr. Chairman, in the 91st Congress, this House was instrumental in the landmark legislation enacted as the Merchant Marine Act of 1970. As you know, that act provided for the new Maritime program that was to revitalize the U.S.-flag merchant marine. It was the most significant Act with respect to our merchant marine in over 30 years, and long overdue.

The bill before us this afternoon, H.R. 7670, includes requirements for the 4th year of expanded activities under the new Maritime program.

Mr. Chairman, \$275 million would be authorized by the bill for so-called construction subsidy. This amount, together with \$50 million carried forward, would provide a total of \$325 million, and permit the Maritime Administration to contract for 17 new vessels in fiscal year 1974. I strongly believe that these funds are the minimum required to carry on the building program envisioned by the Merchant Marine Act of 1970.

In this regard, I am pleased to be able to inform the House that the American shipbuilding industry has successfully met the challenge of the new maritime program. As you will recall, when the Merchant Marine Act of 1970 was enacted, construction subsidy as high as 55 percent of the cost of a vessel was being paid. The new maritime program provides for the gradual reduction of this subsidy to 35 percent in fiscal year 1976, and thereafter. As of July 1 of this year, the construction subsidy rate will be reduced from the present level of 41 to 39 percent. Therefore, the construction subsidy funds to be authorized by H.R. 7670 would be expended at the 39 percent rate—a vast improvement over previous construction subsidy rates.

Mr. Chairman, \$221,515,000 would be authorized by the bill for so-called operating subsidy. This amount, together with about \$25 million carried forward would provide a total of about \$247 million, and permit the continued operation of our two remaining passenger liners, about 195 freighters, and 9 bulk vessels. After careful review, I am convinced that these funds are eminently justified and I strongly urge the House to support the requested amount of \$221,515,000.

It should be noted that it was the Merchant Marine Act of 1970 that authorized, for the first time, the payment of operating subsidy to bulk carriers, and I am pleased to inform the House that this part of the program has now taken

hold. I am also pleased to inform my colleagues that not all U.S.-flag merchant vessels require operating subsidy. Nineteen vessels formerly operated under subsidy no longer receive this form of Government aid. Additionally, a number of other capital intensive American vessels, such as container ships, are successfully competing in our foreign trade without such subsidy.

Mr. Chairman, as the chairman of the Subcommittee on Merchant Marine, I can assure the House that all the provisions of the bill were given careful study. Witnesses for the Maritime Administration, the Shipbuilder's Council of America, the Marine Trades Department, the American Institute of Merchant Shipping, and the American Maritime Association testified in support of the requested amounts. The bill was reported unanimously, after full and careful consideration of the entire record. As the chairman of the Merchant Marine and Fisheries Committee has pointed out, we are of the strong view that the authorization for the requested funds and the increase in the authority of the Government's title XI guarantee program are essential for the continuation of the new maritime program provided by the Merchant Marine Act of 1970.

I strongly urge the House to support H.R. 7670.

Mrs. SULLIVAN. Mr. Chairman, I yield such time as he may need to the gentleman from Virginia (Mr. DOWNING).

Mr. DOWNING. Mr. Chairman, I would like to take this opportunity to commend our distinguished chairman, the gentleman from Missouri (Mrs. SULLIVAN). She has done an outstanding job since she has taken over the chairmanship of the full committee. She has made what I think are some brilliant innovations which I think will make the committee function better and allow us more efficiently to build up our merchant marine.

Mr. Chairman, I rise to join our distinguished chairman and colleagues on both sides of the aisle to urge passage of H.R. 7670.

The bill contains a provision for \$275 million for so-called construction subsidy. These funds would be used to generally make up the difference between United States and foreign shipbuilding costs for the 1974 building program, and would be paid directly to the American shipyard.

When the Merchant Marine Act of 1970 was enacted, the construction subsidy rate was as high as 55 percent. In other words, when a subsidized vessel was constructed, the Government paid for about 55 percent of the cost. I am pleased to inform the House that pursuant to that act, the construction subsidy rate has declined and will be 39 percent in fiscal year 1974. Indeed, on certain vessels, our shipyards have been able to reduce this rate to about 25 percent.

Your committee is of the strong view that the \$275 million authorization for construction subsidy funds are the minimum required to carry on the building program envisioned by the Merchant Marine Act of 1970.



Mr. Chairman, the \$275 million in construction subsidy would be used to pay up to the 39 percent of the cost of the vessel. The vessel operator would pay the balance; generally over 60 percent of the cost, and raising funds in the private money market for such large sums is not easy these days. In this regard, the title XI Government guarantee program has been of great assistance to the vessel operator and without cost to the Federal Government.

Under title XI of the Merchant Marine Act of 1936, the Maritime Administration guarantees loans placed commercially for funds used for the construction of American-flag vessels. The vessel operator is charged a modest fee for this guarantee, and these moneys go into a revolving fund that is used to fund the program. Since the inception of the title XI program, defaults have amounted to less than one-half of 1 percent, and there are current assets in the fund of over \$48 million.

The title XI program was so successful that in the Merchant Marine Act of 1970, the authorized ceiling on such outstanding loans was increased from \$1 to \$3 billion. This \$3 billion authority has almost been exhausted, and H.R. 7670 would increase it to \$5 billion.

Mr. Chairman, I strongly urge the House to support H.R. 7670, so that the new maritime program provided by the Merchant Marine Act of 1970 can be carried forward.

Mrs. SULLIVAN. Mr. Chairman, I yield such time as he may need to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I would like to join my colleague from Virginia in commending the chairman on the excellent way in which she has managed the overall operations of the committee for the first time this year and particularly for the emphasis which she has given to this very important aspect of merchant marine development.

I think we have to work within the framework of some of the tools given to us and the budgets which are available. While we do this year have a very substantial budget for ship construction, I think everybody is a little bit concerned that we are only constructing some 17 ships albeit they are large and expensive.

These ships are not really going to make a noticeable dent in the 6-percent overall carriage of cargo, which is the position the United States currently occupies in the carriage of goods around the world, particularly American goods.

So, Mr. Chairman, I think that, for my part, I certainly want to encourage the administration to consider taking further and more concrete steps in this formidable area of trying to gain back part of the cargo carriage capability in American bottoms.

I would also like to state that I am pleased to note that the chairman is contemplating the appointment of an ad hoc committee with regard to State maritime school education programs. I think that the State schools, as is indicated in the report, have capacity to educate young people at \$5,000 or \$6,000 per year, and turn them out as deck officers, and is very competitive to the costs in the national school.

Mr. Chairman, the United States Merchant Marine is a vital link in America's role in international and domestic commerce. We once were a major merchant ship power and yet today we are a pygmy in the family of maritime nations. This fact, fortunately, has been recognized and steps are being taken to improve our position but sizable improvement is seemingly taking a long time. The vessels of the U.S. flag at this time comprise only about 5 percent of the world's merchant marine. Bulk cargo in our import-export trade is being carried by U.S.-flag ships only about 4 percent of the time. Although we have perhaps the most modern and efficient cargo liner vessels in the world and these are now carrying about 21 percent of our foreign liner cargo trade by value, this is not adequate and certainly our bulk cargo capability is even further from being adequate. In other words, Mr. Chairman, our maritime industry still needs encouragement and expansion.

The Merchant Marine Act of 1970 specified construction of 30 new merchant ships each year for a period of 10 years. This seems a reasonable approach to our merchant marine problem providing we carry out the intent of this act. As you know, this is only a couple of years after implementation of this highly commendable act, yet we are still far behind in our merchant marine capability. It is for this reason I am most concerned as to the pace of our buildup. I note that H.R. 7670 provides new funds in the amount of \$275 million for construction subsidy and that, with \$50 million left over from fiscal year 1973, a total of \$325 million is expected to be available for construction subsidies in fiscal year 1974. This amount is planned for assistance in the construction of 17 new vessels. The planned number of 17 instead of 30, as called for in the 1970 act, is deemed appropriate by the administration, using a formula relating larger fiscal year 1974 ships to smaller ones as described in the 1970 act. The formula, Mr. Chairman, is based on 1970 act ships which are being called modern ship equivalents—MSE—sized at 17,000 deadweight tons for general cargo ships, 65,000 deadweight tons for dry-bulk carriers, and 70,000 deadweight tons for tankers. A fiscal year 1974 ship which is planned to be larger than these values is credited as being more than one MSE. Using this rationale, it can easily be seen that the intent of the 1970 act is in dire jeopardy. Building 17 fiscal year 1974 ships and calling them equal to some 30 fiscal year 1970 ships is one thing, but where will we be in later years when one 500,000 deadweight ton ship is equated to 7 MSE's? Under such a condition I can foresee the administration building only four or five new ships and calling them equal to 30 MSE's. Clearly the intent of the 1970 act was to upgrade the merchant marine, and I fail to see that fewer and fewer ships will be moving us in the proper direction. We need not only more ships but more big ships, and I believe this was the real intent of the 1970 act.

I support H.R. 7670 but with considerable regret. I would hope that by the time of the next maritime authorization bill the administration would see the wisdom of a more rapid pace in rebuild-

ing the merchant fleet and that we will return to the already modest goal of 30 new ships a year regardless of the likelihood that such ships will be far larger than those described in the 1970 act.

Mrs. SULLIVAN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I have asked for this time in order to discuss with this body the problem that we see often arising when ships are under charter to the Government, and these ships are being paid a subsidy while they lay idle, as many ships did last year in Houston during the shipment of grain to Russia.

I think if we make a close review of the massive rail tieup that occurred last year when we entered into this huge sale of wheat and other grains to Russia and a few other countries, we can see that this grain movement also caused massive tieups of all other commodities.

Many ships which were receiving subsidies from the Maritime Administration laid idle for days in the Gulf of Mexico, because the rail-grain-elevator facilities were incapable of loading the wheat onto those waiting ships fast enough. Thus those idle ship days have added to the cost of the ship operation subsidy program.

This fact became known to the public, and I am sure that many of our colleagues received letters wanting to know why the taxpayers were having to pay for this ship subsidy as part of the Russian grain deal, which was not popular in some sections. I do not address myself directly to the merits of wheat exports to Russia, for I am more concerned about the transportation snarl caused by the massive shipment of this grain without a proper transportation plan being submitted and approved.

The Special Subcommittee on Investigations of the House Interstate and Foreign Commerce Committee on March 26 of this year held a hearing on the transportation tieup and during the hearing an assistant to the Deputy Secretary of Maritime Affairs appeared before the subcommittee in that meeting. He could not say or did not say that sufficient planning went into the coordinating of the ships which arrived at the port of Houston waiting for loading with the rail cars arriving in Houston from the Midwest. He just simply said that no plans were prepared at the time that would have been workable, and there are no complete plans in the offing now for next year, so far as we know.

So the question I raise with the House is, why is not there a transportation plan for moving grain exports? Since we are talking about subsidy programs in the Maritime Administration and although it does not involve this legislation, as such, I think my question is a serious question for this House to consider.

On March 26 there were 14 American ships idle in the gulf, and on May 25, 1972, 15 ships were waiting. On March 26 the waiting time was 45 days average. This state of affairs was costing the American taxpayer, as I remember it, during that general period, anywhere from \$50,000 to \$75,000 a day in subsidies. I think this cost could have been prevented, or a great deal of it, if we had

had a proper plan for transportation coordination. This is the point I wish to make with this body today.

The Commerce Committee within the last few days has indicated to me that certain grain exporters are going to enter into another sale of grain to Russia, and perhaps other commodities which would include soybeans and rice. They do not have, so far as we know, any plan for moving these commodities. If there is anything that has been embarrassing to this administration this past year, I think it was last year's massive sale of grain to Russia without a transportation plan to show that the commodity could be moved without causing great disruption to our general economy. This sale probably caused more inflation the past year than anything else. I think it sparked the spiraling cost in food prices.

The average shipper in this country, whether he was in the fertilizer business, the agriculture business, the lumber business, the building material business, could not get his commodities shipped, at least in the Southwest and Midwest areas because all the rail cars were tied up carrying the grain.

The Department of Agriculture and the Department of Transportation have never been required to submit any kind of plan for the movement of any commodity; and when there is a massive sale of a commodity for export, no planning is poor planning. The administration admits that it was poor planning, but I do not think they are going to do anything about the transportation problem until Congress passes some kind of legislation requiring the submission and the approval of a plan for transporting exports.

It looks to me like whenever a grain exporter contracted to export over 1 million bushels per harvest, he would have to submit a transportation plan for moving that grain to the Department of Agriculture or to the Department of Transportation to be certified by the Department of Transportation as representing a plan that would not severely jeopardize the availability of freight cars for moving other commodities in the area affected by the grain movement.

Until the DOT certified the plan, no subsidy would be paid to the exporter by the Department of Agriculture.

In the last few days the Department of Commerce said:

We are going to change the ship subsidy program, and we are going to save the taxpayers some money.

I hope this is a good improvement, but it does not go to the heart of the problem that there is no overall transportation plan submitted. Taking what I am saying one step further, we conclude that we have no national transportation policy. There is no one agency that is pulling these things together and coordinating them.

The DOT has been directed by Congress to come up with a transportation policy, a national transportation policy, but it has not.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. SULLIVAN. I yield 2 additional minutes to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman from Missouri.

So far the DOT has never announced a transportation policy. We have problems with transportation, indeed we do, but until we force some kind of a transportation plan from DOT in an instance such as the mass grain shipment then I think we are going to be faced with the same general problem, the same kind of congestion, either in Houston, or in New Orleans, or in other parts of the country. I say it is time for legislation that would require a plan if we are going to sell this kind of commodity in this big volume.

If we are going to help other countries by selling them large amounts of grain—and that is commendable—then it should be required that a transportation plan be submitted by the big exporter for the approval of the DOT before we pay any subsidies or, indeed, maybe even before the contract is finalized.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the chairman of the committee, the gentlewoman from Missouri.

Mrs. SULLIVAN. I should like to commend the gentleman for bringing up this terribly important subject, because it just seems to me there has not been any kind of coordination in Government agencies that should be concerned about this. The gentleman is so right that if we have a Department of Transportation, there is no reason why they should not be involved in seeing that there are sufficient railroad cars, docking space, and ships available. I am glad the gentleman brought that up.

Mr. PICKLE. I thank the gentlewoman. We are going to be faced with the same problem this summer and this fall unless a plan is approved.

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

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

Mr. GROSS. I want to commend the gentleman for his observations.

Last winter there were 10,000 rail cars loaded with grain stacked up at Gulf ports that could not be unloaded partly because of a lack of vessels. Those rail cars were badly needed to move more grain in the Middle West. We are still suffering from a rail car shortage.

Mr. PICKLE. It is an indictment of Government policy to realize that anywhere from 2,000 to 10,000 rail cars are stacked up on siding unable to move. I am not criticizing the railroad industry, but when a sale of this magnitude is made and the commodity cannot be moved within a certain time, then we are going to have this congestion.

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

Mr. GROVER. Mr. Chairman, I yield to the gentleman from Texas 2 additional minutes.

Mr. PICKLE. The number of cars stacked up now has been reduced from that estimated 8,000 to 10,000 down perhaps to 2,500 and they are unloading faster now. The port elevators have loaded about 80 percent of the grain, that is by May 31, which was the target date for complete shipment but there is still 20 percent of the original con-

tract amount that has not moved. Also they are going to extend the subsidy another period of time at the same price, because that is already contracted for.

Mr. GROSS. Does the gentleman know whether the Government paid demurrage to the owners of the railcars?

Mr. PICKLE. Yes. The testimony before our committee indicated ships lying idle in the harbor cost the Government between \$50,000 and \$75,000 per day.

Mr. GROSS. I am talking about the railcars. Was demurrage paid on the railcars, because they could not unload them?

Mr. PICKLE. Yes. The ICC issued orders saying the shippers had to immediately load and unload, and the shippers immediately complied so they would not have to pay this demurrage. But when the shippers did load and unload as best they could, they could see boxcars idle on the rails that were not being sent back. So while the railroads received more demurrage, the transportation tie-up worked against the railroads because they make more money when their cars move. It was a mess all the way around.

We did sell a great deal of grain to Russia and have filled 80 percent of the contract. We are now extending the contract by about three-quarters for next year.

This country exported 1.15 billion bushels of wheat this year, and it is estimated to be about 0.95 billion bushels next year. The 422 million bushels sold to Russia was about one-third of the total. So we are faced this year with the same problem without any plan for moving the grain. I think a plan should be required.

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

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

Mr. GUDE. Mr. Chairman, I commend the gentleman for his excellent statement. I would like to point out one other implication of the pileup of the railcars that had grain in them. We had a critical lumber shortage and it increased the lumber prices due to the fact that the Western suppliers of lumber simply did not get the lumber here to the East. This is another aspect of this problem.

Mr. PICKLE. I can appreciate that addition, but I also say with due respect to the gentleman that the people in the East could be moving the boxcars faster than they do.

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

Mr. GROVER. Mr. Chairman, I yield to the gentleman 2 additional minutes to respond.

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

Mr. PICKLE. I yield to the gentleman from Ohio.

Mr. WYLIE. The wheat sale to Russia is mentioned in the report accompanying this bill. It is not clear to me and it was not in the earlier response to my previous question: Is there money provided for in this bill to subsidize United States shipowners to carry wheat to Russia?

Mr. PICKLE. I would have to defer to the chairwoman on this.

Mrs. SULLIVAN. Mr. Chairman, if the gentleman will yield, there is no money



in this authorization bill for a subsidy for the wheat sales to Russia. If they need it they are going to have to pay for it.

Mr. PICKLE. But certain American ships are on contract for the movement of commodities of grain or anything else.

Mrs. SULLIVAN. That is correct.

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

Mr. PICKLE. I yield to the gentleman from New York.

Mr. GROVER. Mr. Chairman, I commend the gentleman for making a very sound and valid observation not particularly relevant to this bill, but relevant to the economy of the country, and I agree with the gentleman.

Mr. PICKLE. I thank the gentleman from New York.

Mrs. SULLIVAN. Mr. Chairman, I have no further request for time.

Mr. GROVER. Mr. Chairman, I have no further request for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That funds are hereby authorized to be appropriated without fiscal year limitation as the appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1974, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, \$275,000,000: *Provided*, That the appropriation Act may provide that unobligated balances previously appropriated for purchase of modern or reconstructed United States-flag vessels for layup in the National Defense Reserve Fleet, may also be used for construction-differential subsidy;

(b) payment of obligations incurred for ship operation subsidies, \$221,515,000;

(c) expenses necessary for research and development activities (including reimbursement of the vessel operations revolving fund for losses resulting from expenses of experimental ship operations), \$20,000,000;

(d) reserve fleet expenses, \$3,773,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, \$8,600,000; and

(f) financial assistance to State marine schools, \$2,427,000.

Sec. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1974 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

Sec. 3. Section 1103(f) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1273(f)), is amended by striking the figure "\$3,000,000,000", and inserting in lieu thereof the figure "\$5,000,000,000".

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

The CHAIRMAN. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I should like to ask someone knowledgeable about this bill

the present subsidy percentage-wise for the construction of ships in United States yards? Is it 75 percent, 55 percent, or what is it?

Mr. GROVER. If the gentleman will yield, I understand it is 41 percent, to be phased down to 39 percent.

Mr. GROSS. It is being phased down to 39, is that what the gentleman says?

Mr. GROVER. In fiscal 1974.

Mr. GROSS. And what is the status of the loan guarantee fund? Has the \$3 billion been exhausted?

Mr. GROVER. No, it is not exhausted, it is my understanding, but it is getting close.

Mr. GROSS. And this bill provides for an additional \$2 billion for the loan guarantee fund?

Mr. GROVER. That is correct.

Mr. GROSS. How many ships have we gotten as a result of the guarantee program and where are they? And how much longer is his loan program supposed to run?

Mr. GROVER. It is my understanding that there are quite a number of applications pending for construction of ships. Under the present bill, we will not be able to build them unless we increase the loan guarantee fund.

Mr. GROSS. What happens in the event a vessel is constructed under the loan guarantee program and then there is a default?

Mr. GROVER. The law provides for a recapture provision. It is my understanding, and the chairman can verify it, that in the history of the long program, I believe the default net losses which are ship losses, because of the revolving fund provision, have been less than one-fourth of 1 percent.

Mr. GROSS. But, if a vessel is returned to the Government which guarantees 90 percent—is that the guarantee, or is it 100 percent?

Mrs. SULLIVAN. That is right.

Mr. GROSS. If a vessel is turned back to the Government, to whom does the Government sell that vessel? What kind of price do they get for it under those conditions?

Mrs. SULLIVAN. I cannot tell the gentleman the individual price in their effort to sell the ship that was defaulted. We have a revolving fund of some \$40 million right now on this new program, so there has been no overall net loss.

Mr. GROSS. Could a vessel that is built 90 percent guaranteed by the Federal Government be sold to foreigners and used under a foreign flag?

Mrs. SULLIVAN. No, it cannot be sold to foreign buyers.

Mr. GROSS. Where do they get the U.S. vessels that are presently flying Panamanian and Liberian flags?

Mrs. SULLIVAN. They can build them themselves, any place.

Mr. GROSS. There are no American vessels being sailed under foreign flags?

Mrs. SULLIVAN. There are American-owned vessels that are registered and sailing under foreign flags, yes.

Mr. GROSS. So, what is accomplished other than giving jobs to shipyard workers by constructing vessels in U.S. yards at a subsidy of 41 percent?

Mrs. SULLIVAN. Most of those ships are constructed in foreign yards for

American owners, and they do not get subsidies. They are not subsidized.

Mr. GROSS. It is proposed to continue this guaranteed loan program endlessly and forever? Is there no end in sight?

Mrs. SULLIVAN. It would be just like we guarantee the FHA loans. Those Americans come in to build ships, and in order to get the financing, they must have a guarantee.

Mr. GROSS. Of course, under the FHA loan program, we presumably would have a house which could be sold to any number of people, but with this kind of a program, and in case of default, we would have a vessel that only a very few individuals could own and operate.

I suggest there is quite a difference.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CULVER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7670) to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce, pursuant to House Resolution 426, he reported the bill back to the House.

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

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

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

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

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 266, nays 10, not voting 157, as follows:

[Roll No. 199]

YEAS—266

Abdnor	Burton	Devine
Abzug	Butler	Dickinson
Anderson,	Byron	Dingell
Calif.	Camp	Dorn
Andrews, N.C.	Carey, N.Y.	Downing
Annunzio	Carney, Ohio	Dulski
Archer	Casey, Tex.	Duncan
Armstrong	Chamberlain	du Pont
Ashley	Clark	Eckhardt
Barrett	Clausen,	Edwards, Calif.
Bell	Don H.	Erlenborn
Bennett	Cleveland	Esch
Bergland	Cohen	Evins, Tenn.
Bevill	Collier	Fascell
Blester	Collins, Ill.	Findley
Blatnik	Conlan	Flowers
Boland	Conte	Ford, Gerald R.
Bolling	Coughlin	Forsythe
Bowen	Cronin	Fountain
Brademas	Culver	Frelinghuysen
Breaux	Daniel, Dan	Frenzel
Brinkley	Daniels,	Fröhlich
Broomfield	Dominick V.	Gaydos
Brown, Calif.	Danielson	Gettys
Brown, Mich.	Davis, Wis.	Gialmo
Buchanan	de la Garza	Gibbons
Burke, Calif.	Dellenback	Ginn
Burke, Fla.	Dellums	Goldwater
Burke, Mass.	Dennis	Gonzalez
Burleson, Tex.	Dent	Grasso
Burlison, Mo.	Derwinski	Green, Oreg.

Green, Pa. Matsunaga  
Grover Mayne  
Gubser Meeds  
Gude Mezvinsky  
Guyer Miller  
Haley Mills, Ark.  
Hammer- Minish  
schmidt Mink  
Hanley Mitchell, Md.  
Hanrahan Mizell  
Hansen, Idaho Moorhead, Pa.  
Hansen, Wash. Morgan  
Harsha Moss  
Hawkins Murphy, Ill.  
Heckler, Mass. Murphy, N.Y.  
Heinz Myers  
Helstoski Natcher  
Henderson Nedzi  
Hicks Nelsen  
Hinshaw Nix  
Hogan Obey  
Holt O'Hara  
Holtzman O'Neill  
Hosmer Owens  
Huber Patten  
Hungate Perkins  
Hunt Pickle  
Hutchinson Poage  
Johnson, Calif. Podell  
Johnson, Pa. Powell, Ohio  
Jones, Ala. Preyer  
Jones, Okla. Price, Ill.  
Jones, Tenn. Price, Tex.  
Jordan Pritchard  
Kazen Quillen  
Keating Rallsback  
Kemp Randall  
Ketchum Rarick  
King Rees  
Kuykendall Regula  
Kyros Reuss  
Latta Rinaldo  
Leggett Roberts  
Lehman Robinson, Va.  
Long, La. Rodino  
Long, Md. Roe  
McCollister Roncalio, Wyo.  
McCormack Roncalio, N.Y.  
McFall Rose  
McKay Rosenthal  
McKinney Runnels  
Macdonald Ruth  
Madigan St Germain  
Mahon Sandman  
Mailliard Sarasin  
Mallory Sarbanes  
Mann Satterfield  
Martin, Nebr. Schneebell  
Martin, N.C. Schroeder  
Mathias, Calif.

## NAYS—10

Beard Kastenmeier  
Drinan Landgrebe  
Gross Lujan  
Hechler, W. Va. Shuster

## NOT VOTING—157

Adams Crane  
Addabbo Daniel, Robert  
Alexander W., Jr.  
Anderson, Ill. Davis, Ga.  
Andrews, Davis, S.C.  
N. Dak. Delaney  
Arends Denholm  
Ashbrook Diggs  
Aspin Donohue  
Badillo Edwards, Ala.  
Bafalis Ellberg  
Baker Eshleman  
Blaggi Evans, Colo.  
Bingham Fish  
Blackburn Fisher  
Boggs Flood  
Brasco Flynt  
Bray Foley  
Breckinridge Ford,  
Brooks William D.  
Brotzman Fraser  
Brown, Ohio Frey  
Broyhill, N.C. Fulton  
Broyhill, Va. Fuqua  
Burgener Gilman  
Carter Goodling  
Cederberg Gray  
Chappell Griffiths  
Chisholm Gunter  
Clancy Hamilton  
Clawson, Del. Hanna  
Clay Harrington  
Cochran Harvey  
Collins, Tex. Hastings  
Conable Hays  
Conyers Hébert  
Corman Hillis  
Cotter Hollifield

Selberling  
Shipley  
Shoup  
Shriver  
Sikes  
Sisk  
Slack  
Smith, Iowa  
Smith, N.Y.  
Snyder  
Spence  
Stanton,  
J. William  
Stark  
Steele  
Steelman  
Steiger, Ariz.  
Steiger, Wis.  
Stokes  
Stratton  
Stubbfield  
Studds  
Sullivan  
Talcott  
Taylor, Mo.  
Taylor, N.C.  
Teague, Calif.  
Teague, Tex.  
Thompson, N.J.  
Thomson, Wis.  
Thone  
Thornnton  
Tiernan  
Towell, Nev.  
Udall  
Van Deerlin  
Vanik  
Vigorito  
Walsh  
Wampler  
Whalen  
White  
Whitehurst  
Widnall  
Wiggins  
Williams  
Wilson, Bob  
Wilson,  
Charles, Tex.  
Wolff  
Wright  
Wylie  
Young, Alaska  
Young, Fla.  
Young, Ga.  
Young, Ill.  
Young, S.C.  
Zablocki  
Zwach

Passman  
Patman  
Pepper  
Pettis  
Peyser  
Pike  
Rangel  
Reid  
Rhodes  
Riegle  
Robison, N.Y.  
Rogers  
Rooney, N.Y.  
Rooney, Pa.  
Rostenkowski  
Roush  
Roussetot  
Roy  
Roybal  
Ruppe  
Ryan  
Saylor  
Scherle  
Sebelius  
Staggers  
Stanton,  
James V.  
Steed  
Stephens  
Stuckey  
Symington  
Symms  
Treen  
Ullman

So the bill was passed.  
The Clerk announced the following pairs:

Mr. Hays with Mr. Arends.  
Mr. Rooney of New York with Mr. Rhodes.  
Mr. Hébert with Mr. Michel.  
Mr. Addabbo with Mr. Brown of Ohio.  
Mr. Roush with Mr. Brotzman.  
Mr. Gray with Mr. Anderson of Illinois.  
Mr. Rooney of Pennsylvania with Mr. Cederberg.  
Mr. Davis of Georgia with Mr. Robert W. Daniel, Jr.  
Mrs. Chisholm with Mr. William D. Ford.  
Mr. Delaney with Mr. Gilman.  
Mr. Brasco with Mr. Fish.  
Mr. Diggs with Mr. Madden.  
Mr. Hollifield with Mr. Del Clawson.  
Mr. Howard with Mr. Maraziti.  
Mr. Kluczynski with Mr. O'Brien.  
Mr. Rostenkowski with Mr. Bray.  
Mr. Koch with Mr. McCloskey.  
Mr. Nichols with Mr. Ashbrook.  
Mrs. Boggs with Mr. Carter.  
Mr. Clay with Mr. Riegle.  
Mr. Alexander with Mr. Broyhill of Virginia.  
Mr. Cotter with Mr. Mazzoli.  
Mr. Blaggi with Mr. Eshleman.  
Mr. Fuqua with Mr. Bafalis.  
Mr. Fulton with Mr. Baker.  
Mr. Melcher with Mr. Andrews of North Dakota.  
Mr. McSpadden with Mr. Clancy.  
Mr. Fraser with Mr. Conyers.  
Mr. Mollohan with Mr. Minshall of Ohio.  
Mr. Rangel with Mr. Foley.  
Mr. Flynt with Mr. Broyhill of North Carolina.  
Mr. Flood with Mr. Saylor.  
Mr. Fisher with Mr. Collins of Texas.  
Mr. Harrington with Mr. Conable.  
Mr. Chappell with Mr. Blackburn.  
Mrs. Griffiths with Mr. Crane.  
Mr. Brooks with Mr. McEwen.  
Mr. Bingham with Mr. Mitchell of New York.  
Mr. Breckinridge with Mr. Aspin.  
Mr. Ellberg with Mr. McDade.  
Mr. Ichord with Mr. Horton.  
Mr. Landrum with Mr. Edwards of Alabama.  
Mr. Litton with Mr. Hudnut.  
Mr. Roy with Mr. Sebelius.  
Mr. Whitten with Mr. Zion.  
Mr. Charles H. Wilson of California with Mr. Pettis.  
Mr. Yatron with Mr. Goodling.  
Mr. Young of Texas with Mr. Scherle.  
Mr. Denholm with Mr. Ruppe.  
Mr. Donohue with Mr. Hastings.  
Mr. Davis of South Carolina with Mr. Treen.  
Mr. Ullman with Mr. Harvey.  
Mr. Waldie with Mr. Roussetot.  
Mr. Moakley with Mr. McClory.  
Mr. Evans of Colorado with Mr. Wyatt.  
Mr. Waggonner with Mr. Lott.  
Mr. Corman with Mr. Wylder.  
Mr. Hamilton with Mr. Hillis.  
Mr. Jarman with Mr. Symms.  
Mr. Jones of North Carolina with Mr. Hanna.  
Mr. Metcalfe with Mr. Milford.  
Mr. Reid with Mr. Lent.  
Mr. Rogers with Mr. Frey.

Mr. Gunter with Mr. Vander Jagt.  
Mr. Ryan with Mr. Mosher.  
Mr. Staggers with Mr. Parris.  
Mr. James V. Stanton with Mr. Robison of New York.  
Mr. Steed with Mr. Ware.  
Mr. Stephens with Mr. Passman.  
Mr. Mathis of Georgia with Mr. Winn.  
Mr. Symington with Mr. Peyser.  
Mr. Stuckey with Mr. Wyman.  
Mr. Badillo with Mr. Montgomery.  
Mr. Adams with Mr. Patman.  
Mr. Karth with Mr. Pepper.  
Mr. Pike with Mr. Roybal.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

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

There was no objection.

## LEGISLATIVE PROGRAM

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

Mr. GERALD R. FORD. Mr. Speaker, I have asked for this time for the purpose of asking the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL) the program for the rest of the week, if any, and the program for next week.

Mr. O'NEILL. Mr. Speaker, will the distinguished minority leader yield?

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

Mr. O'NEILL. Mr. Speaker, I am happy to announce the program for next week.

The program for the week of June 11, 1973, is as follows:

Monday is District day, and there are four bills:

H.R. 4083, insurance regulations;  
H.R. 6713, primary election for Delegate;

H.R. 8250, authorizing certain District of Columbia programs; and  
H.R. 4771, rent regulation and stabilization.

On Tuesday we will consider H.R. 77, jointly administered trust funds for Legal Services plans, with an open rule, 1 hour of debate.

For Wednesday we will have:  
H.R. 8410, debt limit temporary increase continuation, subject to a rule being granted; and  
H.R. 3926, National Foundation on the Arts and Humanities, subject to a rule being granted.

On Thursday we will have Flag Day ceremonies.

We will then consider H.R. 8152, Law Enforcement Assistance Amendments, subject to a rule being granted;  
H.R. 5464, saline water program authorization, subject to a rule being granted; and  
H.R. 5094, deputy U.S. marshals reclassification, also subject to a rule being granted.

On Friday we will have the fiscal year



1974 Agriculture, Environmental, Consumer Protection appropriations.

Of course, conference reports may be brought up at any time, and any further program will be announced later.

#### ADJOURNMENT OVER TO MONDAY, JUNE 11, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

There was no objection.

#### PIOUS, HYPOCRITICAL PRATINGS ABOUT WATERGATE

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

Mr. DEVINE. Mr. Speaker, since some of the media appears to have only one objective in the Watergate matter—that is to destroy the President—it might be well to take a brief look at history prepared by the very talented, Mrs. Mildred C. Murphy of Mount Gilead, Ohio. Mrs. Murphy researched some of the events in the 1959-62 period which could be valuable in refreshing the recollection of the public.

I am attaching a copy of Mrs. Murphy's letter to the editor of the Columbus Dispatch early this month which I am happy to share with my colleagues and others that may read the CONGRESSIONAL RECORD.

To the Editor:

Why is Watergate so important it has saturated the news coverage and caused liberal writers to opine that faith in our government has been destroyed?

The Democratic National Headquarters was bugged.

So what?

There was no concern in 1964 when Sen. Barry Goldwater's headquarters was bugged. And when, halfway through his campaign, he discovered a spy on his campaign train—a spy who reported daily to the Democratic National Committee—the news media considered the incident amusing.

When Otto Otepka's office was not only bugged but broken into and his files stolen, little was reported on the incident.

Let's not have such a glaring double standard of political morality.

Besides, a moral justification is far more easily made for the bugging of the Democratic headquarters in 1972 than for the bugging of Senator Goldwater's headquarters in 1964.

I listened to the Watergate television coverage from 8:30 p.m. Thursday until 1:15 a.m. Friday.

As I listened to an emotional plea for a free Cuba, I reflected bitterly on the role of the liberals in bringing Fidel Castro to power. I remembered the New York Times' "Crusade for Castro."

So, I spent the following day in a city library researching some of the events of that 1959-62 period.

In 1959 the New York Times carried three front page articles extolling the virtues of Castro. Its editorial writer, Herbert B. Matthews, had had exclusive interviews with Castro in his mountain hide-out and reported that Castro definitely was not a Communist but a glorious political Robin Hood.

Castro became the darling of the news

media, the colleges and the liberal churches. The few voices raised in warning were sneered at.

Sen. Sam Ervin said, belittlingly, during testimony being given, that some people, unfortunately, saw a Communist under every bed.

It is more unfortunate that some people of influence don't see the Communists with whom they are walking.

Our ambassador to Cuba, Earl E. T. Smith, said in September, 1960: "Until Herbert Matthews of the New York Times eulogized Castro as a political Robin Hood, Castro was just another bandit in the Oriente Mountains of Cuba. The American press and news media, following the New York Times lead, bestowed the role of crusader and social reformer upon Castro. Then, certain members of Congress picked up the torch for him."

I was most interested in the library in learning the names—in 1960—of many members of the Fair Play for Cuba Committee.

Many of these people were active in the burnings and bombings of the 1960s and were active in the liberal wing of the Democratic party in 1972. Why not investigate that?

Better still, why not investigate why President Kennedy sent more and more troops to Vietnam "to stop the thrust of communism" while he was afraid to give the promised air support at the Bay of Pigs.

Never forget—Presidents Kennedy and Johnson had more than 543,000 men in Vietnam when Richard Nixon took office. Mr. Nixon brought them home.

I'm tired of this pious hypocritical prating about Watergate.

MILDRED C. MURPHY.

Mt. Gilead, Ohio.

#### REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday Rule may be dispensed with on Wednesday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object to the majority leader's latter request, there is a bill in the Committee on Rules on which it has been impossible to obtain a vote of approval or disapproval, although that bill came out of the House Post Office and Civil Committee by a vote of 22 to 1, with only two members of the Committee being absent.

Mr. Speaker, under the circumstances, I object.

The SPEAKER. Objection is heard.

#### WHAT IS THE PURPOSE OF SALE OF F-4 PHANTOM JETS AND F-8 CRUSADERS?

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

Mr. LONG of Maryland. Mr. Speaker, the State Department has just authorized the sale of F-4 Phantom jets to Saudi Arabia and F-8 Crusader jets to Kuwait.

These arms sales can only threaten the shaky peace in the Middle East first by fueling an arms race among Arab nations, and, second by threaten-

ing Israel, our closest ally in the Middle East.

What is the purpose of these arms sales? Are they to aid these two countries in their own defense? Then why sell them sophisticated offensive fighter bombers instead of defensively oriented weapons, such as the F-5E jet?

Are these sales designed to improve the national security of the United States? It is certainly not in the national security interests of the United States to have war break out in the Middle East between heavily armed Arab nations. It is certainly not in the national security interests of the United States to have war break out between our ally, Israel, and greatly strengthened Arab nations which have threatened to obliterate Israel.

A State Department spokesman recently addressed himself not to the national security of the United States in arms sales, but to the manner in which these sales would financially benefit the United States. I quote Charles Bray's remark of June 6, 1973 on the subject of military aid sales:

There are obviously questions of potential markets and potential benefits to our rather perilous balance of payments which would accrue from these kinds of sales.

This is precisely the sort of reasoning many munitions companies used to justify their sales of weapons throughout the world in the 1930's. Investigations by the Congress led to the coining of the term "merchants of death." If we are selling these weapons primarily to be paid for them, are we not merchants of death?

If we truly want to achieve peace and stability in the Middle East, our task is to raise the living standards of millions of miserably poor Arabs who will be in a revolutionary mood as long as they are so desperately poor. Selling weapons rather than agricultural equipment, educational materials, and health supplies benefits only the national leaders of the country.

I oppose these arms sales as imperiling the security of both the United States and our ally, Israel, and I urge Congress to block them.

#### PERSONAL EXPLANATION

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

Mr. PEPPER. Mr. Speaker, I missed the vote on the bill that was just passed by the House from the Committee on Merchant Marine and Fisheries, relating to our Merchant Marine. Had I been present I would have voted "yea" because I believe in a strong merchant marine.

I missed the vote on account of the fact that I was over on the Senate side of the Capitol attending a luncheon where a brilliant young student from my congressional district, Jose E. Alvarez, of whom I am very proud, was receiving an award from the Bryn Mawr College president for having written the second most outstanding editorial in his high school paper, the Miami High Times, under a 4-year program inaugurated by

Bryn Mawr College and by Mr. Arnold Saltzman, president of the Seagrave Corp., of New York, exploring the "self-evident truths" of the Declaration of Independence and their application to modern America.

I thought it well to try to encourage and show appreciation and recognition for such a fine patriotic spirit on the part of our young people.

Mr. Alvarez, in his winning editorial, reflected a remarkable understanding of the meaningful principles of the Declaration of Independence and the real meaning of America. With moving eloquence he talks about the kind of America that he believes our forefathers dreamed of when they adopted the Declaration of Independence and launched the United States of America. He describes what he believed we should do now to make the America of 1976 the realization of that noble dream. Mr. Alvarez reveals not only a keen mind and a sensitive spirit, but zeal and fervor in the perfection and the preservation of our country—environmentally, politically, and spiritually.

I believe my colleagues and all who read this RECORD will be stimulated to read Mr. Alvarez' moving essay. Mr. Speaker, and I include it in the RECORD immediately following my remarks:

**NATION CAN NOW TURN TO BROTHERHOOD—  
MENDING WAR-TORN SPIRIT**

(By Jose E. Alvarez)

American military participation in Vietnam is over.

No more will burned villages, bleeding peasants, leveled hospitals, or casualty figures be on television screens nightly. If they are, they will be the result of natural disasters and not the grotesque reminders stemming from man's bombing of his own. No more will ideology clashes result in national divisions between intellectual and hardhat, between parent and son—at least, not over this war anyway. No more will the U.S. Presidency be called the office of the "mad bomber" and no more will irony be present when the U.S. calls itself a peace-keeping force.

More than ever before this nation can now afford to turn inward to its own interests, to render individualistic approaches to domestic problems. With three years to the Bicentennial, a newly inaugurated President, and an old war finished, the U.S. can now return to the principles of the Declaration of Independence so that come July 4, 1976, 200 years after it was signed, all men will not only be created equal but will have equal opportunities for life, liberty and the pursuit of happiness. For our government is after all, a human endeavor and as such, the principles of the Declaration are still far from realities.

Nationally, greater domestic concern over citizens problems is needed for more thorough educational opportunities, a cleaner environment, crime free surroundings, complete health care for the poor and elderly, removal of all barriers to sex and racial discrimination, and an assurance that all Americans would indeed find that their government does exist to insure their unalienable rights and not to usurp them.

Because of wasteful wars, national depressions, misguided priorities, and hundreds of other human frailties, our government has been sidetracked and today resembles, in many aspects, the criticized government of George III in the Declaration:

Federal bureaucracy has grown in proportion to population and in 1970 a representative's constituency had grown to 470,000—a

growth which naturally impedes the "assent to laws" which are "the most wholesome and necessary for the public good."

The perpetuation of the American Dream demanding greater and greater material wealth has resulted paradoxically in an imbalanced ecology which threatens to eliminate all the nation's natural wealth.

Court systems in areas around the country have become so bogged down in sheer defendant numbers that the "administration of justice" is hindered and speedy trials are not possible for all.

Crime has soared in some cities so as to prevent citizens' freedom to walk the streets; curfews and the threat of violence curtail many Americans' pursuit of happiness.

Apathy and negativism among Americans dissatisfied with a government entwined in endless bureaucratic red tape and far removed from the average citizen results in 45 percent of eligible voters not using their privilege in the presidential election.

Now with the experience of a controversial war showing that we are not infallible, Americans can correct those defects in the system in time for the revered Bicentennial.

It is clear that richness in moral principles should outweigh richness in pocketbook and locally, at least, there is much to be done to further this goal.

Care of the environment should be our primary concern.

Preservation of greenery is essential for the pleasures of both resident and tourist. Zoning laws should be carefully constructed and applied so as to: limit the unrestricted development of Miami's surrounding areas, call for mixed and adequately spaced housing developments, relate housing permits to local capacities in schools and parks, restrict pollution causing plants to outside the city limits, and in general, hold public hearings to carefully evaluate the pros and cons when deciding where cement should replace grass. Individuals can do much towards lessening automobile pollution by resorting more and more to current transportation facilities and thus forcing the speedy development of a workable, non-polluting transportation system. Civic clubs could do more towards forcing the cleanup of the Miami River through collective pressure and this pressure can also be applied to other worthwhile causes as well.

Migrant workers in the area should be recognized as part of mankind and therefore entitled to equality under the law in the form of just protection from greedy landowners.

Local schools should get the priority they deserve so that Dade's school children would not be faced with overcrowded schools and mediocre facilities or supplies but instead would participate in innovative programs designed to facilitate learning and create needed harmony between races.

Finally, special effort on the part of all is necessary to lessen the very noticeable rift between whites and blacks, between Spanish speaking and native born. We must learn to understand one another's problems and recognize prejudice for the evil that it is. We should not protest the integration of our children or the continual expansion of the Spanish influence for both are essential to the image of America as the melting pot of the world and both are essential to possible universal brotherhood.

The result of citizen interest in such local problems would reflect national interest in similar problems. All would be the beneficiaries of such concern as all would find new truth to the words of the Declaration about government responsibility to citizens' equality and preservation of freedom. Americans must see that the words of our current President become true:

"No man can be fully free while his neighbor is not . . . This means black and white together as one nation, not two . . . The laws have caught up with our conscience. What remains is to give light to what is in

the law; to ensure at last that all are born equal in dignity before God, all are born equal in dignity before man."

Americans have ended one war only to begin another. We are at the beginning of a war to end the erosion of civil authority, to turn from useless intervention abroad to fruitful disruption of drug pushers at home, to restore natural beauty to filthy rivers and lakes, to turn from greed for material wealth to greed for spiritual comfort and the pleasures of nature, to turn from an economy designed for those who can afford to enterprise regulated for the benefit of all.

This does not constitute a radical shift for America but rather a careful attempt to introduce the ideals of the Declaration to the light of day; to lift words from beautiful rhetoric to even more beautiful actions so that the fruitful end of this second war would coincide with the Bicentennial and America would begin its third hundred years in a climate not only of foreign peace but domestic serenity as well.

**DEVELOPMENTS IN INTERNATIONAL  
FINANCE**

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, I do not intend to take the full minutes this afternoon. This is a terminal point in the House deliberations of this week and it certainly is not my intention to unnecessarily prolong it, but I feel at this time it becomes necessary to speak in order to report to the House some of the things that some of us have observed who have a prime responsibility by serving on the subcommittees of jurisdiction, in this case the Subcommittee on International Finance of the Committee on Banking and Currency of the House of Representatives.

I have spoken 2 days in a row with respect to the dollar question, the speculative fever with respect to gold in the European and other markets, but actually I believe that the Congress has not had a chance to fully evaluate the exact connotations and meaning of this and other developments, particularly the developments in the international markets within the last 2 years. This is to be expected in view of such things as devaluation—and we must bear very carefully on the definition of the word "devaluation" because when we use it we are talking about the official recognition of the set value of our money as defined constitutionally and we are not talking about what the people in this business and in the Treasury in their jargon call appreciation or depreciation, and we must differentiate between these terms because otherwise some of the occurrences will not have the significance nor the correct interpretation that they should have to us.

Actually, on balance and for some time now the whole issue has been the question of our touted American way of life, the American standard of living.

This is what is at issue. History will record whether, having lost on the battlefield in Southeast Asia, we shall also have lost at the money tables where just as critical, if not more so, an issue is being resolved with respect to what we call the American standard of living.



It is to be expected that there should be some haziness and some inability to adapt to what is happening, particularly on the legislative level, because formal devaluation had not happened and had not occurred and had not been recorded in almost 35 years. So, when things happen, it is very interesting to note that on the occasion of the first devaluation on August 15, 1971, which was the occasion when the President announced the 90 day controls, if the Members will recall, on a voluntary basis, he also in effect announced devaluation although it was not listed that way. In fact, the newspaper reports did not even mention it in this way, but in effect that is what happened when the President announced that the dollar would not be convertible as of that date, under most ordinary transactions and circumstances.

But what has followed since then has given more pause to think, particularly when last year we had the form of devaluation bill known as the first par value modification bill, and this year the announcement on February 12th that a second official setting of the value would be requested of the Congress when the President, through the Secretary of the Treasury, announced this last round.

This may sound like a lot of hot talk. It may sound like a subject matter that is as dry as dust, and in effect, it is. It is almost esoteric, secretive, hard to understand, but the basic questions are not that complicated. In fact, the basic issue is simple.

Certain forces have arisen, particularly within the last 5-year period, in our national destiny. Some of these sources could have been countered with an imaginative and a responsive answer and leadership on the part of our money managers on the governmental level.

However, there is no use crying over spilled milk. That did not happen and it has not happened. The Congress had very little recourse but to react after the fact to the brutal truth that, in effect, our money had been changed in value by executive fiat.

But, since this February 12, many of us on both sides of the aisle have communicated the fact to the administration that henceforth the Congress will not sit idly by while its constitutional responsibilities and prerogatives are nullified by this type of executive fiat that does not take into account before the decision the congressional suitability and acceptability to these basic decisions.

The Constitution, just as plainly as language can be written, sets forth that it is the plain duty of the Congress to coin money and set the value thereof. So, we have reached a sorry pass, as I commented the day before yesterday, where our country is at the mercy of foreign interests. It is almost as if we are on a battlefield and we are at the mercy of not only financial mercenaries, speculators and predatory international financial interests, but we are also at the mercy of a guideless and yet to be decided upon leadership on the part of our administrators who must, under the reality of daily living, be the ones to confront the decisions which must be made, because no matter how much the Constitution places this responsibility upon

our shoulders, the fact nevertheless remains that we cannot administer, and we have to depend upon our administrators.

I believe that we in the Congress, if I interpret the spirit and feelings of most Members with whom I have discussed this and most American people, if not all, have reached the point where we say, "Halt" to being a "patsy" and a victim of international speculators who have reaped millions and millions of dollars at the expense of the American taxpayer, the American investor, and the American businessman.

This is more complicated than it sounds. There are many factors which are entering this picture.

But there is no question in my mind that, rather than being at the mercy of these forces and drifting endlessly about, there is very much that can be done. Therefore, I want to report to my colleagues in the House that it is my intention, as chairman of the Subcommittee on International Finance, to get together with the Members of the subcommittee in order to obtain their consent to a continuing and sustained oversight type of meeting in order that we can report back to the Members of the House and to the Congress generally, in order to give some direction and some knowledge as to what is happening and how to appraise these forces and to erect safeguards, which I believe have long been overdue to be set up.

There is no question in my mind that many of the forces which are continuing to agitate these markets are forces we can do something about. It just simply is not true, when we hear some private bankers talk about our inability to do anything.

But I do not know what to think when our leading executives travel all the way to Europe, as they did this week, in order to meet with private bankers. When this same type of banker and industrial magnate had a similar meeting in Belgium it coincided with events preceding the first and second devaluations.

Have we reached the point that, like the case of our embattled soldiers in Vietnam, we play hostage to such Communist interests as the Russians and Chinese? Are we also in our economic life playing hostage to these predatory and hostile international forces in the world market?

I leave that question for us to answer as we delve into this matter.

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

Mr. GONZALEZ. I am glad to yield to the gentleman from Indiana.

Mr. LANDGREBE. I commend the gentleman for his expression of concern on our economic situation, and particularly on the world scene.

I should like to question the gentleman about his accusations against our Chief Executive, our President.

In Indiana we go to the bank normally to borrow money because we are not breaking even in our business, because we are losing money.

How long has it been since the Congress offered anything like a responsible approach to the fiscal problems of our country? Either raise the taxes or cut the spending.

We cannot have it both ways. Do we not have a bill before this House to increase our national debt by \$20 billion? Whose fault is this?

The gentleman says there are simple answers to this. My simple answer is to either cut spending or raise taxes, or both. We cannot have it both ways.

Mr. GONZALEZ. If the gentleman will allow me to comment on his remarks, unfortunately the answers may be simple, but they are not that simplistic.

The fact is the gentleman is right. There is no question that one of the main and primary ingredients is to have a stable, balanced economy at home. That does not necessarily mean we do not have a deficit. We have had deficits. In fact, in 1959 we had the then first largest deficit in the history of the Federal Government.

But there was no devaluation, because essentially the economy was in balance. There was a difference. We might have had a budgetary deficit.

Mr. Speaker, large international corporations—take A.T. & T. or ITT—actually finance deficit spending. Their outstanding indebtedness is predicated on the fact that their economy is balanced, because as long as they are in business and they are installing phones, they are going to service their debt.

What is disturbing at this time and has been for some time in our country is that not only is our budget out of balance, but our economy is out of balance also, because we have an inordinate rate of unemployment over and above what should be normal.

Mr. LANDGREBE. Mr. Speaker, let me interrupt for 1 minute. Will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. Mr. Speaker, according to any newspaper in America which I have read, never in my 57 years have there ever been so many jobs available, jobs to be had. Never, never before have I seen so many.

Mr. GONZALEZ. Mr. Speaker, that may be true in some areas.

Mr. LANDGREBE. I do not want to prolong the discussion now, because perhaps there is not enough time remaining.

Mr. GONZALEZ. Mr. Speaker, let me sum up.

My intention was merely to report that, as far as some of us on the subcommittee level are concerned, we hope to continue what ordinarily our subcommittee has not been called upon to do, because we feel that otherwise we will continue to merely react to actions that ultimately will be taken and decisions made on the basis of congressional action.

Mr. FRENZEL. Mr. Speaker, my good friend, the gentleman from Texas (Mr. GONZALEZ), who is the chairman of the Subcommittee on International Finance, has made a thoughtful statement, much of which I endorse. I especially commend him for his desire to exercise continuing oversight over the international monetary scene.

However, Mr. Speaker, I would not want any Member to get the idea that the present administration should be blamed for all our international financial woes, especially devaluations.

The gentleman from Texas stated that we had a deficit in 1959, but no devaluation. Actually we never had a devaluation from the time of the Bretton Woods agreement of the 1940's until the Smithsonian agreement last year.

We did not have a devaluation because, under Bretton Woods, our dollar was the international currency. It was the base currency and the intervention currency. We could not devalue without the agreement of the other nations of the free world.

Therefore, the two devaluations in the last 2 years are the result of 25 years of accumulated problems. This administration may have had to pay the piper, but four other administrations did most of the dancing.

This administration happens to be the one forced to attempt to put all the world's currencies, including our own, into balance. The gentleman from Texas has been a great help in its efforts, and I know he will continue to do so in the future. I thank him for his presentation today.

#### MISSOURI FREEMASONS PROCLAIM HARRY S TRUMAN "ONE OF THEIR OWN"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 20 minutes.

Mr. RANDALL. Mr. Speaker, virtually the entire contents of the spring 1973 issue of the Freemasons, the official publication of the Grand Lodge, A.F. & A.M., of Missouri, is devoted to articles on President Truman's Masonic history.

On the flyleaf of the spring issue appears the following dedication:

##### DEDICATION

Missouri Freemasons are especially proud that Harry S Truman was "one of our own." We join with Freemasons everywhere, with free people throughout the world, and with those whose hopes of freedom remain a dream for fulfillment, in expressing our heartfelt sympathy to all the members of his family in their very personal loss.

We pray that his family will find strength, comfort, peace and happiness in the knowledge that his life and his work will always be an example and source of strength and encouragement to millions and millions of people of the present and future generations.

It is with brotherly love and affection that this issue of THE FREEMASON magazine is dedicated to Harry S. Truman, Past Grand Master, Grand Lodge of Missouri, A.F. & A.M., 1940-41.

*Fraternally yours,*

W. HUGH McLAUGHLIN,  
Grand Master.

In this single issue there are so many interesting articles that it is difficult to choose which is the most interesting and informative to share with those colleagues in the House who are Freemasons, as well as those who admired and respected our late beloved President Truman.

Perhaps the most significant fact about Mr. Truman's Masonic history is that he became grand master of the Grand Lodge of Missouri, A.F. & A.M., for 1940-41. Because of such fact I think it is best to include in the RECORD, an article which may hopefully be carried into the Truman memorial volume, which begins on

page 44 of the spring issue of the Freemason and concludes on page 49. The article is well-written and contains some sidelights on the life of Mr. Truman as a Mason which I am almost certain had never before been published.

This particular story points out that Mr. Truman made the long 12-year climb of progression to become a grand master exactly like any other individual, but, unlike those who were not in public life or a well-known political figure, Mr. Truman had to endure in at least one instance the brunt of an anonymous letter which claimed that Mr. Truman's election as grand master would not be in the welfare of Masonry in Missouri for political reasons.

However, it is noteworthy that Mr. Truman, again and again, exercised the greatest care to be sure and certain that neither the Masonic organization nor the Eastern Star participated in any way toward the advancement of his political fortunes. Throughout his entire life as a Mason, Mr. Truman carefully observed and scrupulously protected the bipartisan or nonpolitical character of the Masonic fraternity.

Mr. Speaker, it is my privilege to read into the RECORD the story of Mr. Truman's progression to grand master of the Grand Lodge of Missouri as follows:

##### TRUMAN AND GRAND LODGE: A RECORD OF ACCOMPLISHMENT

Harry S. Truman was proud that he was a politician. He was even more proud and, in later years, frequently pointed out to Masons and non-Masons that he was appointed to the advancing line of the Grand Lodge of Missouri by a strong and active Republican.

Some of the correspondence from his Senatorial files at the Truman Library in Independence show how zealously he observed and protected the bi-partisanship or non-political character of the Fraternity. In April of 1940 while Deputy Grand Master, he received a letter from a St. Joseph politician and member of the Fraternity disclosing that an Eastern Star chapter was going to sponsor a dance at which candidates for political office would be introduced. The dance was a fund-raising program for the Masonic-related organization. He asked Truman to participate.

Truman replied: "... I think that the Eastern Star should under no circumstances be used in any way for political purposes even for the purpose of raising money.

"Never in my career have I used either the Masonic organization or the Eastern Star to advance my political fortunes. You will find, I am sure, that the constitution of both organizations prohibits just such activities as you are proposing to put on. It will not only ruin the organization, but if you are not careful it will cause a split where no split should occur."

##### THE APPOINTMENT

Truman had been one of four men considered for appointment to the Grand Lodge line in 1929 but the appointment went to Karl M. Vetsburg of St. Louis. A year later in Kansas City, Judge William R. Gentry, the incoming Grand Master, conferred with the two officers next in line on the appointment. These officers were Ray V. Denslow and Thad B. Landon. All three were staunch Republicans.

Truman was concluding his fifth year as District Deputy Grand Master and District Deputy Grand Lecturer. At the time he was Presiding Judge of the Jackson County Court and as the Grand Lodge session was about to open an editorial appeared in the

Kansas City Star. The editorial praised Truman, the Democrat, for his outstanding accomplishments with the county court, one of the few times in his active political life the newspaper editorially spoke in his favor.

Republicans Gentry, Denslow and Landon agreed on Truman and at the conclusion of the 110th annual communication, held at Kansas City's Ivanhoe Masonic Temple, he was installed as Grand Pursuivant. It was a 12-year line of progression to become Grand Master unless deaths or resignations occurred.

##### THE ELECTIONS

Truman progressed through the advancing appointive line from 1930 to 1938 without any hint of politics. But when the tellers returned from counting the ballots for Junior Grand Warden they disclosed probably the closest vote in the history of the Grand Lodge.

Truman had been elected, by a vote of 395 with a scattering of 345 for others, a victory margin of only 50 votes.

One brother, Luther E. Wilhoit, District Deputy Grand Master in the 14th Masonic District, later wrote Truman:

"I attended Grand Lodge at St. Louis last week and witnessed the most disgraceful thing I ever saw done in Grand Lodge.

"In expressing myself I was informed that they didn't want Pendergast for Grand Master four years from now. In reply I told the brother that I hardly considered a man worthy of Masonry who would bring that kind of stuff into Grand Lodge. . . ."

Truman gave serious thought to stepping aside to avoid the possibility that politics might be brought into Grand Lodge again as he came up for election as Senior Grand Warden, Deputy Grand Master, and Grand Master. However, older and wiser heads prevailed. His Senatorial papers at the Truman Library contain a great number of letters similar to that from Brother Wilhoit, encouraging him to continue.

In addition, a letter on August 4, 1939 from the members of his own Grandview Lodge No. 618, gave him even more reason for remaining in the line. The letter said:

"DEAR BROTHER HARRY: Knowing you personally and intimately as each of us does, and fully appreciating the honors you have brought to our little country lodge, we the undersigned members in good standing of Grandview Lodge No. 618, take this means of conveying to you, the knowledge of our unswerving loyalty and support in your progress toward the East in the Grand Lodge.

"May we all live to see you installed as Most Worshipful Grand Master, and may a part of the honor and glory of that occasion be reflected, as it surely will be, on your home lodge. We are fraternally yours. . . ."

The letter was signed by the 20 other living Past Masters of Grandview Lodge as well as the Junior and Senior Wardens for 1939 and the Secretary.

The resignation in the spring of 1939 of Elwyn S. Woods as Deputy Grand Master pushed Vetsburg and Truman into the two top elective offices that fall. The vote for Truman as Deputy Grand Master still gave some evidence that political opponents were at work.

##### THE UNSIGNED LETTER

The year 1940 was eventful for Truman. Not only would he face election for Grand Master but he would be in the midst of his campaign for re-election to the U.S. Senate.

His correspondence discloses that he turned down many invitations to visit or address various lodges that year because, "I would not want the lodge or any of the brethren to become involved in a political controversy on my part. It does not belong in the lodge."

Someone was bound and determined to get Truman, as a political figure, into the lodge. About two weeks before Grand Lodge an anonymous letter was mailed to the "Worshipful Master or Sec'y" of each of the nearly 600 lodges in the state. The letter read:



"KANSAS CITY, MO.,  
September 16, 1940.

"BRETHREN: If Masonry is to continue to occupy an exalted position, it might be well *To Think, Look and Listen.*

"The brother in line for Grand Master, is a position to which he can not do justice, he being a U.S. Senator.

"He was sponsored and practically put in that office, by the most unscrupulous racketeering boodler, that ever disgraced our State.

"Masonry and politics can and should not mix. Nor should the good citizens vote into a government or any other office a man that was created and through the power of crooked votes, was elected to the U.S. Senate by the champion of all racketeers, Tom Pendergast.

"The man that now seeks your vote for Grand Master and for re-election to the U.S. Senate, publicly announced, that he would stay with the sinking ship. Meaning that he would still be for Tom Pendergast, now an ex-convict and a dyed in the Wool Catholic.

"Brethren, consider the welfare of Masonry. Let your conscience be your guide.

"So Mote It Be."

Within days Truman's Senate office in Washington was flooded with correspondence from various lodge secretaries and other officers of the lodges. Nearly all enclosed the anonymous letter and expressed serious concern over the breach of Masonic law and tradition.

One of the letters to Truman came from the then superintendent of schools at Bloomfield, Missouri, Elvis A. Mooney. The letter said in part:

"While your name has been before the public and you have been an official of our government there has never come to my attention any act, or failure to act on any proposition that would in any way bring disfavor to the Fraternity or have any bearing on the question raised except to do honor and to give evidence of your fitness for the highest gift within the Grand Lodge of Missouri . . .

"I have very little influence in the Masonic Brotherhood of Missouri and have had very little opportunity to have much acquaintance with you as a man; however, I shall attend Grand Lodge and will rise to my feet and state my position on this outrage on a worthy brother and do all in my power to prevent this outrage on decency and good order among us. If I can be of assistance in furthering your cause so that you may serve us more fully throughout the coming year I am at your request.

"Sincerely and fraternally,

ELVIS A. MOONEY."

(In 1958 Elvis A. Mooney was appointed to the Grand Lodge line by Dr. Harold O. Grauel, who "tried to teach him the English language" at Southeast Missouri State College. Dr. Grauel had been appointed to the line by Truman's appointee, James M. Bradford, and thus, Grauel became Truman's Masonic "grandson" and Mooney, Truman's Masonic "great grandson." Bradford was Grand Master in 1949-50, Grauel 1959-60, and Mooney 1968-69.)

#### THE ELECTION

On September 24-25 of 1940, the Scottish Rite Cathedral in St. Louis was packed with one of the largest turnouts of delegates ever in the history of the Grand Lodge for the 120th annual communication. There were 563 lodges represented out of a total of 624. Truman was elected Grand Master by a vote of 2,708 with 689 scattered, a total vote of 3,397. At the conclusion of the two-day meeting, Truman was installed in office by the Republican who appointed him in line, Past Grand Master William R. Gentry.

#### GRAND MASTER TRUMAN

True to his word, Grand Master Truman did not accept any invitations for Masonic activities until after the general election in

November of 1940 in which he won re-election to the U.S. Senate.

He began his official visitations on Nov. 20, 1940, with an appearance at both Belton Lodge No. 450 and Grandview Lodge No. 618 on the same evening. Before his term of office was concluded, the correspondence in his Senatorial papers at the Truman Library records that he visited more than 20 Missouri Lodges, attended at least eight district meetings and presented several 50-year pins.

Grand Master Truman also visited the Grand Lodge of Texas, Equity Lodge No. 591 in Philadelphia, Pennsylvania, where he was the featured speaker; attended the semi-annual communication of the Grand Lodge of the District of Columbia; the Grand Masters' Conference of North America; the annual meeting of the George Washington Masonic National Memorial Association where he presented Missouri's contribution of \$1,900 to the association; and was the speaker at the annual dinner in Alexandria for Andrew Jackson Lodge No. 120.

In addition Truman made 16 official decisions as Grand Master. The jurisprudence committee upheld his rulings on all but two of the decisions.

He also directed the consolidation of four lodges into two and, after investigations by his deputies and careful consideration on his part, arrested the charters of two other lodges.

Grand Master Truman also issued 24 dispensations during the year, appointed and instructed two trial commissions, requested the resignation of one District Deputy Grand Master and appointed his successor.

#### PUFFED UP

Dr. Arthur Mather, grand secretary, forwarded to Truman all correspondence requiring the Grand Master's attention including the various checks. On one occasion Truman wrote Dr. Mather:

"I am enclosing the checks which you sent me for the payroll, and also the \$40,000 check for the Masonic Home.

"The office force seems to be very much puffed up that I have the ability to sign a check for \$40,000. Of course they don't understand that I don't have anything to do with whether it is good or not." (The check was partial payment from Grand Lodge of its per capita tax from the membership.)

#### TRUMAN RADIO BROADCASTS

Following his re-election to the U.S. Senate, Truman proposed the creation of a special committee to investigate waste, mismanagement and profiteering in the nation's war defense program. Truman was named chairman of the committee, selected a chief investigator and set to work.

While Truman was chairing his committee and actively participating in the investigations, traveling throughout the country, he kept on top of his homework as far as other Senate business was concerned, regularly putting in 15- to 18-hour days.

It seems almost impossible, now, in the light of his involvement to realize that he also was serving effectively as Grand Master of Missouri Freemasons.

Because of his position as Grand Master of Missouri and U.S. Senator, Truman was asked to deliver a nationwide radio address on February 22, 1941, over the Columbia Broadcasting System on "George Washington, the Mason." The speech was well received and gave Truman additional national recognition.

A few months later on July 24, Carl Claudy, executive director of the Masonic Service Association, prevailed upon Truman to deliver another national radio address on "Freemasonry Serves the Armed Forces," relating the story of the MSA and various other benevolent efforts of Grand Lodges throughout the United States to assist the serviceman. The broadcast elicited a great deal of interest, praise and new support for the MSA.

The broadcast also brought at least one note of criticism.

Miss Mary F. McGoldrick, Worthy Grand Matron of the Eastern Star in Massachusetts, wrote to Truman criticizing him for failing to mention the OES and Rainbow Girls contributions to the various camp programs.

Truman responded:

"I appreciated most highly your cordial note of July 25 in regard to my address on Masonic service.

"Of course the Eastern Star should have been included, but there isn't a man in the world who can think of everything, particularly this one. I apologize, for the Star is doing a great work."

#### TRUMAN CORRESPONDENCE

Truman corresponded fairly regularly with a number of Missouri Masonic friends as he progressed through the Grand Lodge line and through his years in the White House. These included Ray V. Denslow, George Marquis, N. D. Jackson, Renick Jones, Frank Land, and James DeWitt. Denslow, Marquis and Land were particular favorites.

One letter to DeWitt reveals the sacrifice in time that Truman made as Grand Master. Truman spoke in Philadelphia on April 9, left there at 1 a.m. on an airplane for St. Louis where he was met by DeWitt and driven to Kirksville.

On April 16, 1941, Truman wrote DeWitt: "The plane came along at 5 a.m. (April 11) and I got two hours sleep on a bench. They took me all the way back to Philadelphia and then down to Washington. I got here at 12:30 p.m. instead of 9:30 a.m. Just three hours late.

"I cannot express to you my appreciation for all the courtesies you showed me while in Kirksville. . . . Tell the two boys who acted as Masters that they did a good job and I appreciate it. . . ."

In a letter to Denslow, Truman said: "Certainly is good of you to keep me properly informed on the people in the neighborhood. If I just had somebody like that in every town I would never make an error. It certainly would have been a great error to write the widow of a bachelor, wouldn't it?"

#### GRAND MASTER'S ADDRESS

In his Grand Master's address of September 30, 1941, Truman said, in part: "We are facing a solemn and serious period in our history; in fact, the most serious emergency we have ever faced. As Freemasons we must continually endeavor to instill appreciation of free government and free expression; freedom of thought and freedom of worship. . . . We cannot really appreciate these privileges because we have always had them. But, our brethren in Denmark, Holland, Norway, and all those other countries which have come under the heel of totalitarian dictators, are either in concentration camps, or have sworn their liberties and their fraternal obligations.

"It is a most difficult matter for me, as Grand Master of the Freemasons of the great state of Missouri—an honor which I believe is greater than any other which can come to me—to stand here and discuss this situation with you without getting upon political grounds. I have been extremely careful in my Grand Lodge career as a member of this Grand Lodge line, to stay entirely clear of political actions and political utterances, where the interests of the Grand Lodge have been concerned. Brethren, we should be thankful for the privileges we enjoy. We must put forth every effort possible to maintain them with everything we have. . . .

"I have made a thorough investigation of the Masonic Service Association of the United States, of its personnel, and of what it proposes to do, and I have come to the conclusion that this Grand Lodge should do all it possibly can to support this Masonic Service Association for a Masonic national contact with our armed force. . . .

"I am, therefore, suggesting that the Grand Lodge of Missouri join the Masonic Service Association and cooperate fully with the other Grand Lodges of the country for service to the soldiers in this emergency.

"The Grand Chapter, Royal Arch Masons of Missouri, is contributing \$1,000 to this great cause. Your Grand Master is making a contribution of one-half his salary (\$500) as Grand Master for the year. I hope, brethren, that this great organization will do its duty fully and completely in this national emergency. . . ."

Truman concluded his address to Grand Lodge in these words:

" . . . I am sure that as long as there are three million Freemasons in the country, all good men and true, who believe in a system of morals, and the Constitution of the United States, we can safely face the future, no matter what it may bring forth.

"Fraternally submitted,

"HARRY S. TRUMAN,

"Grand Master."

Arthur Krock of the New York Times wrote in 1946 that "Truman has very long cherished Solomon, son of David, King of Israel, as his model of a public official and believes that a wise and understanding heart is the most necessary quality in a president of the United States."

#### SIXTH ANNUAL MANAGEMENT ENGINEERING TEAM AWARD

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

Mr. MITCHELL of New York. Mr. Speaker, on Monday, June 4, I was privileged to participate in the presentation of the sixth annual Management Engineering Team Award at a ceremony hosted by Gen. Horace M. Wade, Vice-Chief of Staff, U.S. Air Force, at the Pentagon. It was particularly significant for me to attend this event as this year's award-winning team is headquartered at Griffiss Air Force Base, located at Rome, N.Y., in my Congressional District.

The Management Engineering Team Award was established by the Department of the Air Force to annually recognize the team that has contributed the most to the Air Force manpower and engineering programs. These teams provide management advisory assistance and additional manpower functions to aid the Air Force in making the best possible use of its resources and to perform its missions in a more effective, economical manner. MET's, as they are commonly known, are a valuable asset to today's modern Air Force.

In a statement accompanying this year's award, the Air Force stated:

The Griffiss AFB Management Engineering Team, Air Force Communications Service, rendered exceptional service in carrying out the USAF Manpower and Management Engineering Programs during 1972.

The team developed manpower standards, provided management advisory services, and conducted manpower surveys which significantly improved operations and increased productivity during a period of command manpower reductions. The professionalism of the team was evidenced by \$6.2 million in manpower savings, the high respect and rapport established with personnel in the activities serviced, and by the continuing self-development of all team members.

These accomplishments reflect distinction and credit upon the Griffiss Management Engineering Team and the USAF Manpower and Management Engineering Programs.

At Monday's ceremony the team chief of the Griffiss MET, Capt. Roger L. Snyder, accepted the award on behalf of his team, comprised of: Capt. Kenneth R. Hutcheson, Capt. James C. McMullen, Capt. Joseph P. Reynolds, 1st Lt. Charles M. Wyke, Jr., SM. Sgt. Harold W. Houseman, SM. Sgt. William J. Huhn, M. Sgt. Robert Jackson, M. Sgt. Charles K. Monk, M. Sgt. Harry P. Norvell, M. Sgt. Robert L. Wakelee, Jr., T. Sgt. Edward A. Cook, T. Sgt. Jacob Kessel, T. Sgt. James H. Parham, Jr., T. Sgt. Willie J. Ross, S. Sgt. Clair N. Gruver, and S. Sgt. Charles E. Mahoney, as well as five civilians assigned to the MET: Philip Arslanian, Mary M. Cavalleri, Mary R. Kazmierski, Walter A. Rzonca, and Jennie Wheeler.

I wish to add my personal congratulations to these outstanding individuals and publicly express my sincere appreciation for a job well done.

Also, Mr. Speaker, there is another gentleman who deserves a great deal of the credit for this honor. Although not directly involved in the MET's work, the Commander of the Northern Communications Area, Brig. Gen. Kenneth P. Miles, has been instrumental in the many achievements of the personnel in his command.

General Miles is a leader of the highest caliber. He is respected by his subordinates and highly regarded among his colleagues as a skilled engineer, an effective administrator, and a true gentleman. It is my privilege to be personally acquainted with General Miles and I wish to take this opportunity to salute him for his many contributions to Griffiss, to the Air Force, and to our country.

#### GULF SUPERPORTS AWAIT THE GREEN LIGHT

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

Mr. TREEN. Mr. Speaker, I am a sponsor of H.R. 7501, an administration-supported bill which would facilitate the construction of deep sea ports. The bill would "authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities." It would provide that licenses to build and operate such "superports" could be granted to either State or local governments, or to private individuals and corporations. H.R. 7501 would further provide a mechanism whereby all Federal permits necessary for such facilities would be handled through a single application filed with the Interior Department. This is in sharp contrast to the hodgepodge of parallel Federal agencies currently involved in planning toward superport construction.

Mr. Speaker, the energy-use problem is a chronic situation of potentially monstrous proportions, and the American public is beginning to realize that positive steps must be taken to facilitate the flow of energy-producing materials. The Nixon administration is solidly behind the concept of deepwater ports as one facet of the solution; facilities such as the proposed superport of the coast of Louisiana would be able to handle ships with three and four times the capacity

of those which can use conventional U.S. ports. The environmental risks of a superport would be much lower than those imposed by large numbers of tankers being squeezed into already crowded harbors.

H.R. 7501 also takes the environmental factors into account. Under this bill no license can be granted unless the facility and its land-based activities would be consistent with the land-use planning programs of the various States adjacent to the site.

Unless H.R. 7501 is approved in this session of Congress, it has been predicted that Canada or the Caribbean nations would proceed with plans for their own superports. Such a situation would only serve to further intensify unemployment and the balance-of-payment deficits for the United States.

Mr. Speaker, I believe that once this legislation is passed the natural advantages which exist will result in the selection of a site off the Louisiana coast near the mouth of Bayou Lafourche for one of the first licenses under the new law.

I am attaching a copy of H.R. 7501 so that my colleagues will have the opportunity to study this bill:

H.R. 7501

A bill to amend the Outer Continental Shelf Lands Act and to authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Deepwater Port Facilities Act of 1973".

SEC. 2. (a) Section 5(a)(1) of the Outer Continental Shelf Lands Act is amended by adding the following sentence at the end: "The Secretary of the Interior shall prescribe such rules and regulations as may be necessary to accommodate the exploration and exploitation of the oil and gas and other mineral resources of the Outer Continental Shelf with the construction and operation of deepwater port facilities licensed by him."

(b) Section 5(c) of the Outer Continental Shelf Lands Act is amended by deleting the words "produced from said submerged lands in the vicinity of the pipeline".

#### TITLE I

SEC. 101. (a) Congress finds and declares that—

(1) Onshore port facilities in the United States are becoming increasingly congested as the United States' trade in fuel and other commodities increases. Such facilities are not able to accommodate some of the large vessels which are being used increasingly in ocean shipping.

(2) The national interest in economic use of resources, environmental protection, transportation safety, competitive advantage in world trade, and security in international relations is best served by the use of larger vessels and development and operation of United States deepwater port facilities that can accommodate them.

(3) The environmental dangers and safety hazards inherent in the increasing traffic in United States harbors, ports, and coastal areas make it desirable that appropriate offshore deepwater port facilities be constructed to protect the Nation's citizens, coastlines, and marine environment from pollution and other dangers to life, health, and property.

(4) The construction and operation of such deepwater port facilities by United States citizens under Federal license in accordance with this Act would be a reasonable use of the high seas in accordance with international law.

(5) The construction and operation of



deepwater port facilities off the coast of the United States by United States citizens should be subject to Federal license and regulation, and closely coordinated with the regulation of the exploration and exploitation of natural resources under the Outer Continental Shelf Lands Act in order to assure an adequate accommodation of such uses.

(b) The purpose of this Act is to authorize and regulate the construction and operation of deepwater port facilities in accordance with the policy of this Act.

(c) Nothing in this Act shall be deemed to affect the legal status of the high seas, the superjacent airspace, or the seabed and subsoil, including the Continental Shelf.

SEC. 102. DEFINITIONS.—As used in this Act the term—

(a) "Secretary" means Secretary of the Interior unless otherwise designated.

(b) "Deepwater port facility" means a facility constructed off the coast of the United States, and beyond three nautical miles from such coast, for the principal purpose of providing for the transshipment of commodities between vessels and the United States. It includes all associated equipment and structures beyond three nautical miles from such coast, such as storage facilities, pumping stations, and connections to pipelines, but does not include pipelines.

(c) "United States" or "State" includes the several States, the District of Columbia, any territory or possession of the United States, and the Commonwealth of Puerto Rico.

(d) "Citizen of the United States" means any citizen of the United States; any State or political subdivision of a State, or any private, public, or municipal corporation created by or under the laws of the United States or any State.

(e) "Application" means any application filed under this Act for a license to construct, operate, or make significant alterations to a deepwater port facility, or for a renewal or modification of such license.

SEC. 103. (a) No citizen of the United States may construct or operate or make any significant addition to a deepwater port facility without first receiving a license from the Secretary. No commodities or other materials may be transported between the United States and a deepwater port facility unless such deepwater port facility is licensed under this Act.

(b) The Secretary is authorized to issue to any citizen of the United States a license to construct or operate a deepwater port facility if he first determines that—

(1) the applicant is financially responsible and has demonstrated his ability and willingness to comply with applicable laws, regulations, and license conditions;

(2) the construction and operation of the proposed deepwater port facility will not unreasonably interfere with international navigation or other reasonable uses of the high seas, and is consistent with the international obligations of the United States; and

(3) the facility will be located, constructed, or operated in a manner which will minimize or prevent any adverse significant environmental effects. In making the determination required by this paragraph, the Secretary shall consider all significant aspects of the facility including any connecting pipelines in relation to—

(A) effects on marine organisms;  
(B) effects on water quality;  
(C) effects on ocean currents and wave patterns and on nearby shorelines and beaches;

(D) effects on alternative uses of the oceans such as fishing, aquaculture, and scientific research;

(E) susceptibility to damage from storms and other natural phenomena; and

(F) effects on esthetic and recreational values.

(c) The Secretary shall not limit the number of licenses or deny licenses on grounds of alleged economic effects of deepwater port

facilities on the commodity and transportation markets served by them or by other port facilities.

(d) Licenses issued under this section shall be for a term of no longer than thirty years, with preferential right in the licensee to renew under such terms and for such period not to exceed thirty years as the Secretary determines is reasonable.

(e) The Secretary shall consult with the Governor of any State off whose coasts the facility is proposed to be located to insure that the operation of the facility and directly related land based activities would be consistent with the State land use program.

(f) the grant of a license under this section shall not operate as a defense to any civil or criminal action for violation of the antitrust laws of the United States.

(g) Licenses issued hereunder may be transferred after the Secretary determines that the transferee meets the requirements of this Act.

(h) The Secretary shall not issue a license hereunder in any case where the President determines that it would be contrary to the national security of the United States.

SEC. 104. (a) The Secretary is authorized to issue reasonable rules and regulations governing application for and issuance of licenses and the construction and operation of deepwater port facilities under this Act. Such rules and regulations shall be issued in accordance with section 553 of title 5 of the United States Code without regard to the exceptions contained in subsection (a) thereof.

(b) In carrying out all of his functions under this Act, the Secretary shall consult with all interested or affected Federal agencies. The Secretary is authorized to utilize on a reimbursable basis the full resources of the Federal Government in ocean engineering and undersea technology for the purpose of determining standards and criteria for construction of all facilities licensed under this Act.

(c) An application filed with the Secretary for a license under this Act shall constitute an application for all Federal authorizations required for construction and operation of a deepwater port facility. The Secretary shall consult with other agencies to insure that the applications contain all information required by the agencies. The Secretary will forward a copy of the application to those Federal agencies with jurisdiction over any of the construction and operation and will not issue a license under this Act until he has been notified by such agencies that the application meets the requirements of the laws which they administer. Hearings held pursuant to this Act shall be consolidated insofar as practicable with hearings held by other agencies.

(d) The provisions of this Act shall in no way alter or otherwise affect the jurisdiction of the Council on Environmental Quality or the requirements of the National Environmental Policy Act of 1969 except that a single detailed environmental impact statement shall be prepared in connection with each license by the Secretary and circulated in compliance with the Guidelines of the Council on Environmental Quality. Such statement shall fulfill the responsibilities of all participating Federal agencies under section 102(2)(C) of that Act with respect to the proposed facilities.

SEC. 105. PROCEDURES FOR ISSUING LICENSE.—

(a) The Secretary shall prescribe by regulation the procedures, including appropriate charges, for the submission and consideration of applications for licenses. Each application shall contain such financial, technical, and other information to support the determinations required by section 103(b) of this Act as the Secretary may by regulation require.

(b) Before granting any license the Secretary shall publish in the Federal Register a notice containing a brief description of the

proposed facility and information as to where the application and supporting data required by subsection (a) may be examined and giving interested persons at least ninety days for the submission of written data, views, or arguments relevant to the grant of the license, with or without opportunity for oral presentation. Such notice shall also be furnished to the Governor of each State which may be significantly affected by the proposed facility, and the Secretary shall utilize such additional methods as he deems reasonable to inform interested persons and groups about the proceeding and to invite comments therefrom.

(c) If the notice published under subsection (b) did not provide for a public hearing, then upon the request of any interested person when in the judgment of the Secretary substantial objections have been raised to the grant or the terms of the license the Secretary shall hold one or more public hearings to consider such objections. Where such objections relate to the proposed site of the facility, at least one such hearing shall be held in the vicinity of the proposed site.

(d) Where the Secretary concludes from the comments and data submitted pursuant to subsections (b) and (c) that there exist one or more specific and material factual issues which may be resolved by an evidentiary hearing, he may direct that such issues be submitted to a supplemental hearing before a presiding officer designated for that purpose. Such officer shall have authority to preclude repetitious and cumulative testimony, to require that direct testimony be submitted in advance in written form, and to permit cross-examination only to the extent necessary and appropriate in view of the nature of the issues. After the hearing the presiding officer shall submit to the Secretary a report of his findings and recommendations, and the participants in the hearing shall have an opportunity to comment thereon.

(e) The Secretary's decision granting or denying the license shall be in writing and shall include or be preceded by an environmental impact statement, where required by section 102 of the National Environmental Policy Act, a discussion of the issues raised in the proceeding and his conclusions thereon, and, where a hearing was held pursuant to subsection (d), findings on the issue of fact considered at such hearing.

(f) The provisions of section 554, 556, and 557 of title 5, United States Code, are not applicable to proceedings under this section. Any hearing held pursuant to this section shall not be deemed a hearing provided by statute for purposes of section 706(2)(E) of title 5, United States Code.

SEC. 106. (a) Any person adversely affected by an order of the Secretary granting or denying a license may within sixty days after such order is issued seek judicial review thereof in the United States court of appeals for the circuit nearest to which the facility is sought to be located. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based his order, as provided in section 2112 of title 28. This record shall consist of—

(1) the application, the notice published pursuant to section 105(b), and the information and documents referred to therein;

(2) the written comments and documents submitted in accordance with the agency rules by any person, including any other agency and any agency advisory committee, at any stage of the proceeding;

(3) the transcript of any hearing held pursuant to section 105(c) or (d); and the presiding officer's report, if any; and

(4) the Secretary's decision and accompanying documents as required by section 105(e).

(b) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

(c) Upon the filing of the petition referred to in subsection (a), the court shall have jurisdiction to review the order in accordance with section 706 of title 5, United States Code, and to grant appropriate relief as provided in such section.

**SEC. 107. CONDITIONS IN LICENSES.**—The Secretary is authorized to include in any license granted under this Act any conditions he deems necessary to carry out the purposes of this Act. Such conditions may include but need not be limited to:

(1) Such fees as the Secretary may prescribe as reimbursement for the cost of Federal activities occasioned by the application for licensing, development, and operation of the deepwater port facility.

(2) Such measures as the Secretary may prescribe to meet United States international obligations.

(3) Such measures as the Secretary may prescribe to prevent or minimize the pollution of the surrounding waters.

(4) Such provisions as the Secretary may prescribe for the temporary storage of hazardous substances.

(5) Conditions designed to assure that the operation of the deepwater port facility will not substantially lessen competition or tend to create a monopoly. Such conditions shall include a requirement of nondiscriminatory access at reasonable rates.

(6) Provisions requiring that if a license is revoked or expires and is not reissued the licensee will be responsible for rendering the deepwater port facility harmless to navigation and the environment.

**SEC. 108. CIVIL PENALTIES.**—(a) Any licensee who violates any condition of his license or any rule or regulation of the Secretary issued under this Act may be assessed a civil penalty by the Secretary, in a determination on the record after opportunity for a hearing, of not more than \$10,000 for each day during which such violation occurs.

(b) A licensee aggrieved by a final order of the Secretary assessing a penalty under this section may within sixty days after such order is issued seek judicial review thereon in the United States district court for the judicial district nearest to which the licensee's facility is located or in the United States District Court for the District of Columbia, and such court shall have jurisdiction of the action without regard to the amount in controversy. Judicial review of the Secretary's determination shall be in accordance with section 706 of title 5, United States Code.

(c) Penalties assessed pursuant to this section may be collected in an action by the United States, but the order of the Secretary shall not be subject to review otherwise than as provided in subsection (b).

**SEC. 109. CRIMINAL PENALTIES.**—Any person who willfully and knowingly violates any provision of this Act or any rule, regulation, restriction, or condition made or imposed by the Secretary under the authority of this Act shall, in addition to any other penalties provided by law, be punished by a

fine of not more than \$25,000 for each day during which such offense occurs.

**SEC. 110. REVOCATION OF SUSPENSION OF LICENSE.**—(a) Whenever a licensee fails to comply with any provision of this Act or any rule, regulation, restriction, or condition made or imposed by the Secretary under the authority of this Act or fails to pay any civil penalty assessed by the Secretary under section 108 (except where a proceeding for judicial review of such assessment is pending) the Secretary may file an appropriate action in a United States district court to (1) suspend operations under the license or (2) if such failure is knowing and continues for a period of thirty days after the Secretary mails notice of such failure by registered letter to the licensee at his record post office address, revoke such license: *Provided*, That when such failure would in the judgment of the Secretary create a serious threat to the environment, he shall have the authority to suspend operations under the license forthwith. The licensee may seek judicial review of the Secretary's action in the United States district court for the district nearest to the deepwater port facility or in the United States District Court for the District of Columbia within sixty days after the Secretary takes such action.

**SEC. 111. APPLICABLE LAWS.**—(a) The Constitution and the laws and treaties of the United States shall apply to deepwater port facilities licensed under this Act and insofar as consistent with international law to activities connected with the operation and use of such deepwater port facilities in the same manner as if the facilities were located in the navigable waters of the United States. Foreign flag vessels or natural or juridical persons who are not nationals of the United States using such facilities shall be deemed to consent to the jurisdiction of the United States for the purposes of this Act. To the extent they are applicable and not inconsistent with the Act or with other Federal laws and regulations now in effect or hereafter adopted, the civil and criminal laws of the nearest State are declared to be the law of the United States for such facility. All such applicable laws shall be administered and enforced by the appropriate officers and courts of the United States. State taxation laws shall not apply to such facility, but this shall not affect the right of a State to tax its citizens or residents.

(b) The laws of the United States referred to in the previous subsection include but are not limited to the following:

(1) Sections 301, 306, 307, 308, 309, 310, 311, 312, 402, 403, 404, 504, and 505 of the Federal Water Pollution Control Act (Public Law 92-500, 86 Stat. 816) and sections 111, 112, 113, 114, 303, and 304 of the Clean Air Act (42 U.S.C. 1857c-6 through 1857c-9 and 1857g through 1857k): *Provided*, That to the extent any of the foregoing provisions require or presuppose action on the part of any State, such action may, as appropriate, be waived or taken by the Administrator of the Environmental Protection Agency: *And provided, further*, That a deepwater port facility licensed under this Act shall not be considered "a vessel or other floating craft" for purposes of section 502(12) of the Federal Water Pollution Control Act.

(2) Sections 9-20 of the Rivers and Harbors Act of March 3, 1899 as amended (30 Stat. 1151; 33 U.S.C. 401, 403, 404, 406, 407, 408, 409, 411, 412, 413, 414, and 415).

(3) The Ports and Waterways Safety Act of July 10, 1972 (Public Law 92-340; 86 Stat. 424).

(4) Acts to establish load lines for vessels, March 2, 1929 as amended (45 Stat. 1492), and August 27, 1935 as amended (49 Stat. 888) (46 U.S.C., chapter 2a).

(5) Federal Boat Safety Act of August 10, 1971 (Public Law 92-75, 85 Stat. 213) (46 U.S.C., chapter 33, sections 1451-1589).

(6) Vessel Bridge to Bridge Radio Tele-

phone Act, August 4, 1971 (Public Law 92-63; 85 Stat. 164) (33 U.S.C., chapter 24, sections 1201-1208).

(7) Sections (a) and (b) of Revised Statute 4370 as amended, Revised Statute 5294 as amended, sections 7, 8, and 9 of the Act of June 19, 1886 as amended (24 Stat. 81), section 27 of the Merchant Marine Act of 1920 (41 Stat. 999, as amended, 46 U.S.C. 7, 289, 316(a), 316(b), 319, 320, and 883).

(8) As they relate to Pipeline Safety, the Acts of June 25, 1948 as amended (62 Stat. 738, 18 U.S.C. 831), and August 12, 1968, as amended (82 Stat. 720; 49 U.S.C. 1671, Public Law 90-481).

(9) The Marine Protection, Research, and Sanctuaries Act of 1972, Public Law 92-532.

(c) The Secretary is authorized to promulgate such other regulations governing health and welfare of persons using deepwater port facilities licensed under this Act as he deems necessary.

**SEC. 112. Facilities connected to a deepwater port facility licensed under this Act such as pipelines and cables, which extend above or into submerged lands or waters subject to the jurisdiction of any State or possession of the United States, when in such waters shall be subject to all applicable laws or regulations of such State or possession to the extent not inconsistent with Federal law or regulation. Nothing in this Act shall be construed as precluding a State from imposing, within its jurisdiction, more stringent environmental or safety regulations.**

**SEC. 113. The customs and navigation laws administered by the Bureau of Customs, except those specified in section 111(b) (7) herein, shall not apply to any deepwater port facility licensed under this Act; but all materials used in the construction of any such deepwater port facility and connected facilities such as pipelines and cables shall first be made subject to a consumption entry in the United States and duties deposited thereon. However, all United States officials, including customs officials, shall at all times be accorded reasonable access to deepwater facilities licensed under this Act for the purpose of enforcing laws under their jurisdiction or carrying out their responsibilities.**

**SEC. 114. The Secretary of State, in consultation with appropriate Federal agencies, shall seek appropriate international measures regarding navigation in the vicinity of deepwater port facilities.**

## THE CONTINUING CRISIS IN MEAT PRICES

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

Mr. VANIK. Mr. Speaker, it is a sign of these inflationary times that the Department of Agriculture will now abandon its "plentiful foods" promotion program which has been used since 1945 to advise consumers about the best bargains in grocery stores. To quote from the press reports on this announcement:

Officials said the monthly promotion campaign will be ended partly to save money and also because some foods are not as plentiful as they once were. Beef, for example, was listed as a plentiful food in June, 1967. The list for July (of this year) includes dry beans, rolled oats, cornmeal and grits.

This report also accompanies the news that wholesale prices for May rose by 2.4 percent and at an annual rate of 23.4 percent over the past 3 months. Two-thirds of the May increase came in farm and food good prices. Almost half of the total was due to huge increases in feed



grains, soybeans and other types of agricultural products used in the feeding of animals. In total, it is reported that the rise in wholesale prices in the food goods sector was 4.1 percent for May. This is 29.1 percent higher than they were just a year ago. While some administration officials would like to argue against projecting these increases out for an "annual average," reports did indicate that farm and food prices have gone up at "an annual rate of 43.4 percent in the last 3 months."

It is uncontested that this increase in the cost of feeding animals will result in higher meat prices at the retail level in the months ahead.

It is obvious that we face a food crisis of unprecedented proportions. A head of lettuce costs between 60 to 70 cents. A few weeks ago there was a complete disappearance of onions from many markets.

It used to be that Americans liked to eat and could eat steak and onions. Now they cannot afford the steak and there are often no onions.

The situation is particularly critical for retirees, those on fixed incomes, and those with large families.

Phase III is a total and complete disaster. Price controls must be reimposed. This time they must include controls on the agricultural sector. If this results in the withholding of agricultural goods, then they must be ordered into the marketplace. If there are shortages, then some form of rationing may have to be developed—but it is imperative that everyone have an opportunity for a selection of nutritious foods. Accompanying this must be efforts to help the farmer. The news that tractors are standing idle for lack of fuel is unconscionable. The agricultural sector must be given the fuel and equipment that is necessary to plant the crops and to harvest them. The transportation system must be assured the means of distributing those food goods to the Nation's urban centers. These are obvious and overriding priorities.

#### THE MEAT SUPPLY SITUATION

It is also obvious that the world is entering a prolonged period of shortages in meat supplies. Increasing per capita incomes throughout the world will result in more competition for imported meat and further increases in the amount of American-raised meat which is exported.

So that American consumers can have an opportunity to purchase adequate supplies of imported meat, it is vital that the Meat Import Quota Act of 1964 be repealed and that the tariffs now imposed on foreign meats be removed. It is my hope that these important consumer amendments will be added to the Trade Reform Act of 1973, now being considered by the House Ways and Means Committee.

As a sponsor of legislation to repeal these restrictive quota and tariff provisions and as a member of the Ways and Means Committee, when Secretary of Agriculture Butz appeared before the Committee on behalf of the administration's trade proposals, I asked whether he supported repeal of the meat import quota law.

The Secretary's reply, in writing, is as follows:

The Department does not regard present meat prices as a reason for repealing the Meat Import Quota Act of 1964. Quantitative restrictions on meat imports have been suspended since June 1972, and there is no prospect of their being reinstituted while current market conditions prevail. However, meat production is highly cyclical and the Meat Import Act does provide safeguards if the supply situation changed and our producers were threatened with sudden sharp increases in imports. Meat prices have already begun to moderate, and a further decline is in prospect for this fall as a consequence of the record large increase anticipated for 1973 U.S. soybean plantings.

If we are granted the authorities contained in the proposed Trade Reform Act of 1973, we would be prepared to negotiate the elimination of our meat quotas in exchange for substantial concessions from our trading partners. But this would not preclude our producers from having recourse to the import relief provisions contained in Section 203 of the Trade Act in the event of imports causing or threatening injury.

Obviously, the predictions in the Secretary's letter of May 2d have become "inoperative".

In his letter, the Secretary talks of the "record large increase anticipated for 1973 U.S. soybean plantings. Following is the average price for No. 1 yellow soybeans per bushel in Chicago during the last 13 months and the price quota on June 5:

April, 1972	\$3.49
May	3.49
June	3.47
July	3.51
August	3.55
September	3.48
October	3.33
November	3.64
December	4.13
January, 1973	4.50
February	5.81
March	6.24
April	6.53
May (preliminary)	8.99
June 5th	12.27

The letter also stated that "meat prices have already begun to moderate."

That, too, has already been proven untrue. Since the beginning of May, the price of choice steers in Omaha has been steadily rising. Last May, the price of these choice steers was about \$37 per hundredweight. It now stands above \$45 per hundredweight—higher than ever before. It appears that choice cuts of steak could soon reach \$3 per pound.

Because of the almost certainty of continuing increases in domestic beef prices, it is vital that the American consumer have access to the generally lower-cost, lower-grade imported meat. This meat is generally not competitive with domestic grown meat. It is processing meat—the type used in hamburgers, canned stews—the type of meat primarily used by those with low incomes, fixed incomes, and those with large families.

Unless the meat import quota law is repealed and the tariffs on these items reduced, we cannot expect foreign growers to prepare for and ship to the American market. Until these restrictions are removed, and domestic policies reformed, the American consumer will continue to face a spiraling meat price crisis.

#### MINIMUM ANNUAL INCOME FOR THE AGED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, today several thousand older Americans are in Washington urging the Congress to give something more than "promises, promises" to meet their desperate needs. Presidential vetoes have prevented proper nutrition for the elderly—even though last year's Congress enacted the Nutrition Act. The threat of veto forced a reduction of \$1.5 billion in the older American community services program and the end of training programs for mature workers. The same veto threat forced Congress to cut proposed funds for the handicapped.

One of the most cruel deceptions practiced by this administration occurred just before the November election. Social security checks were sent out with a card implying that the increase in benefits was due to the largesse of the President. In fact, he had vigorously opposed the increase. But 20 million families were encouraged to vote for him, by the false implication in these cards.

Since his reelection, the President has made his bias obvious by increasing the cost of medicare to older citizens and cutting back essential services. It is good that people are not deceived by this duplicitous approach, and are here today to let their Representatives know it.

As just one instance of the impact of the administration's proposals, the West Side office for the aging in my 20th Congressional District in New York, has prepared the following statement:

#### WEST SIDE SENIOR CITIZENS FACT SHEET

Total Population—322,811 (1970 Census: 34th—125th St./Hudson R.-C.P.W.)

Population: 60 years and over—68,163 (21% of Total).

Population: 65 years and over—49,962 (15% of Total).

Percentage of people 65 and over, single, unrelated, and living alone, 48%.

Percentage of people 65 and over, below poverty level, 20%.

#### PROPOSED FEDERAL BUDGET CUTS

##### Medicare

49,962 West Side Medicare enrollees will be affected:

Hospital costs will increase from \$72 for first day and 60 free days thereafter to a minimum of \$330, covering payment in full for first day and 10% of all charges thereafter, including X-rays, lab tests, etc.: an increase of 358% for an average 21 day hospital stay!

Elective surgery will have to be approved in advance, as will additional hospital stays.

Cost of Doctor bills will increase from \$60 deductible, plus 20% co-insurance, to \$85 deductible plus 25% co-insurance: an average yearly increase of 27%!

People unable to pay increases in Medicare deductibles and co-insurance will have to go to already overburdened municipal hospitals.

##### Medicaid

9,680 elderly West Siders will lose dental services. (Thousands have become ineligible because of 20% increase in Social Security which may have brought them a few dollars above the income eligibility level.)

##### Training grants

Elimination will hamper City's plan to use local medical schools to train paraprofessionals.

sonals—adds up to loss of home and nursing care for seniors.

#### OEO

10,000 West Side older people will be seriously affected by the phase-out of programs funded under the Office of Economic Opportunity. (Elimination of Senior Opportunities and Services and Nutrition Programs in September 1973.)

#### CUTBACKS ALREADY IN EFFECT

##### Skilled and long term nursing care

Requirements stricter: Panel of physicians will have to determine eligibility.

##### Institutions, hospitals, nursing homes, homes for aged

Federal reimbursement through Medicaid has been cut although institutional costs have risen. Consequent loss in staff is causing serious neglect of disabled elderly patients.

##### Old age assistance (OAA)

On January 1st, 1974, the Federal Government takes over the Disabled, Aged, Blind categories of public assistance. 2,982 aged Westsiders will lose each month \$37 per individual \$35 per couple. No Food Stamps! Flat Rent Grants!

One of the palliative measures that the Congress has been able to approve is the supplemental security income program which will establish, next January 1, an income floor for older citizens. Since this was passed by the 92d Congress, however, its effectiveness has been lessened by inflation. The law will provide \$1,560 per year for an individual, or \$2,340 for a couple. These amounts are obviously far below poverty levels and below any possibility for providing decent housing, nutrition, or medical care. Also, the age limit is 65—which is unrealistic now that early retirement is being urged and at an ever-younger age, jobs are hard to find.

My bill, H.R. 5768, proposes an income floor for all persons of 62 or older—\$3,750 for an individual and \$5,000 for a couple. Under social security, after all other sources of income such as pensions or salaries are deducted, every person over 62 would be assured of an income not less than these amounts.

The cost is surprisingly low—tax experts have estimated it at around \$200 million.

The administration asks far more than that—\$240 million—for construction of the F-15, the tactical fighter aircraft. The Defense Department has just halted manufacture of the F-111 fighter-bomber which cost \$14.6 million each, instead of \$3.4 million as estimated. This is a cost overrun of 430 percent.

How do we want to spend our tax dollars? I believe that the Congress will want to recognize the realities by passing legislation meaningful to Americans. Therefore with 17 cosponsors, I am reintroducing my bill, H.R. 5768, with the following cosponsors: Mr. BADILLO, Ms. YVONNE BURKE of California, Ms. CHISHOLM, Mr. CONYERS, Mr. DELLUMS, Mr. DON EDWARDS of California, Mr. FAUNTROY, Mr. HARRINGTON, Mr. MOAKLEY, Mr. METCALFE, Ms. MINK, Mr. POBELL, Mr. MELVIN PRICE of Illinois, Mr. RANGEL, Mr. ROSENTHAL, Mr. STARK, Mr. STOKES, and Mr. WON PAT.

#### H.R. 8546

A bill to add a new title XX to the Social Security Act to provide for a minimum annual income of \$3,750 in the case of single individuals and \$5,000 in the case of married couples

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Social Security Act is amended by adding after title XIX thereof a new title XX as follows:

#### "TITLE XX—ASSURED MINIMUM ANNUAL INCOME BENEFITS FOR THE AGED "ELIGIBILITY FOR BENEFITS

"SEC. 2001. Every individual who—

"(1) has attained age 62,

"(2) is a resident of the United States (as defined in section 2008),

"(3) has an annual income (as determined pursuant to section 2004) of less than \$5,000 in the case of an individual who is married and living with his spouse, or \$3,750 in the case of any other individual.

"(4) has filed application for benefits under this title,

shall (subject to the succeeding provisions of this title) be entitled to assured minimum annual income benefits for the aged.

#### "PAYMENT OF BENEFITS

"SEC. 2002. (a) Benefits under this title shall be paid on a monthly basis, except that, if the benefit payable to an individual for any month is less than \$5, such benefit may be paid on such other basis (but not less often than semiannually) as the Secretary shall by regulations provide.

"(b) Benefits under this title shall be payable to any individual only for months after the month in which his entitlement thereto is established pursuant to an application therefor filed under section 2001.

"(c) No married individual who is living with his spouse for any month shall be entitled to a payment under this title for such month if the spouse of such individual receives such a payment for such month.

#### "AMOUNT OF BENEFITS

"SEC. 2003. The amount of the monthly benefit of any individual under this title shall be equal to one-twelfth of the amount by which \$5,000 (in the case of a married individual living with his spouse), or \$3,750 (in the case of any other individual), exceeds the amount of such individual's annual income (as determined under section 2004) for such year.

#### "DETERMINATION OF ANNUAL INCOME

"SEC. 2004. (a) For the purposes of this title, the term 'annual income' means, in the case of an individual, the total amount of income (other than income derived by reason of benefit payments under this title) from all sources received in the calendar year with respect to which a determination of annual income is made; except that, in determining the annual income of any individual who, during the calendar year, engaged in any trade or business, there shall be deducted any expenses incurred in carrying on such trade or business, and except that, income derived from the sale or exchange of property shall be taken into account only to the extent of the gain derived therefrom.

"(b) In determining the amount of annual income, for purposes of this title, of any individual who is married and living with his spouse, the annual income of such individual shall be regarded as the sum of the annual income of such individual and of the spouse of such individual.

#### "REPORT OF INCOME TO SECRETARY

"SEC. 2005. (a) Any individual applying for benefits under this title shall submit with

his application for such benefits and thereafter reports to the Secretary of his income and of any other matter which is relevant to his entitlement to receive, or the amount of, any benefit payable under this title. Such reports shall be filed at such time, in such form, and shall contain such information as the Secretary shall by regulations prescribe.

"(b) Benefits otherwise payable to an individual for any month shall be suspended until such time as any report required pursuant to subsection (a) to be filed prior to such month shall have been received and evaluated by the Secretary.

#### "OVERPAYMENTS AND UNDERPAYMENTS

"SEC. 2006. Whenever the Secretary finds that more or less than the correct amount of payment has been made to any individual under this title, proper adjustment or recovery shall be made in accordance with regulations of the Secretary patterned so as to conform, to the maximum extent feasible, to the provisions of section 204 (relating to overpayments and underpayments of benefits under title II).

#### "ADMINISTRATION

"SEC. 2007. This title shall be administered by the Secretary and through (to the extent feasible) the organization and personnel engaged in the administration of title II.

#### "DEFINITION OF UNITED STATES

"SEC. 2008. For purposes of this title, the term 'United States' means the fifty States, Puerto Rico, the Virgin Islands, Guam, and the District of Columbia.

#### "APPROPRIATION

"SEC. 2009. There are hereby authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this title.

#### "JUDICIAL REVIEW

"SEC. 2010. Decisions of the Secretary under this title shall be subject to judicial review in the same manner as decisions made under title II."

#### BUDGET HEARINGS IN FALL RIVER, MASS.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 30 minutes. Mr. HARRINGTON, Mr. Speaker, on Friday, May 4, I held hearings on the local impact of the proposed budget in Fall River, Mass. The focus of the hearings was the impact on the 12th District of Massachusetts.

Information must be brought to the people so that the true effects of the budget cuts can be known and understood. No realistic decision can be made about the budget until we all understand what termination of these programs will mean to the cities and towns and all of the people of the Commonwealth.

Massive amounts of Federal aid come to every locality in the form of categorical grants. We seldom realize how much we are enabled to provide services to our citizens only because of this governmental help. Municipalities will either have to lose vital services or increase their tax rates by tremendous amounts.

In just one program, title I of the Elementary and Secondary Education Act, which provides funds to school districts for aid to disadvantaged children, almost \$2,025,915 has entered the 12th Congressional District. If we were to lose



that aid, the quality of education in our schools would suffer immeasurably. And this is only one program of dozens that the President intends to end or severely curtail.

This budget has been depicted as a reasonable document, but it is not. It is a thoughtless work that does not separate successful programs from those that need improvement, nor examine at all the needs of the people of the United States. This budget merely ends Federal aid for many vital programs and throws the burdens and responsibilities back on the shoulder of States and municipalities, who have not the resources of the Federal Government. The costs for maintaining these programs will go to the already overburdened local taxpayers, or else we will settle for an inferior quality of education, health care, housing, and a polluted environment. I do not think this is a real choice.

The following persons, representing many aspects of programs and funding affected by the proposed cutbacks testified:

Mayor Wilfred Driscoll, of Fall River.  
 Richard Pline, representing Mayor John Markey of New Bedford and executive director, New Bedford Model Cities.  
 Paul Poulas, executive director, Fall River Model Cities.  
 Mark Sullivan, executive director, Citizens for Citizens, Fall River.  
 Donald Gomes, executive director, On-board Inc., New Bedford.  
 Richard Pred, executive director, Community Action Council of Cape Cod and Islands.  
 John Arruda, executive director, Fall River Housing Authority.  
 Marie Davidson, president, Fall River Senior Senate.  
 Robert Melanphy, director of Human

Services for New Bedford Area Institute for Health and Human Development, Inc.

Barry Monahan, chairman, Fall River Police Department.

Richard Cabral, Fall River Police Department.

Robert Todd, instructional media coordinator, West Bridgewater Schools.

June Pereria and Timothy Smith, students at Bridgewater State College.

Joan Menard, president, Fall River League of Women Voters.

The effects of the budget cuts will be severely felt by local cities and towns particularly in the area of education. The following programs, which exist in many cities and towns, are funded by the Federal Government. These will be terminated under the proposed Nixon budget for fiscal year 1974.

Title I—Aid to the disadvantaged has provided moneys to improve educational programs to meet the needs of educationally disadvantaged children in low-income areas.

Title II—Library resources. Nearly all public school systems in the area and the State have received funds for library media resources every year since 1966.

Title III—Aid to innovative education. This program is designed to create innovative models supplementing the regular school curricula, and has had a great deal of success throughout the State.

Title VIB—Education for the handicapped includes two programs which are designed to provide handicapped children with special tools of learning so that they can successfully participate in school programs.

Nutrition and Health, Drug Abuse Education, Occupational Vocational and Adult Education, Aid to State Depart-

ments of Education, Environmental Education, and NDEA Audio-Visual Equipment all receive zero dollars in the Nixon budget, while bilingual education and dropout prevention, though not terminated, are severely cut.

Titles I, II, and III of the Library Services and Construction Act provide extension of library services to areas without developed libraries, strengthen regional resource centers, provide for construction of new libraries or renovation or remodeling, and help provide inter-library cooperation. Despite remarkable gain and benefits in all these areas, these programs are terminated in the Nixon budget.

Massachusetts received \$3,582,471 under the special milk program in fiscal year 1973 to help pay the cost of milk for school children. The Nixon budget terminates this program in all schools except those not having hot lunch programs.

School assistance in federally impacted areas has been terminated for category "B" students whose parents do not live on Federal property, depriving local school districts of a substantial amount of money.

Following is a list of cities and towns in the 12th Congressional District and a partial listing of Federal aid they received in fiscal year 1973 or planned to obtain in fiscal 1974, in programs that have been terminated or severely cut back in the Nixon budget.

From these figures gathered on the local level, through contacts with dozens of local officials, it is hoped that we can begin to see the effects of the budget cuts on local economies, tax rates, and the welfare of every city and town.

The list follows:

	Fiscal year	Amount		Fiscal year	Amount
<b>ACUSHNET (Population 7,767)</b>			<b>CHATHAM (Population 4,554)</b>		
ESEA title I (amount available under Federal grant) students served—			ESEA Title I (amount available under Federal grant) students served—		
63; full-time employees—8	1973	\$23,538	53; full-time employees—7	1973	\$12,854
ESEA title II (amount available under Federal grant)	1973	691	ESEA Title II (amount available under Federal grant)	1973	799
Vocational education—title I—pt. H (work study)	1973	6,575	Special milk program	1973	1,929
School assistance in federally impacted areas	1972	5,592			
Special milk program	1973	1,644	<b>CHILMARK (Population 340)</b>		
Education for the handicapped: students served—92 (fiscal year 1972)	1973	4,500	ESEA Title II (amount available under Federal grant)	1973	101
NDEA title III—audio visual equipment	1973	2,024	Special milk program	1973	75
<b>BARNSTABLE (Population 19,842)</b>			<b>COHASSET (Population 6,954)</b>		
ESEA title I (amount available under Federal grant) students served—			ESEA Title I (amount available under Federal grant) students served—		
233; full-time employees—12	1973	78,406	15; full-time employees—1	1973	11,813
ESEA title II (amount available under Federal grant)	1973	2,803	ESEA Title II (amount available under Federal grant)	1973	1,217
Vocational education—title I—pt. H (work study)	1973	20,000	Special milk program	1973	4,902
School assistance in federally impacted areas	1972	48,512	NDEA—Title III—Audio-visual equipment	1973	6,019
Special milk program	1973	13,448			
<b>BOURNE (Population 12,636)</b>			<b>DARTMOUTH (Population 18,800)</b>		
ESEA title I (amount available under Federal grant) students served—			ESEA Title I (amount available under Federal grant) students served—		
129; full-time employees—12	1973	53,271	125; full-time employees—3	1973	37,860
ESEA title II (amount available under Federal grant)	1973	2,932	Vocational education—Title I—Pt. H	1973	10,154
Vocational education—title I—pt. H (work study)	1973	24,378	ESEA Title II (amount available under Federal grant)	1973	2,957
School assistance in federally impacted areas	1972	1,516,443	Special milk program	1973	6,137
Special milk program	1973	8,697	NDEA—Title III—Audio-visual equipment	1973	1,016
<b>BREWSTER (Population 1,790)</b>			<b>DENNIS (Population 6,454)</b>		
ESEA Title I (amount available under Federal grant)	1973	3,570	ESEA Title I (amount available under Federal grant)	1973	27,135
ESEA Title II (amount available under Federal grant)	1973	196	ESEA Title II (amount available under Federal grant)	1973	820
Special milk program	1973	521	Vocational education—Title I—Pt. H (work study)	1973	18,000
<b>CARVER (Population 2,420)</b>			Special milk program	1973	1,973
ESEA Title I (amount available under Federal grant)	1973	11,448	NDEA—Title III—Audio-visual equipment	1973	1,306
ESEA Title II (amount available under Federal grant)	1973	380			
School assistance in federally impacted areas	1972	15,062	<b>DUXBURY (Population 7,636)</b>		
Special milk program	1973	622	ESEA Title I (amount available under Federal grant)	1973	12,752
			ESEA Title II (amount available under Federal grant)	1973	2,190

	Fiscal year	Amount		Fiscal year	Amount
<b>DUXBURY (Population 7,636)—Continued</b>			<b>MATTAPOISETT (Population 4,500)</b>		
Special milk program.....	1973	\$6,392	ESEA Title I (amount available under Federal grant).....	1973	\$15,070
NDEA—Title III—Audio-visual equipment.....	1973	2,830	ESEA Title II (amount available under Federal grant).....	1973	467
<b>EASTHAM (Population 2,043)</b>			Vocational education—Title I—Pt. H (work study).....	1973	2,018
ESEA Title I (amount available under Federal grant).....	1973	5,141	School assistance in federally impacted areas.....	1972	1,333
ESEA Title II (amount available under Federal grant).....	1973	211	Special milk program.....	1973	2,128
School assistance in federally impacted areas.....	1972	3,583	<b>NANTUCKET (Population 3,774)</b>		
<b>EDGARTOWN (Population 1,481)</b>			ESEA Title I (amount available under Federal grant).....	1973	14,794
ESEA Title I (amount available under Federal grant).....	1973	9,578	ESEA Title II (amount available under Federal grant).....	1973	437
ESEA Title II (amount available under Federal grant).....	1973	135	School assistance in federally impacted areas.....	1972	21,556
Special milk program.....	1973	642	Special milk program.....	1973	4,615
<b>FAIRHAVEN (Population 16,332)</b>			<b>NEW BEDFORD<sup>1</sup> (Population 101,777)</b>		
ESEA Title I (amount available under Federal grant) students served—			ESEA Title I (amount available under Federal grant) students served—		
110; full-time employees—13.....	1973	63,241	1,791; full-time employees—120.....	1973	800,440
ESEA Title I (amount available under Federal grant).....	1973	1,955	ESEA Title II (amount available under Federal grant).....	1973	13,460
Vocational education—Title I—Pt. H (work study).....	1973	4,000	Vocational education—Title I—Pt. H (work study).....	1973	147,178
Special milk program.....	1973	6,174	School assistance in federally impacted areas.....	1972	85,844
Adult basic education.....	1973	5,000	Special milk program.....	1973	43,307
NDEA—Title III—Audio-visual equipment.....	1973	713	ESEA Title VII—Bilingual education.....	1973	131,616
<b>FALMOUTH (Population 15,942)</b>			Adult basic education.....	1973	15,075
ESEA Title I (amount available under Federal grant) students served—			Community development programs:		
200; full-time employees—12.....	1973	94,973	Neighborhood development: HUD.....	1972	1,392,000
ESEA Title I (amount available under Federal grant).....	1973	3,439	Gerardo apartments FHA—HUD—Applied for.....	1973	5,865,600
School assistance in federally impacted areas.....	1972	97,528	Redevelopment—Urban renewal—HUD.....	1966-73	23,408,175
Special milk program.....	1973	7,352	Open space—HUD—Applied for.....	1973	50,000
Adult basic education (students served—68; part-time employees—9).....	1973	15,000	Outfall sewer—EDA—Applied for.....	1973	6,180,000
<b>GAYHEAD (Population 118)</b>			Municipal service building construction—EDA—Applied for.....	1973	140,000
ESEA Title I (amount available under Federal grant).....	1973	2,902	Research and design to expand applied for economic base—EDA.....	1973	183,961
<b>HANOVER (Population 10,107)</b>			Urban coalition technical assistance—Red crab project—EDA.....	1972	108,100
ESEA Title I (amount available under Federal grant) students served—			<b>NORWELL (Population 7,796)</b>		
50; full-time employees—7.....	1973	19,997	ESEA Title I (amount available under Federal grant).....	1973	6,956
ESEA Title I (amount available under Federal grant).....	1973	2,259	ESEA Title II (amount available under Federal grant).....	1973	1,208
School assistance in federally impacted areas.....	1972	21,723	School assistance in federally impacted areas.....	1972	15,114
Special milk program.....	1973	6,070	Special milk program.....	1973	5,694
NDEA—Title III—Audio-visual equipment.....	1973	7,081	<b>OAK BLUFFS (Population 1,385)</b>		
<b>HARWICH (Population 5,892)</b>			ESEA Title I (amount available under Federal grant).....	1973	3,774
ESEA Title I (amount available under Federal grant) students served—			ESEA Title II (amount available under Federal grant).....	1973	118
100; full-time employees—6.....	1973	19,280	Special milk program.....	1973	1,329
ESEA Title II (amount available under Federal grant).....	1973	759	<b>ORLEANS (Population 3,055)</b>		
Vocational education—Title I—Pt. H.....	1973	8,500	ESEA Title I (amount available under Federal grant).....	1973	7,998
Special milk program.....	1973	4,192	ESEA Title II (amount available under Federal grant).....	1973	304
<b>HINGHAM (Population 18,845)</b>			Special milk program.....	1973	521
ESEA Title I (amount available under Federal grant) students served—			<b>PEMBROKE (Population 11,193)</b>		
117; full-time employees—16.....	1973	36,806	ESEA Title I (amount available under Federal grant).....	1973	34,343
ESEA Title II (amount available under Federal grant).....	1973	394	ESEA Title II (amount available under Federal grant).....	1973	914
School assistance in federally impacted areas.....	1972	36,549	School assistance in federally impacted areas.....	1972	81,730
Special milk program.....	1973	12,170	Special milk program.....	1973	4,621
Education for the handicapped: Students served—8; employees—5.....	1973	13,233	NDEA—Title III—Audio-visual equipment.....	1973	4,095
NDEA—Title III—Audio-visual equipment.....	1973	6,518	<b>PLYMOUTH (Population 18,606)</b>		
<b>HULL (Population 9,961)</b>			ESEA Title I (amount available under Federal grant) 123 students served;		
ESEA Title I (amount available under Federal grant) students served—			19 full-time employees.....	1973	72,454
97; full-time employees—22.....	1973	74,917	ESEA, Title II (amount available under Federal grant).....	1973	2,149
ESEA Title II (amount available under Federal grant).....	1973	1,721	Vocational education—Title I—Pt. H (work study).....	1973	236,325
School assistance in federally impacted areas.....	1972	38,972	School assistance in federally impacted areas.....	1972	17,797
Special milk program.....	1973	6,951	Special milk program.....	1973	11,172
Education for the handicapped: Students served—42; employees—3.....	1973	13,721	Adult basic education (55 students served, 5 part-time employees).....	1973	8,000
NDEA—Title III—Audio-visual equipment.....	1973	10,038	Water improvements—EDA—Notification of intent.....	1973	1,096,800
<b>KINGSTON (Population 5,999)</b>			Small sewer project—EDA.....	1972	187,500
ESEA Title I (amount available under Federal grant).....	1973	18,113	<b>PLYMPTON (Population 1,224)</b>		
ESEA Title II (amount available under Federal grant).....	1973	623	ESEA Title I (amount available under Federal grant).....	1973	4,927
Vocational education—Title I—Pt. H (work study).....	1973	30,581	ESEA Title II (amount available under Federal grant).....	1973	113
School assistance in federally impacted areas.....	1972	3,700	NDEA—Title III—Audio-visual equipment.....	1973	346
Special milk program.....	1973	1,496	<b>PROVINCETOWN (Population 2,911)</b>		
<b>MARION (Population 3,466)</b>			ESEA Title I (amount available under Federal grant) 24 students served;		
ESEA Title I (amount available under Federal grant).....	1973	6,956	5 full-time employees.....	1973	14,425
ESEA Title II (amount available under Federal grant).....	1973	231	ESEA Title II (amount available under Federal grant).....	1973	466
School assistance in federally impacted areas.....	1972	3,039	School assistance in federally impacted areas.....	1972	6,039
Special milk program.....	1973	1,032	Special milk program.....	1973	1,140
HUD, Sewer and Water—Sewer improvement.....	1972	605,500	<b>ROCHESTER (Population 1,770)</b>		
<b>MARSHFIELD (Population 15,223)</b>			ESEA Title I (amount available under Federal grant).....	1973	3,043
ESEA Title I (amount available under Federal grant) students served—			ESEA Title II (amount available under Federal grant).....	1973	217
144; full-time employees—22.....	1973	40,864	Special milk program.....	1973	249
ESEA Title II (amount available under Federal grant).....	1973	3,165	<b>ROCKLAND (Population 15,674)</b>		
School assistance in federally impacted areas.....	1973	31,409	ESEA Title I (amount available under Federal grant) 104 students served;		
NDEA—Title III—Audiovisual equipment.....	1973	6,449	3 full-time employees.....	1973	37,676
<b>MASHPEE (Population 1,288)</b>			ESEA Title II (amount available under Federal grant).....	1973	2,524
ESEA Title I (amount available under Federal grant).....	1973	9,569	Vocational education—Title I—Pt. H (work study).....	1973	18,978
ESEA Title II (amount available under Federal grant).....	1973	146	School assistance in federally impacted areas.....	1972	2,023
School assistance in federally impacted areas.....	1972	7,653	Special milk program.....	1973	10,493
Special milk program.....	1973	241	<b>SANDWICH (Population 5,239)</b>		
<b>Footnotes at end of table.</b>			ESEA Title I (amount available under Federal grant).....	1973	9,426
			ESEA Title II (amount available under Federal grant).....	1973	526
			School assistance in federally impacted areas.....	1972	23,306
			Special milk program.....	1973	2,810



	Fiscal year	Amount		Fiscal year	Amount
<b>SCITUATE (Population 16,973)</b>			<b>WELLFLEET (Population 1,743)</b>		
ESEA Title I (amount available under Federal grant) 30 students served; 1 full-time employee; Cushing hall \$5,796.00	1973	\$33,329	ESEA Title I (amount available under Federal grant)	1973	\$3,999
ESEA Title II (amount available under Federal grant)	1973	3,465	ESEA Title II (amount available under Federal grant)	1973	179
School assistance in Federally impacted areas	1972	12,647	School assistance in Federally impacted areas	1972	170,489
Special milk program	1973	15,417	Special milk program	1973	231
Education for the handicapped: 62 students served	1973	12,000			
NDEA—Title III—Audio visual equipment	1973	7,151	<b>WEST TISBURY (Population 453)</b>		
<b>TISBURY (Population 2,257)</b>			ESEA Title I (amount available under Federal grant)	1973	290
ESEA Title I (amount available under Federal grant)	1973	12,771	ESEA Title II (amount available under Federal grant)	1973	101
ESEA Title II (amount available under Federal grant)	1973	216	Special milk program	1973	87
Special milk program	1973	353			
<b>TRURO (Population 1,234)</b>			<b>WEYMOUTH (Population 54,610)</b>		
ESEA Title I (amount available under Federal grant)	1973	3,285	ESEA Title I (amount available under Federal grant) 655 students served; 22 full-time employees	1973	152,549
School assistance in Federally impacted areas	1972	47,656	ESEA Title II (amount available under Federal grant)	1973	9,702
Special milk program	1973	231	School assistance in Federally impacted areas	1972	154,630
			Special milk program	1973	29,233
<b>WAREHAM (Population 11,492)</b>			NDEA—Title III—Audio visual equipment	1973	10,172
ESEA Title I (amount available under Federal grant) 148 students served; 14 full-time employees	1973	88,248			
ESEA Title II (amount available under Federal grant)	1973	2,211	<b>YARMOUTH (Population 12,033)</b>		
Vocational education—Title I—Pl. H (work study)	1973	16,444	ESEA Title I (amount available under Federal grant)	1973	40,132
School assistance in Federally impacted areas	1972	8,615	ESEA Title II (amount available under Federal grant)	1973	1,661
Special milk program	1973	3,670	Special milk program	1973	5,290
Education for the handicapped: 60 students served; 2 employees	1973	21,690	NDEA—Title III—Audio visual equipment	1973	3,288
NDEA—Title III—Audio-visual equipment	1973	2,655			

<sup>1</sup> Special milk program figures are projections from State Department of Higher Education, Bureau of Nutrition and School Food.

Note: Other figures are from Massachusetts State Department of Education, Office of Education—Region I; Southeastern Regional Planning and Economic Development District; Local city and town officials.

#### MANPOWER AND EMERGENCY EMPLOYMENT PROGRAMS

Federal programs including manpower development training assistance, the Neighborhood Youth Corps, and the emergency employment program have provided important and worthwhile work to many of the citizens of the Fifth Congressional District. These programs are being terminated or severely cut back.

Not only will this mean an increase in the already too high unemployment rate of the area, but services that are necessary to cities and towns will be lost or municipalities will have to increase their budgets in order to continue these programs.

Under the emergency employment program vital services were provided to towns and cities. In some areas this meant increased police protection, rehabilitation of public buildings, improvement of park areas.

These are jobs that cities and towns had not been able to afford on their own.

During the month of July 1972, the peak period under the emergency employment program, 582 people were employed in 18 cities and towns in the 12th Congressional District. In some of the small towns this meant only one employee; in New Bedford, 392.

People employed under EEA were often those members of our society who have the most difficult time finding work; Vietnam veterans, people over 45, and those under 22.

Peak period employment under EEA, July 1972, by city and town:

Acushnet	4
Barnstable	7
Bourne	5
Brewster	1
Carver	1
Cohasset	2
Dartmouth	10
Dennis	1
Duxbury	1

Eastham	1
Fairhaven	7
Falmouth	8
Hingham	2
Hull	5
Kingston	2
Marion	4
Marshfield	5
Mashpee	1
Nantucket	1
New Bedford	392
Norwell	1
Orleans	1
Pembroke	9
Plymouth	31
Plympton	1
Provincetown	9
Rochester	2
Rockland	15
Sandwich	1
Scituate	5
Truro	2
Wareham	11
Wellfleet	1
Weymouth	29
Yarmouth	4

The emergency employment program has meant that in 1 month \$147,189 was brought into the 12th District in the form of salaries.

Programs that have been terminated that affect the elderly include many of the housing programs such as rent subsidies, nonprofit sponsor housing which allowed nonprofit organizations to build housing for low-income groups including the elderly, and rent supplements. More important may be the loss of various social services provided by community action agencies and model cities agencies; these include senior citizens hot meal programs, legal services, and others.

One of the most severe changes that will increase the costs to the elderly is the proposed Nixon change in the deductible under medicare. The amount the elderly will have to pay to supplement medicare hospital and physician payments will rise appreciably.

#### HOSPITAL CARE

At present: For the first 60 days, \$72 deductible; 61st to 90th hospital day, \$18 per day deductible.

Nixon plan: Full cost of first hospital day, average \$90; 10 percent of full cost of each hospital day after the first, average \$15 per day.

A two-week hospitalization would cost an elderly person a minimum of \$300.

#### PHYSICIANS' COST

At present: Physicians average, \$600; medicare patient pays, \$168.

Nixon plan: Physicians average, \$600; medicare patient pay, \$214.

For those people on medicaid, all dental care has been eliminated.

In the 12th Congressional District, there are approximately 102,000 people on medicare and 17,025 people on medicaid.

#### HEALTH AND MENTAL HEALTH ADVANCE FUNDS FOR MEDICARE

When medicare was started, the Federal Government advanced funds to the hospitals on the basis of projected medicare patients. This practice has continued so that the hospitals could operate.

The Nixon administration is discontinuing this practice and demanding return of the funds advanced this year.

This will mean that district hospitals will have to return \$435,000 to the Federal Government by July 1, 1973. Most of the hospitals will have to borrow these funds at a commercial interest rate to survive.

#### Current financing to be returned

Nationally	\$300,000,000
Massachusetts	7,000,000
District	358,000
St. Luke's Hospital	200,000
Nantucket Cottage Hospital	3,500
Martha's Vineyard Hospital	11,000
South Shore Hospital	70,600
Tobey Hospital	20,000
Falmouth Hospital	21,000
Union hospital of New Bedford	32,500

## HILL-BURTON CONSTRUCTION

The Hill Burton Hospital Construction Act is terminated as of June 30, 1973, and there is no money for it in the President's 1974 budget. This means that there will be no construction funds for much-needed additions, improvement, or modernization of hospitals or long-term care facilities.

This program has been very helpful to the hospitals in the district:

St. Luke's Hospital received \$400,000 for construction of a new hospital wing in 1968.

Nantucket Cottage Hospital received \$144,000 for construction of a new hospital wing in 1970.

Martha's Vineyard Hospital received \$351,797 in 1970 for an outpatient facility, and \$464,384 for a long-term care facility. Total \$816,181. A grant application in the amount of \$1,294,788 for a new patient facility is still being finalized.

South Shore Hospital received \$400,000 for a hospital addition in 1968.

## COMMUNITY MENTAL HEALTH

There will be no new program money for community mental health. This program has stimulated the establishment throughout New England, helping to move care away from costly and ineffective long-term and custodial care in State mental institutions.

In Massachusetts, grants totaling some \$4 million per annum have been made through the program. Merely to maintain existing and planned services will cost Massachusetts \$7,986,000.

South Shore Hospital had plans in the discussion stages for a Community Mental Health Center, but now will have no chance for Federal funding.

There is no evidence that patient fees, third party payments, nor State and local governments can support existing centers at current levels of services, not to mention future needs, thus leaving community mental health emasculated.

## OFFICE OF ECONOMIC OPPORTUNITY PROGRAMS

Two Community Action Agencies serve 25 cities and towns in the 12th Congressional District. Onboard, Inc., serves New Bedford, Dartmouth, and Fairhaven. The Community Action Council of Cape Cod and Islands serves Bourne, Falmouth, Mashpee, Sandwich, Barnstable, Yarmouth, Dennis, Harwich, Brewster, Chatham, Orleans, Eastham, Wellfleet, Truro, Provincetown, Gosnold, West Tisbury, Tisbury, Oak Bluffs, Chilmark, Gray Head, and Edgartown. Both agencies have successfully dealt with the problems of low-income families.

Onboard, Inc., administered a total budget of \$1.7 million serving thousands of people and was responsible for bringing much more money into the community as a result. Under the proposed 1974 budget, Onboard, Inc., is in danger of losing a substantial amount of local initiative funds which are used to administer many worthwhile programs.

The concentrated employment program is a manpower training program for the unemployed and underemployed. Originally funded at \$1.1 million dollars,

it was cut to just under \$800,000 with a phaseout date of September 1, 1973. Fifty-five jobs are in jeopardy.

The Neighborhood Youth Corps in school and out of school program expires June 30, 1973, and that means that 15 staff—full and part time—and 1,391 youngsters will not be working this summer.

Day care at the OLPH School was originally funded at \$186,000 and is scheduled for new guidelines making the feasibility of carrying out the program serving 90 children virtually impossible.

The neighborhood and service system operates four neighborhood centers in the city, providing activities such as general education development classes, bilingual classes, pap-test facilities, many senior citizen programs, and cooking classes.

The total number of people employed by the combined programs are 132 full time and 13 part time, many previously receiving public assistance.

The Community Action Committee of Cape Cod and the Island is in jeopardy of losing \$114,000 in local initiative funds which are the basic funds for the administration of many programs. This could mean the collapse of 20 jobs and an annual budget in excess of \$100,000 directly affected. Other programs including local VISTA operations as well as alcoholic rehabilitation and family planning programs funded by the Federal Government are in serious jeopardy with CAC administrative backup.

In addition, the community development wing of CAC will be eliminated. In the area of housing, CAC has provided space and technical assistance for the Cape Cod and Islands Tenants Council, and has been instrumental in securing more than \$3 million in State and Federal funds for housing for low-income people.

Other activities included food co-ops, which involve 700 families and craft development, a nonprofit organization of low-income people who sell their handicrafts through co-op stores.

In addition, cooperatives doing business of close to \$150,000 and broad-based organizations representing the interests of low-income residents of the cape and islands may also be in danger of collapse.

With the President's planned termination of all OEO programs, all directly funded antipoverty programs will be lost, but also lost will be the administrative arm of many other manpower and community programs.

## HOUSING AND BASIC WATER AND SEWER

Low rent public housing and multi-family housing both have a zero dollar figure projected in the 1974 Nixon budget. In fiscal 1973, \$7.7 million was allocated to Massachusetts for these programs; \$2.6 million of that has been impounded.

Many cities and towns in the district have received in the past and some had anticipated Federal moneys for housing and/or water and sewer programs under existing law. Most of the new ones will not be funded under the Nixon budget.

Many cities and towns in the 12th Congressional District are under order

to install water treatment plants or sewers. These plans are jeopardized by the Nixon budget.

There is a severe housing shortage for the elderly, yet funds for elderly housing, college housing, rent supplements and subsidies, open space, rehabilitation, have all been frozen pending an 18 month study on their effectiveness. This will mean an actual freeze on new starts in housing of 2 years.

Marion received \$605,000 for sewer improvements in fiscal year 1972; New Bedford has submitted applications for \$50,000 for open space grants and \$5,865,000 for Gerardo apartments FHA. No funding is available for these under the 1974 Nixon budget.

Many cities and towns in the 12th Congressional District have begun open space and recreation programs under HUD's legacy of parks program, but will be unable to continue if the Nixon cutbacks are not reversed. Cities and towns planned construction of wastewater treatment plants and local sewer collector pipes. However, the Nixon administration intends to spend less than half of the planned \$11 billion on these programs. Local communities will either have to abandon their plans or increase local tax rates by intolerable amounts.

The Nixon intention to end the Economic Development Administration will have a serious effect in the district. In 1972, New Bedford received \$108,000 for Urban Coalition Technical Assistance Red Crab project; and \$296,908 for an industrial park. An outfall sewer project for \$6,180,000 is pending with EDA for New Bedford.

Plymouth was funded for \$187,500 for a small sewer project in 1972 and has submitted a notification of intent for a \$1,096,800 water improvement project. Other cities and towns anticipating funds under EDA will lose the opportunity for Federal funding.

Housing and construction generate more long-term employment and have a greater multiplier effect than do most other projects or input of funds. The adverse effects on employment and economy of the entire area are very serious.

## NEW BEDFORD MODEL CITIES

One of the most important programs begun under the Johnson administration is the model cities program. The goal of this project was to improve inner cities, to make them livable again. Under the Nixon budget, the model cities will be terminated.

New Bedford, like all model cities, expected to complete its 5-year program in an orderly manner. New Bedford's termination date was to have been January 31, 1975.

Through a series of actions by President Nixon and the U.S. Department of Housing and Urban Development, the New Bedford program will terminate on June 30, 1974, but the city has received only 25 percent of the funds normally expected for a 17-month interval between the beginning of its fourth action year, February 1, 1973, and the closing date of June 30, 1974. This reduction will result in a direct loss of nearly \$3,500,000 to New Bedford, and means the elimination of 138 jobs.



In fact, valuable services and jobs will be lost immediately and in the near future, leaving a gap which cannot be filled until new funds are received by the city, hopefully in July 1974.

The following are the monetary and job cuts which must be made in the New Bedford model cities program:

Activities	Funding lost <sup>1</sup>	Jobs eliminated or in jeopardy <sup>2</sup>
Housing rehabilitation	96,000	21
Education (8 projects, including elementary school construction)	669,500	66
Health, social services	163,000	19
Recreation, cultural activities	54,000	1
Crime, delinquency prevention	38,000	8
Program administration, planning, evaluation, citizen participation	151,000	29
Physical improvements	77,500	2
Total	1,249,000	138

<sup>1</sup> Total loss is based on the previously projected (12-month) 4th year. To this figure must be added \$168,000 reclaimed from the 3d year which had been programmed for ongoing activities, rather than phasing out, and the \$2,109,000 grant for the 5th action year, making a grand total of \$3,466,000.

<sup>2</sup> As of February 1973, there were 160 full-time and 20 part-time positions in the New Bedford program dependent upon model cities funding, totaling 180. On or before Dec. 31, nearly 77 percent of these positions will be terminated without additional funding.

#### HIGHER EDUCATION

Approximately 325 local students receive some form of Federal financial aid while attending one of the three local colleges in 1973. It is estimated that as many as half of these students would not be able to attend colleges without financial aid.

The three basic programs of financial aid are the educational opportunity grants, the national direct student loan—formerly national defense loans, and the work-study program. The Nixon budget terminates the first two programs and weakens the third.

Educational opportunity grants would be ended and replaced by the basic opportunity grant for which most students whose families earned between \$7,000 and \$12,000 a year would not be eligible.

National direct student loans are made to students through their schools. The President proposes replacing this with the guaranteed loan program. However, past experience has shown that students with proven need have the most difficult time obtaining such loans from commercial banks.

Many schools had hoped to expand their work-study programs. However, serious changes under the programs will mean that more students will be able to work fewer hours and earn less money.

I include the following:

	Amount	Students
Southeastern Massachusetts University:		
Educational opportunity grants (1973)	\$80,453	215
National defense student loans (1973)	81,386	275
Work-study (1973)	168,397	378
Total	330,236	868
Swain School of Design:		
Educational opportunity grants (1973)	11,124	35
National defense student loans (1973)	6,531	35
Work-study (1973)	4,887	9
Total	22,542	79

	1973	1974 (anticipated)
Cape Cod Community College:		
Educational opportunity grants	\$25,600	\$41,200
National defense student loans	10,200	74,500
Work study program	43,400	200,000
Total	79,200	315,700

Note.—In 1973, a total of 170 students received some form of financial aid at Cape Cod Community College. In 1974, the college had anticipated 370 students receiving some form of financial aid.

#### WATERGATE AND THE AMERICAN NAZI PARTY

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

Mr. DANIELSON. Mr. Speaker, this is another little dripping from the Watergate, whose seepings have polluted our governmental process from coast to coast. Everyone read yesterday in the paper how the operation in California, under Lyn Nofziger, was spending Watergate money to try to influence the election. It now comes to light through the San Gabriel Valley Tribune that the American Nazi Party or the Nazi Party of America, whose headquarters is in my district, was employed in this process.

Mr. Speaker, one of the little commando groups from the Watergate approached the Nazi Party in California and offered them funds to pay off their mortgage. They were in trouble, in peril of losing their building, their headquarters. They were asked if they, the Nazi Party, would help change the registration of the members of AIP Party so that it would disappear from the ballot and thereby prevent the name of George Wallace from appearing on the ballot. They did turn over \$1,200 in money to the Nazi Party—\$800 of that money was used against the mortgage. I do not yet know what happened to the other \$400. Along with that, the Nazi Party got a gasoline credit card through the courtesy, of course, of the Committee to Re-elect the President or Watergate, whatever we want to call it.

An article written by Daniel DeLong and appearing in the San Gabriel Valley, Calif. Daily Tribune of June 7, 1973, follows:

#### NAZIS USED NIXON CASH

(By Daniel DeLong)

EL MONTE.—Funds from President Nixon's re-election campaign were used as a down payment for the nation's largest Nazi headquarters, it was revealed today.

Lt. Joseph Tommasi, head of the National Socialist White People's Party in Southern California, told The Tribune that money received from the California Committee to Re-elect the President was used to buy the frame headquarters house at 4375 N. Peck Rd.

Tommasi said he received \$1,200 from Robert J. Walters, a disgruntled former coordinator for the American Independent Party, to enlist members of the AIP into the Nazi movement to block George Wallace's third-party candidacy in California last year.

More than \$800 of the money received from Walters was used to purchase the swastika-decorated headquarters. Total purchase price was \$28,000.

Tommasi, 22, a self-styled leader of the group, said that Walters approached him

at his headquarters in October of 1970 in the name of then Atty. Gen. John Mitchell and Jeb Stuart Magruder, the Nixon campaign's deputy director.

Tommasi said that Walters and Glen Parker, a Nazi sympathizer who broke with Walters during the enlistment, offered him \$5,000 to use his storm troopers as registrars.

The Nazi, about 20 of the group's claimed membership of 1,500, went out neatly dressed in civilian clothes to register AIP members.

Tommasi only received \$1,200 of the "promised" \$5,000. Payments came in \$100 increments, both by checks signed by Walters in cash.

The last payment made to Tommasi came in January of last year.

Tommasi said that the money was cut off because the registration drive was a complete failure.

Wallace actually gained 6,500 voters during the period that Walters and Tommasi worked together.

"They (Walters and Parker) were afraid that Wallace would do damage to the Nixon campaign in California," Tommasi said.

"I was surprised when I was contacted, but the idea of enlisting AIP members to weaken Wallace made sense," he recalled.

Tommasi said his party needed the money then because the lease on the headquarters "was dying."

"We had no reason to doubt Walters or Parker and who they said they represented," Tommasi added.

Walters denied that he hired the Nazis, even when shown photostat copies of checks made out to Tommasi with Walters' signature.

The advertising executive from Buena Park said he had often given Parker signed blank checks to fill out for expenses.

Walters conceded Thursday that "it is conceivable some individuals working in the campaign were in some way or another involved with Tommasi and company."

Most of today's revelations stem from testimony Thursday by Hugh W. Sloan, Jr., former treasurer of the Nixon campaign, when he told the Senate Watergate hearings that he disbursed \$10,000 in cash to Lyn Nofziger, former director of the President's California campaign, for an unspecified purpose.

Nofziger said the money went to Walters. He said Walters convinced Magruder that he could help disqualify AIP members who had once registered but failed to vote.

Under California law, names of registered voters are stricken by county registrars if they fail to vote in general elections every two years.

Wallace had last run in the state during the 1968 presidential primary.

Although the registration drive between Walters and Tommasi failed, the Nazi leader said that he has also worked with Walters in defeating farm labor leader Cesar Chavez.

Tommasi said that Walters had given him "an undisclosed" amount of money from Teamster Union funds to send his troopers into the lettuce fields in the Coachella Valley to "stir up trouble."

#### JEWISH CEMETERIES DESECRATED BY NAZIS

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

Mr. PODELL. Mr. Speaker, Willie Brandt, the Chancellor of West Germany, is currently conducting an official visit to the State of Israel. This is truly a momentous occasion. It is the first such visit by a German leader to the Jewish State.

The ramifications of this meeting cannot be missed. The German nation, under the control of Adolf Hitler and the

Nazi Party, earned an infamous place in history by the murder of 6 million Jews. While Willie Brandt was a courageous fighter against Nazism and all the evil that dogma represented, the name of Germany still evokes bitter memories in the hearts of millions of people, Jews and gentiles alike. Chancellor Brandt's visit to Israel marks a new beginning in the relationship between the Jewish State and Germany.

The prospect of expanded, normalized relations between Israel and Germany is certainly a gratifying one. However, this does not mean that the past is an entirely closed book. One outstanding issue remaining to be resolved is that of the Jewish cemeteries in Eastern Europe that were desecrated by the Nazis.

Over 2,000 Jewish cemeteries in Poland, the Soviet Union, Hungary, and Czechoslovakia were destroyed. The Nazis desecrated gravestones, and used them as construction material and paving stones for streets and roads.

This despoliment continues even today. The Polish Government has confiscated the large Jewish cemetery in Lvov and turned it into a park. Many of the Jewish graveyards are over 1,000 years old, and are the last remnant of a once-thriving European Jewish community of millions of people. With the destruction of these cemeteries, the last historical traces of Polish Jewry will be eradicated.

There is an organization that is dedicated to finding, restoring and preserving these forgotten cemeteries. The name of the organization is the World Center of European Rabbis. The Geder Avot section of the World Center has for some time been actively engaged in endeavoring to obtain reparations for the destruction of Jewish cemeteries. Rabbi M. J. Rubin, the tireless, devoted leader of Geder Avot, has unfortunately not met with any success in his efforts to date.

Geder Avot's plan is to locate as many Jewish cemeteries as possible, and to restore as many of those as feasible. For those which cannot be restored because the destruction is too great, Geder Avot plans to build memorial houses in Israel for the martyrs, for those who no longer have gravestones, and for those cemeteries which have been demolished. Geder Avot is devoted to preventing the further confiscation of Jewish cemeteries and to the erection of fences around the remaining ones to prevent further vandalism and destruction of graves.

Rabbi Rubin explains that his organization is operating under the guidance of Jewish law. In the Talmud, it is commanded that the dead be properly buried, and this commandment is being transgressed every time a Jewish cemetery in Eastern Europe is desecrated or a grave vandalized. So unequivocal is this commandment that even the high priest, an office frequently mentioned in the Old Testament, who was forbidden under ordinary circumstances to touch the dead, may occupy himself with the burial of the dead.

Rabbi Rubin and Geder Avot are carrying on this work as a religious re-

quirement and as a labor of devotion to the memory of European Jewry. It is a backbreaking task that to date has produced few, if any, positive results. This task cannot be completed unless many more people become aware of the situation and take an interest in it.

A petition with more than one million signatures on this matter was presented to the United Nations. The German Government has been approached in the past, with no response. It is my hope that with the current visit of Chancellor Brandt to Israel, German officialdom will take a renewed interest in this problem and intercede with the East European governments on behalf of Geder Avot.

World War II and nazism both came to an end over a quarter of a century ago. It is about time that this issue should be laid to rest as well.

#### SENIOR CITIZENS WILL PREVAIL

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

Mr. PODELL. Mr. Speaker, yesterday it was my pleasure to speak to some 10,000 of America's finest gathered on the west steps of the Capitol. I am referring to the delegates to the legislative conference of the National Council of Senior Citizens, people who in their mature years are making a further contribution to this Nation's greatness.

They were here to remind us to keep the Nation's priorities on the track. They were here in Washington, and in my office, to remind us that Government programs for senior citizens are not doing the job they were intended to do.

Too many of the 20 million senior citizens exist on the barest minimum income. It is commonplace to find elderly couples living on income below the poverty level designated by Federal agencies.

Mr. Speaker, before the 93d Congress adjourns I believe we will find that the needs of our senior citizens will occupy a larger portion of our interest than they ever have before. These people, who have in the past carried America on their backs, are beginning to command the attention they deserve.

Programs established and advanced by this Congress will give new meaning to the daily life of senior citizens. I believe the needs of the elderly is becoming a bipartisan issue in both Houses of Congress, and that the result will be progress not dreamed of in the past.

For example, just 6 years ago a resolution was introduced here to establish a Select Committee on Aging that would give full time attention to the needs of our 20 million senior citizens. At that time it had only two sponsors. In the last session of Congress the same measure had 233 cosponsors. I predict that in this, the 93d Congress, the measure will carry and give those senior citizens a full time and continuing voice in the House of Representatives.

I am a cosponsor of that measure, and I urge all my colleagues to join in its support. It will help focus our legislative efforts on the real needs of the elderly.

Before this Congress adjourns perhaps we can take up and establish such things as comprehensive health insurance, an equitable system for social security payments, rent control and other items that are a day-to-day concern of older Americans.

#### SOME CONTINUED SAGE ADVICE FROM JAMES A. FARLEY ON HIS 85TH BIRTHDAY

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

Mr. STRATTON. Mr. Speaker, that beloved former U.S. Government official and longtime Democratic Party leader, Hon. James A. Farley of New York, celebrated his 85th birthday the other day.

Needless to say, Jim Farley is still in robust health and going strong at 85. And in keeping with his usual practice he had some very sage and very sound advice for all of us in Washington these days when he was interviewed in connection with that 85th birthday celebration, advice on Watergate, advice on the future of the country, and advice on the coalition of the Democratic Party.

We can all learn a lesson in listening to what a man of Jim Farley's stature has to say. Under leave to extend my remarks, I include an Associated Press story on this interview that was published in the Buffalo Courier-Express for May 31, 1973:

#### FARLEY SEES WATERGATE AS BOON TO DEMS

NEW YORK.—James A. Farley, Democratic national chairman in the years of the New Deal, said Wednesday that Watergate will be enough of a boon to Democrats without impeachment of President Nixon. That, he said, "would be disastrous."

At a news conference to mark his 85th birthday, Farley said he hopes "nothing will happen to bring about an impeachment" because he has "such a high regard for the office of the President."

"It would divide the country in a way it has never been divided before," Farley said.

In any event, he continued, the Watergate case can be expected to drag on for "months and months and months. There will be many indictments and trials. It will be many years before the entire situation is over."

#### GOP CHANCES "DIM"

"Unless there is something unforeseen, I don't think the Republicans have a chance in 1976." He said Watergate's effects would spill over into Congressional and state house races.

The news conference touched on a broad range of issues in which Farley, now chairman of the board of the Coca-Cola Export Corp., has taken an interest.

Farley was Democratic national chairman and postmaster general during President Franklin D. Roosevelt's first two terms. He split with Roosevelt over the issue of a third term in 1940.

Farley said he thinks Sen. Henry Jackson, D-Wash., "would make a great president" in 1976. But, he said, "you can't discount Sen. Edmund Muskie, D-Maine." He would not comment on the chances of Sen. Edward M. Kennedy, D-Mass.

#### BEAME IS PRAISED

Farley also endorsed Comptroller Abraham Beame in a four-way Democratic mayoral primary in New York City.

Farley had a few kind words for the old style political boss he worked with—a figure



whose influence he said has declined and whose image has changed.

"In the day when I was active," he said, "bosses never looked for any publicity and never headed the parade. The one thing you could say about bosses was that they would wholeheartedly support the candidate despite disagreement in a primary.

#### GORDON K. EBERSOLE: APPALACHIAN

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

Mr. HECHLER of West Virginia. Mr. Speaker, the Hagerstown, Md., Daily Mail has published a fine article concerning a longtime Federal employee, Gordon K. Ebersole, who grows in wisdom and understanding manifold each year of his retirement in West Virginia. Mr. Ebersole has a deep appreciation of human qualities and he gets closer every year to both man and soil. I know few human beings who have a better understanding of Appalachia. The article about Gordon Ebersole follows:

GORDON K. EBERSOLE: LOVER OF HORSES,  
OLD MACHINES, APPALACHIANS  
(By Phil Ebersole)

SHEPHERDSTOWN, W. VA.—Gordon K. Ebersole is a retired civil engineer with 30 years federal service who collects obsolete machinery, raises appaloosa horses, and thinks about ways to fight what he calls corporate "colonialism" in the Appalachians.

He quit the U.S. Department of the Interior, where he was co-ordinator for area redevelopment, because he did not think the area redevelopment or Appalachian programs were being organized in the people's interest.

Now he tries to promote what he regards as the people's interest as executive director of the Council on Appalachian Development (CAD), a board member of the Council of the Southern Mountains and, as an active Presbyterian layman, a member of the Commission on Religion in Appalachia.

He has a 230-acre farm which his five grown children and many grandchildren frequently visit, an old mill in Delville, Pa., near Harrisburg which he hopes to turn into a museum, horses which he breeds and raises western-style, and what may be one of the world's largest purposely-assembled collections of obsolete machinery.

Ebersole's political enthusiasm has not flagged, however, and he is ready at the drop of a hat to talk about public utility districts, strip-mining, severance taxes, timber co-operatives or the need to save the family farm.

Born and reared in Nebraska, a state with 100 percent publicly-owned electric utilities, he first worked as a civil engineer on the Grand Coulee dam, and, after World War Two, on the Missouri Basin project.

Transferred to Washington, D.C., with the Bureau of Reclamation in 1950, Ebersole worked on Point Four resource development projects for the next 10 years.

Working with Point Four (now AID) from 1950 to 1960, Ebersole was named Interior Department representative in the Area Redevelopment Administration in 1961. He visited Appalachia as a representative of the Council of Appalachian Governors and as a member of the power, coal and water resources teams of the President's Appalachian Regional Commission.

As originally drafted, Ebersole said, the Appalachian program proposed development of timber, coal and hydro-electric resources for the people.

But everything except a highway-building

program was knocked out, he said, "by the private interests who control this country."

Angrily, he said: "This Watergate thing is the best thing that ever happened to this country. It will show people what I've known ever since I went into Secretary Udall's office, and saw how impossible it is to do anything about strip mines or anything else that would hurt the private interests. Money talks, and money runs this government."

He retired in 1965 to help organize CAD. The organization had high hopes in the beginning.

Its chairman was his friend, Harry M. Caudill, lawyer and author of "Night Comes to the Cumberlands," a best-selling book about the coal-mining area of Kentucky. Its board of directors included Milton Shapp, who is now Governor of Pennsylvania.

For some months, Ebersole was CAD's unpaid spokesman in Washington, working with such congressmen as U.S. Senator Lee Metcalf (D-Mont.) and Ken Hechler (D-W. Va.).

One CAD proposal is the Public Utility District (PUD) which, Ebersole said, has been successfully used in Washington State to electrify rural areas, hold down electric rates, and plow back utility profits into local governments to be used for schools, roads and community colleges.

Both Appalachia and the Pacific Northwest are rich in natural resources, he said, but these resources have been developed for the benefit of the people only in the northwest.

Twenty-two Washington State counties formed PUDs in the 1930s, Ebersole said, some generating their own power, some buying from the Bonneville Power Administration.

They were able to sell power for half what was then the going rate, electrify farms neglected by the private utilities, and still earn revenues used by local government to develop the area.

As an alternative, Ebersole quite seriously suggests that private utilities in Appalachia consider going non-profit, paying off their stockholders in revenue bonds.

"The system would remain the same," he said, "The only thing which would change would be the board, which would be governed by people from the area the company serves."

Such a proposal may seem far-fetched, he said, but "you get in a populist national administration and you'll have a lot more public ownership that we have today." Revenue bonds are also a cheaper method of financing that stock issues, Ebersole said.

He and CAD also advocate a national severance tax on non-renewable resources, by which companies must pay local governments for coal and minerals removed from their jurisdictions.

CAD never was able to get any funds or any staff, however, and in recent years has been relatively inactive except for a fight to get the Federal Power Commission to consider public alternative to the Appalachian Power Company's Blue Ridge, W. Va., dam proposal.

Ebersole finds plenty to keep him busy and happy, however.

Eight years ago, while doing research on the Ebersole genealogy in Delville, Pa., he bought an old grist mill for \$1,500.

"I had been a dam engineer," he said, "The idea of having a dam of my own was intriguing."

While the property is now a kind of attic where he and his five grown children store excess property, Ebersole hopes to stir up interest in making it a museum which would house his collection of old machinery and other Americana.

His machinery collection, mostly picked up at auctions, ranges from a hand-powered vacuum cleaner to a seven-foot-high nutcracker. Much of it he has put in operating condition.

"My specialty is washing machines," he said, "I have 32, including two of the first spin-dryers ever made."

Ebersole is also fascinated by the culture of the Far East, particularly oriental farming methods which he imitates to some extent in his own garden.

He served with the U.S. Army Corps of Engineers in India and Okinawa during World War Two and with Point Four (now AID) in Korea from 1959 to 1961.

For the past two and a half years, he has realized a lifetime dream by raising horses on his 230-acre farm. He noted that his landlord is not a farmer, but a State Department official—an indication of a bad trend in land ownership.

He has 27 horses which he raises western-style, leaving them out-of-doors all year round. He has bred two appaloosa foals which are everything he wants in horses, and he will use them as trail horses.

"It's a good thing for young people to go out on a week's ride, and take care of their horse," he said. "By that time, they're pretty well-acquainted with the horse, and know how to cope with situations."

He has a lot of old harness he bought at auction, which he plans to repair and get a wagon team to use.

He is proud of his garden, where, among other things, he grows strawberries on a hillside terrace on a pattern he saw used in the Far East. The terrace has a southern exposure, and the rocks which build it up retain the sun's heat and help the strawberries grow faster, he said.

Most of all, he enjoys his grandchildren, who are frequent visitors to the farm.

"Where can grandkids go nowadays," he asked, "if they don't have a granddad with a farm?"

If the Appalachian region is developed to its full potential, he said, people won't be forced off the land into the cities, and this way of life will be available to all.

#### A YOUNG MAN VISITS CONGRESS

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

Mr. PEPPER. Mr. Speaker, some time ago a very bright and handsome young friend of mine from Miami, David Kennedy, whose family have been warm friends of mine for a long time, visited Washington with members of his family. I took him to the floor of the House one day while the House was in session and later took him to the office of the Speaker where he had the honor of meeting the Speaker who greeted him very graciously and gave him an autographed photograph. Later the young man on his own initiative went over to the office of Senator GURNEY from Florida. There he got a pass to the Senate Gallery. While sitting in the Senate gallery he recognized Senator HUMPHREY on the floor of the Senate. Senator HUMPHREY was a close friend of his father, Hon. David Kennedy, recently the mayor of Miami. David went down to the Senate Reception Room and sent a request in for Senator HUMPHREY to come out. Senator HUMPHREY came out, met him, and took him on the floor of the Senate. Young David Kennedy had all this exciting experience in the Capitol in one day.

When he went home he wrote it up in his school paper, published by the excellent Lear School which he attends in Miami. This young man's report of his

trip to Washington gives us a better understanding of how meaningful it is for Members of Congress to take the time to try to enable young visitors to see as much as they can and meet as many Members of Congress as they can while they are here.

Mr. Speaker, I include young David Kennedy's article in his school paper in the Record following these remarks:

#### MY VISIT TO CONGRESS

(By David Kennedy)

The Capitol has two sides—one for the United States Senate and the other for the House of Representatives. When either the Senate or the House introduces a bill, both sides must vote in agreement, and then it is sent to the President.

I was very honored when Senator Pepper took me with him to the floor of the House. It is a very big and beautiful room with 435 seats, one for every Congressman. The Speaker of the House, Carl Albert, sits up very high on a platform with the American flag behind him. Voting is done by computers right on the side of each desk. Senator Pepper let me vote on two bills for him. But, of course, he told me what to vote.

A very special thing occurred when Senator Pepper took me in to meet the Speaker in his office. There he gave me a special card so I could go any place in the Capitol except the Vice President's office. But that's okay; I'd rather meet a Democrat anyway! Mr. Albert said what a great man Claude Pepper is, but I already knew that.

Under the Capitol there is a little subway which I rode to the Senate wing where I saw Senator Hubert Humphrey. He took me to the floor of the Senate. Each Senator has a desk and the Vice President sits on a platform, but he wasn't there.

I really couldn't believe that this was happening to me. The Senator also took me to lunch in the House dining room. Wow! Everyone knows Senator Pepper. It was all just great!

#### PRISON REFORM

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

Mr. PEPPER. Mr. Speaker, prisons have changed little in comparison with the rest of society since the turn of the century. Because of the isolation of the penal institution from the rest of society, faults have developed in the Nation's prisons which might otherwise have been corrected years ago.

Proposed reforms follow traditional lines: more and better trained personnel at higher salaries, more programs in and out of institutions, more money for courts and corrections all along the line. The basis for these approaches is that the programs are on the right track, but have never been given a fair trial, and that the blame for past failure is public and legislative inaction.

The Select Committee on Crime has found that money is not necessarily the barrier to upgrading the criminal process. Building bigger, fortress-type prisons will not make society a safer place; if anything, mass treatment of offenders will only lead to more recidivism.

Realistically, society can never completely eradicate crime and completely cut out a recidivism rate. However, it has been estimated by penologists that vocational training and meaningful em-

ployment after incarceration can cut recidivism by as much as 50 percent. Six years ago the President's Commission on Law Enforcement and the Administration of Justice, which included William P. Rogers, now Secretary of State, and Lewis Powell, an appointee of the President to the Supreme Court, unanimously reported that:

The Commission has no doubt whatever that the most significant action that can be taken against crime is action designed to eliminate slums and ghettos, to improve education, to provide jobs, to make sure that every American is given the opportunities and freedoms that will enable him to assume his responsibilities.

Other similar findings will be brought to Congress' attention when the Select Committee on Crime submits its final report on Corrections this month. As a solution to the "revolving door" justice of our corrections system, Mr. Eugene Rhoden has written the following article. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following:

#### EMPLOYMENT—A KEY TO REHABILITATION NOTES ON COMMUNITY CORRECTIONS— SPRING, 1973

BUREAU OF REHABILITATION  
OF THE NATIONAL CAPITAL AREA,  
Washington, D.C.

American society places a high value on work, even identifying and giving status to a person according to his occupation. There is considerable evidence that unemployment while certainly not solely responsible for criminal behavior or recidivism, seems to be one of the principal causative factors. With this guideline, local and federal governments have sponsored numerous inmate training programs and pre-trial diversion programs in an effort to equip offenders with skills and opportunities necessary to function successfully in the free community. Many of these projects have supplied us with studies that support the validity and the effectiveness of an employment-oriented social services approach to corrections.

Traditionally employer prejudices, ignorance, state and local laws, and restrictive union clauses have been among the barriers the former offender has had to face in the employment market. Both the private sector and the government have been markedly reluctant to hire, train, and promote the ex-offender. This creates a significant hardship in the nation's capital where the major employment market lies in government service.

Additionally, the offender population is currently faced with a new crisis: budget cutbacks of manpower programs under the sponsorship of the present administration. The proposed budget for fiscal 1974 contained the following statements on Social and Rehabilitation Services: "The SRS training programs are being phased out as part of a general policy of sharply curtailing HEW's specialized manpower programs." Similar policy will cut back programs within the Department of Labor. Recently, the Bureau learned that after July 1, 1973, the Public Offender section of the Department of Labor will no longer have funds and that clients already selected for training, as well as offenders currently in training, will be dropped from the program.

If American society is to be successful in socializing and rehabilitating the offender, the value of meaningful employment must guide our efforts. The federal government must develop and support national policies that make training and employment opportunities available to the offender. Then—especially here in Washington—the government must make the lead in hiring and promoting

persons with criminal records. However the responsibility does not rest alone with either the government or the private employer. Those of us having treatment responsibility must establish and maintain with our clients a positive regard for the worth and dignity of work. In addition to persuading prospective employers to hire, we must more vigorously encourage clients to accept available employment commensurate with their skills. At the same time, we must help them develop and improve on skills that would make them more attractive and more competitive bargainers within the labor market.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. RANGEL, for Friday, June 8, 1973, on account of unavoidable and pressing congressional district business.

Mr. McSPADDEN (at the request of Mr. McFALL), for today, on account of family illness.

Mr. PARRIS (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. CORMAN, for today, on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ, for 10 minutes, today.

Mr. RANDALL, for 20 minutes, today.

(The following Members (at the request of Mr. PRITCHARD) to revise and extend their remarks and include extraneous material:)

Mr. MITCHELL of New York, for 5 minutes, today.

Mr. TREEN, for 10 minutes, today.

Mr. KEMP, for 10 minutes, today.

(The following Members (at the request of Mr. STUDDS) and to revise and extend their remarks and include extraneous matter:)

Mr. VANIK, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. HARRINGTON, for 30 minutes, today.

Ms. ABZUG, for 30 minutes, on June 12.

Mr. DELLUMS, for 30 minutes, on June 12.

Mrs. SCHROEDER, for 30 minutes, on June 12.

Mr. MITCHELL of Maryland, for 30 minutes, on June 12.

Mr. STARK, for 30 minutes, on June 12.

Mrs. BURKE of California, for 30 minutes, on June 12.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FRENZEL to follow the remarks of Mr. GONZALEZ during his special order today.

(The following Members (at the request of Mr. PRITCHARD), and to include extraneous matter:)

Mr. DERWINSKI in two instances.

Mr. STEELE.

Mr. McCLODY.

Mr. McCLOSKEY.

Mr. STEIGER of Wisconsin.



Mr. KUYKENDALL.  
Mr. HUTCHINSON.  
Mr. ERLNBORN.  
Mr. KEMP in two instances.  
Mr. SARASIN.  
Mr. MARTIN of North Carolina.  
Mr. CRONIN in two instances.  
Mr. MIZELL in five instances.

(The following Members (at the request of Mr. STUDDS) and to revise and extend their remarks:)

Mr. ANDREWS of North Carolina.  
Mr. RARICK in three instances.  
Mr. GONZALEZ in three instances.  
Mr. KASTENMEIER.  
Mr. LEGGETT.  
Mr. EDWARDS of California.  
Mr. ROE.  
Mr. DAN DANIEL.  
Mr. EVINS of Tennessee.  
Mr. MAHON.  
Mr. DORN in four instances.  
Mr. BENNETT in two instances.  
Mr. VANIK in two instances.  
Mr. HAWKINS.  
Mr. TAYLOR of North Carolina in two instances.

(The following Members (at the request of Mr. STUDDS) and to include extraneous matter:)

Mr. DOMINICK V. DANIELS.  
Mr. O'HARA.  
Mr. BRADENAS in six instances.  
Mr. EDWARDS of California.  
Mr. CHARLES WILSON of Texas.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 71. An act for the relief of Uhel D. Polly; to the Committee on the Judiciary.

#### ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2246. An act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period, and

H.R. 4704. An act for the relief of certain former employees of the Securities and Exchange Commission.

#### JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on June 7, 1973 present to the President, for his approval a joint resolution of the House of the following title:

H.J. Res. 533. Joint resolution authorizing the President to proclaim June 17, 1973, as a day of commemoration of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet in 1673.

#### ADJOURNMENT

Mr. STUDDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly

(at 2 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until Monday, June 11, 1973, 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:

1012. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting a list of Department of Defense contract award dates for the period May 15 to August 15, 1973, pursuant to section 506 of Public Law 92-156; to the Committee on Armed Services.

1013. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia requiring compulsory vaccination against smallpox for public school students; to the Committee on the District of Columbia.

1014. A letter from the Deputy Assistant Secretary of the Interior transmitting a copy of a proposed amendment to a concession contract authorizing the continued provision of overnight accommodations and related facilities and services for the public at the Kalaloch Area of Olympic National Park, Wash., for a term of 1 year ending December 31, 1973, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

1015. A letter from the Secretary of Transportation, transmitting the second annual report on the implementation of national transportation policy, pursuant to section 3(b) of the Airport and Airway Development Act of 1970; to the Committee on Interstate and Foreign Commerce.

1016. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970 and other related acts to authorized additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1017. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the laws governing the transportation of hazardous materials; to the Committee on the Judiciary.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 5692. A bill to amend title 5, United States Code, to revise the reporting requirement contained in subsection (b) of section 1308 (Rept. No. 93-265). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 6338. A bill to amend the Water Resources Planning Act to provide for continuing authorization for appropriations; with amendment (Rept. No. 93-266). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS of Arkansas: Committee on Ways and Means. H.R. 8410. A bill to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes (Rept. No. 93-267). 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 Ms. ABZUG (for herself, Mr. BADILLO, Ms. BURKE of California, Ms. CHISHOLM, Mr. CONYERS, Mr. DELUMS, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. HARRINGTON, Mr. MOAKLEY, Mr. METCALFE, Ms. MINK, Mr. PODELL, Mr. PRICE of Illinois, Mr. RANGEL, Mr. ROSENTHAL, Mr. STARK, Mr. STOKES, and Mr. WON PAT):

H.R. 8546. A bill to add a new title XX to the Social Security Act to provide for a minimum annual income of \$3,750 in the case of single individuals and \$5,000 in the case of married couples; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 8547. A bill to amend the Export Administration Act of 1969, to protect the domestic economy from the excessive drain of scarce materials and commodities and to reduce the serious inflationary impact of abnormal foreign demand; to the Committee on Banking and Currency.

By Mr. ASHLEY (for himself, Mr. REES, Mr. MITCHELL of Maryland, Mr. ST GERMAIN, Mr. YOUNG of Georgia, and Mrs. SULLIVAN):

H.R. 8548. A bill to amend the International Economic Policy Act of 1972 to change the membership of the Council on International Economic Policy, and for other purposes; to the Committee on Banking and Currency.

By Mr. BLATNIK:

H.R. 8549. A bill to designate the Kettle River, in the State of Minnesota, as a component of the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. DON H. CLAUSEN:

H.R. 8550. A bill designating the Luther Burbank Shasta Daisy as the national flower of the United States; to the Committee on House Administration.

By Mr. ERLNBORN (for himself and Mr. RINALDO):

H.R. 8551. A bill to authorize a White House Conference on Education; to the Committee on Education and Labor.

By Mr. FASCELL:

H.R. 8552. A bill to amend Reorganization Plan No. 2 of 1973; to the Committee on Government Operations.

By Mr. FRENZEL:

H.R. 8553. A bill to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit; to the Committee on Banking and Currency.

By Mr. HARSHA:

H.R. 8554. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

H.R. 8555. A bill to revise the Welfare and Pension Plan Disclosure Act; to the Committee on Education and Labor.

By Mr. HAWKINS (by request):

H.R. 8556. A bill to transfer to the Department of Commerce responsibility for carrying out special impact programs heretofore carried out by the Office of Economic Opportunity; to the Committee on Education and Labor.

By Mr. HUBER:

H.R. 8557. A bill to amend the Civil Rights Act of 1964 with respect to school desegregation; to the Committee on the Judiciary.

H.R. 8558. A bill to limit certain legal remedies involving the involuntary busing of schoolchildren; to the Committee on the Judiciary.

By Mr. NIX:

H.R. 8559. A bill to amend the United Nations Participation Act of 1945 to halt the

importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

By Mr. REES:

H.R. 8560. A bill to amend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. UDALL (for himself, Mr. BLATNIK, and Mr. ANDERSON of Illinois):

H.R. 8561. A bill to authorize the construction of transmission facilities for delivery to the continental United States of petroleum reserves located on the North Slope of Alaska,

and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROOMFIELD:

H.J. Res. 606. Joint resolution proposing an amendment to the Constitution of the United States relating to the term of office of President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. WALSH (for himself and Mr. HARRINGTON):

H. Con. Res. 245. Concurrent resolution expressing the sense of the Congress with respect to the sale or abandonment of certain railroad lines; to the Committee on Interstate and Foreign Commerce.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BOWEN introduced a bill (H.R. 8562) for the relief of Mrs. Bronson Clayton, which was referred to the Committee on the Judiciary.

## MEMORIALS

Under clause 4 of rule XXII,

244. The SPEAKER presented a memorial of the Legislature of the State of California, relative to retirement benefits of prisoners of war; to the Committee on Armed Services.

## SENATE—Friday, June 8, 1973

The Senate met at 9 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

### PRAYER

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

O God and Father of mankind, we thank Thee for Thy mercies which are new every morning. May we perform the duties of this day in the light of Thy truth. Give us a sharp conscience to monitor our thoughts and deeds according to Thy law. Keep us from paralyzing fear and embittered cynicism. May we never abdicate the highest and the holiest way made known in Thy word. In the fever of these tormented times take from our souls the strain and stress and let our ordered lives confess the beauty of Thy peace. Make us partners with Thee in the building of a world where truth and righteousness shall reign supremely, and love and peace shall be victorious.

We pray in the name of that One who is the truth and the way. Amen.

### THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, June 7, 1973, be dispensed with.

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

### COMMITTEE MEETINGS DURING SENATE SESSION

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

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

### THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 180, 181, and 185, all three of which have been cleared on both sides of the aisle.

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

### METHADONE DIVERSION CONTROL ACT OF 1973

The Senate proceeded to consider the bill (S. 1115) to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Methadone Diversion Control Act of 1973".

Sec. 2. Section 101 of the Controlled Substances Act (84 Stat. 1242; 21 U.S.C. 801) is amended by adding the following after paragraph (7):

"(8) The diversion of narcotic drugs, particularly methadone, used in the treatment of addicts dependent upon heroin or other morphine-like drugs into other than legitimate medical, scientific, or industrial channels is detrimental to the health and general welfare of the American people."

Sec. 3. (a) Section 102 of the Controlled Substances Act (84 Stat. 1242; 21 U.S.C. 802), is amended by adding the following after paragraph (9):

"(10) The term 'detoxification treatment' means the furnishing, for a period not in excess of twenty-one days, of a narcotic drug in decreasing doses to an addict in order to alleviate pain and other adverse physiological effects incident to withdrawal from the habitual use of a narcotic drug, as a method of bringing the addict to a drug-free state within such period."

(b) Section 102 of such Act is amended by adding the following after paragraph (12):

"(14) The term 'emergency treatment' means the administration of a narcotic drug to an addict when necessary to alleviate pain incident to withdrawal from a narcotic drug while arrangements are made for referral of the addict to a treatment program and the administration of a narcotic drug to detoxify a patient as a necessary adjunct to medical and surgical treatment of not more than twenty-one days duration in a hospital."

(c) Section 102 of such Act is amended by adding the following after paragraph (13):

"(16) The term 'maintenance treatment' means the furnishing, for a period in excess of twenty-one days, of a narcotic drug in the treatment of an addict for dependence upon heroin or other morphine-like drugs."

(d) Section 102 of such Act is amended by redesignating paragraphs (10), (11), and (12) as paragraphs (11), (12), and (13) respectively; by redesignating paragraph (13) as paragraph (15); and by redesignating paragraphs (14) through (26) as paragraphs (17) through (29), respectively."

Sec. 4. Section 303 of the Controlled Sub-

stances Act (84 Stat. 1253; 21 U.S.C. 823) is amended by adding the following after subsection (f):

"(g) Practitioners who dispense or administer narcotic drugs in a treatment program for addicts shall obtain annually a separate registration for that purpose. The registration may be for maintenance treatment, detoxification treatment, or both. The Attorney General shall grant a registration under this subsection if the applicant—

"(1) is determined by the Secretary to be qualified to engage in such treatment under standards set by the Secretary, and

"(2) is determined by the Attorney General to be prepared to comply with standards imposed by the Attorney General relating to the security of the narcotic drug stocks, the maintenance of records in accordance with section 307, and with the concurrence of the Secretary, the quantities of drugs which may be provided for unsupervised use."

Sec. 5. Section 304(a) of the Controlled Substances Act (84 Stat. 1255; 21 U.S.C. 24 (a)) is amended (A) by striking "or" at the end of paragraph (2); (B) by striking the period at the end of paragraph (3) and inserting "; or"; and (C) by adding the following new paragraph at the end:

"(4) has failed to comply with standards imposed pursuant to section 303(g). Such a failure may be treated as grounds for immediate suspension of registration under subsection (d) of this section. Action under this paragraph is entirely without prejudice to any other registration to utilize narcotic drugs in other types of medical practice."

Sec. 6. Section 307(c)(1)(A) of the Controlled Substances Act (84 Stat. 1258; 21 U.S.C. 827(c)(1)(A)) is amended by adding the following after the word "practice": "except in the treatment of narcotic addicts in accordance with registration under section 309(g), or in emergency treatment as defined in section 102(14);"

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement on the bill by the distinguished Senator from Nebraska.

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

### STATEMENT BY SENATOR HRUSKA

I support the passage of S. 1115, the Narcotic Addict Treatment Act of 1973.

S. 1115 was proposed by the Administration and introduced on March 6, 1973, by my distinguished colleague from Kentucky Senator Cook. I commend the foresight and interest which Senator Cook and the Chairman of the Juvenile Delinquency Subcommittee [Mr. Bayh] have shown in this important matter.

The purpose of this bill is to provide a means of regulating the use of narcotic drugs in the treatment of narcotic addiction. Its principal aim is to require a special registra-