

tivists" rather than to relieve the plight of the poor. Community Action agencies have even been in frequent conflict with elected local governments.

Another example is the Legal Services program which employs 2,300 lawyers to represent poor people with legal problems not involving crimes. Yet we see Legal Services going well beyond this purpose and spending much of its resources on attacking the very system that is attempting to help their clients.

The acting head of the Office of Economic Opportunity, Howard J. Phillips, reports:

"Some of these lawyers who are paid with federal funds have taken the view that their mission is to change the fabric of society through law reform. They have brought class action suits, challenges to constitutionality of laws, suits to put more people on welfare.

"They have organized rent strikes, done lobbying, aided political action groups. They have organized prison inmates, helped peace organizations and the gay liberation movement, and have represented ineligible clients.

"All this is not helping the poor—it is purely political."

And, he might have added, with all this political activity, when do Legal Services attorneys have time to help the poor, originally set up as their prime goal.

Congress should investigate, for instance:

Why some of the projects funded by OEO have done little but to keep people comfortable in their poverty, and has done so

little in many areas to lift people out of poverty?

Why some grants tend to foster the welfare ethic rather than the work ethic?

Why some programs are pursued on the premise that the problems of poverty are political rather than economic?

As Phillips observes:

"Too much of the anti-poverty money has gone into setting up an administrative bureaucracy rather than into the hands of the poor."

This is another reason why it is questionable whether the agency system approach really helps those truly in need.

This is perhaps the reason why the majority of Americans today are impatient with OEO and a number of its programs—not all, but enough to jeopardize even worthwhile programs, and there are a number of these.

This is also why many of the programs will be transferred to other agencies and continued, in some form. A few will even be given increases in funds.

In defending his approach, President Nixon pointed out that "it has been charged that our budget cuts show a lack of compassion for the disadvantaged. The best answer to this is to look at the facts."

"We are budgeting 66 percent more to help the poor next year than was the case four Americans, and 242 percent more to help the hungry and undernourished. Altogether, our human resources budget is nearly double that of four years ago when I came into office."

"We have already shifted our spending priorities from defense programs to human resources programs. Now we must also switch our spending priorities from programs which give us a poor return on the dollar to programs that pay off. That is how to show we truly care about the needy."

"The question is not whether we help, but how we help. By eliminating programs that are wasteful, we can concentrate on programs that work."

And this is precisely what Congress should be doing, attempting to work with the President to make certain this goal is realized, not attacking him for proposing to dump programs that are, at best, of questionable value.

It is estimated this round of budget cuts can save \$11 billion in this fiscal year, \$19 billion next fiscal year, and \$24 billion the year after.

This would mean, it is estimated, an average saving of \$700 over the next three years for each of America's 75 million taxpayers.

Congress should seek ways and means of eliminating the high administrative and bureaucratic costs of Office of Economic Opportunity programs by working with the poor and needy directly through existing departments in both federal and state government.

Only then is it likely that poor, needy and impoverished Americans will be helped where they need help the most, without some bureaucrat or bureaucracy taking his cut of the poverty war right off the top.

HOUSE OF REPRESENTATIVES—Wednesday, June 13, 1973

The House met at 12 o'clock noon. The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Create in me a clean heart, O God; and renew a right spirit within me.—Psalms 51: 10.

Almighty God, we lift our hearts unto Thee in the midst of a culture where a person is often judged not by what he really is but by what he seems to be. In our daily lives we have submerged the virtues of integrity, kindness, and hard work beneath our cushioned greed, our soft indulgences, or selfish ambitions, and our lack of faith in the goodness of every human life.

Forgive what we have been, help us to amend our wearied, our worried, our wicked ways, and by Thy spirit direct us that henceforth we may live lives motivated by a devotion to honesty, truthfulness, and good will—to the glory of Thy holy name and for the good of our human family. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arlington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5293) entitled "An act authorizing additional appropriations for the Peace Corps."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5610) entitled "An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes."

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. 1938. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1974.

The message also announced that the Vice President, pursuant to Public Law 91-351, as amended by Public Law 91-644, appointed Mr. McCLELLAN, Mr. ABOUREZK, Mr. HRUSKA, and Mr. TAFT, on the part of the Senate, to the National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance.

EULOGIES TO THE LATE HONORABLE HALE BOGGS, OF LOUISIANA, AND HON. NICK BEGICH, OF ALASKA

Mr. HAYS. Mr. Speaker, this announcement is to advise the membership

that the closing date for printing the eulogies and encomiums to the late Representative Hale Boggs, of Louisiana, and Representative Nick Begich, of Alaska, has been set for Friday, June 29, 1973. All copy for insertion must be submitted before this cutoff date so as to be included in the final publication of their compendiums of eulogies.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON DISTRICT OF COLUMBIA APPROPRIATIONS, 1974

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the District of Columbia appropriation bill for the fiscal year 1974.

Mr. SCHERLE reserved all points of order on the bill.

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

There was no objection.

MAJORITY LEADER THOMAS P. O'NEILL, JR., NOTES THAT COURTS HAVE RULED OVERWHELMINGLY AGAINST IMPOUNDMENTS

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

Mr. O'NEILL. Mr. Speaker, the courts have ruled against the Nixon administration in eight consecutive cases involving impoundment of appropriated funds.

Most recently, a Federal court in Baltimore held that the administration had

no right to withhold \$20 million from the Maryland Department of Employment and Social Services.

In Missouri, State officials have successfully sued the administration for release of impounded highway funds, and an appellate court has upheld the decision.

Here in Washington the district court refused to permit an impoundment that would have scuttled a veterans' education program.

And here in Washington, too, the administration suffered its greatest court defeat when it was ordered to release \$6 billion in antipollution funds.

The record in the courts is an emphatic vindication of Congress. The record shows that the President has extended his use of impoundment beyond any constitutional authority—that he has encroached upon the equal status of Congress as a policymaking body.

But it should not take litigation on top of legislation to assure that the congressional mandate is carried out. Impoundment is an issue that extends beyond this particular President and this particular Congress. The problem is enduring and recurring. Congress must create a permanent, standing method of dealing with it.

SUBSIDIZING CANCER

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

Mr. VAN DEERLIN. Mr. Speaker, when the Agriculture appropriation bill comes before the House, probably later this week, I shall move to strike from the bill \$140,000 included—incredibly enough—for the overseas promotion of tobacco and tobacco products.

I say incredible, because I simply cannot conceive how the same Government, our own, can on the one hand go out of its way to discourage cigarette smoking at home and on the other hand use tax moneys to plug the same product abroad.

The \$140,000 in the new bill actually represents a drop from the \$162,000 spent over the past fiscal year for these ongoing and dubious advertising campaigns in Thailand and Austria, but I cannot see the justification for spending even a penny for this purpose.

In fairness, I should note that the host governments, which operate their own tobacco monopolies, invite and welcome this U.S. participation in undermining the health of their own citizens. The Agriculture Department's angle is that U.S. tobacco is used in the cigarettes, bearing exotic brand names such as "Falling Rain" and "Smart Export," promoted with funds provided by our own Foreign Agricultural Service.

It should be noted that in Thailand, at least, the powers that be do not bother to warn the populace of the health hazards of smoking. An official report of the Thai Board of Trade, published last week in the English language Bangkok World, comments first on the "high nicotine content" of American leaf tobacco and then notes:

While most of the countries in Europe are campaigning to stop smoking or turn to

smoke low-nicotine cigarettes, cigarette producers in Thailand on the other hand are encouraging smokers to smoke high-nicotine cigarettes openly without warning about the hazards of cigarette smoking.

Mr. Speaker, the time has come to halt these particular advertising campaigns—and the hypocrisy of warning Americans against cigarettes, while playing the role of pusher to young Thais and Austrians.

INTERIM ESTABLISHMENT OF 200-MILE FISHERY ZONE

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

Mr. STUDDS. Mr. Speaker, today I am introducing a bill, which is being filed simultaneously by Senator MAGNUSON in the other body, to establish a fishery zone up to a total of 200 miles from our coastline. My bill is designed as an interim measure to conserve our valuable coastal fish resources until the Law of the Sea Conference generates an international agreement to accomplish this purpose; and it extends additional protection to our anadromous fish.

It is clear that immediate strong measures are necessary to prevent further depletion of our marine fish resources. Haddock stocks in the North Atlantic have been so badly depleted that haddock has become virtually extinct. We cannot afford to wait until the same thing happens to flounder, herring, cod, and salmon.

Almost all species off New England are being harvested far beyond their maximum sustainable yield, primarily through the virtually unregulated activities of foreign fishing fleets. None of the international agreements now in force have been effective in regulating the foreign catch and preserving the supply. We cannot afford to allow foreign fishing fleets to wipe out the fish stocks off our shores and eliminate our domestic fishing industry.

My proposed fishery zone is first and foremost a conservation zone. It is not an extension of our territorial waters, but a 200-mile fishing limit within which the United States would assume authority and responsibility for managing and conserving our marine fish resources. Adequate and immediate management measures must be undertaken to conserve and protect our coastal and anadromous fish from depletion and possible extinction. We cannot afford to wait for further international negotiations. We must take immediate and unilateral interim action to insure the continued supply of fish.

SOCIAL SERVICES LEGISLATION

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

Mr. HEINZ. Mr. Speaker, I rise to give a progress report on a piece of legislation of vital interest to this country's aged, blind, and disabled, and to urge the fullest possible support of this measure in order to prevent further disruption to social services programs.

On February 6, I introduced H.R. 3819 to free States from the Federal requirement that 90 percent of the Federal-State social services moneys be spent only on actual cash welfare recipients. Since that time, 153 Members have joined in cosponsorship of H.R. 3819.

Today I am once again reintroducing this legislation, cosponsored by Chairman WILBUR MILLS of the Ways and Means Committee and Congressman HERMAN SCHNEEBELI, the ranking minority member. I believe this represents a significant deepening and broadening of concern in changing the law as quickly as possible to aid our senior citizens and the handicapped.

However, we must continue to drive not only to increase support for it but also to inform the Senate, which is currently deliberating on the future of social services, of the House's strong interest in eliminating from the law a formula which makes it difficult to provide social services equitably. To influence the Senate, we must move quickly as several vehicles are now pending in the other body. H.R. 3153, particularly the technical and conforming changes amendment to the Social Security Act, provides the Senate with an opportunity to help write H.R. 3819 into law. Increased cosponsorship of H.R. 3819 will bring the concerns of the House to the attention of the other body.

Mr. Speaker, I urge my colleagues who are similarly minded but are not as yet cosponsors to join with us in cosponsoring this needed measure.

A fuller progress report, the text of H.R. 3819, the names of the current cosponsors, and letters of support from three senior citizens groups will appear in the Extensions of Remarks in today's CONGRESSIONAL RECORD.

HONORING AMERICA

Mr. SARBANES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate concurrent resolution (S. Con. Res. 27) to observe a period of 21 days to honor America.

The Clerk read the title of the Senate concurrent resolution.

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

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 27

Whereas it is the sense of Congress that 1973 be recorded as the year that all freedom loving Americans demonstrate a reaffirmation of their patriotism and love and respect for these United States of America upon the occasion of the one hundred and ninety-seventh anniversary of its founding; and

Whereas the Congress is aware that while many of the problems confronting America may appear to be monumental, they are problems that are surmountable through the exercise of the American spirit and will; and

Whereas the rekindling of that spirit and will can begin by honoring America: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress declares the twenty-one days from Flag Day, June 14, 1973, to Independence Day, July 4, 1973, as a period to honor America, and let there be public gatherings and activities

at which the people of the United States can celebrate and honor their country in appropriate manner.

AMENDMENT OFFERED BY MR. SARBANES

Mr. SARBANES. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Sarbanes: On page 1, strike out the entire preamble.

The amendment was agreed to.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SARBANES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate concurrent resolution just concurred in.

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

There was no objection.

BOB HOPE HONORED ON FLAG DAY

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

Mr. KEMP. Mr. Speaker, tomorrow is Flag Day, and we in the Congress will have the unique opportunity to honor one of America's greatest citizens, all-time great Mr. Bob Hope.

Bob, who will be our honored guest at Flag Day ceremonies commencing at noon, has served our country and his fellow men with consistent and unparalleled dedication for so many years and at so many places around the world that he has become an American tradition.

When we think of our American flag, when we think of our fighting men—far away from home in World War II, in Korea, in Vietnam and those guarding the peace at any installation or at sea—we think of this patriotic American who, with uncommon talent, makes us laugh and brings our men closer to home, to their families and everything that is good about America.

Mr. Speaker, Bob Hope—comedian, motion picture and television star, outstanding humanitarian, world citizen, husband, father, and grandfather—has been entertaining American GI's around the world for 31 years.

He has nourished our spirit with wholesome humor, in our living rooms, on stage and movie houses since his radio debut with Rudy Vallee in 1934—before some of us were born.

Only 70 years young, Bob still gives his time and talent to an average of two benefit performances a week.

And he has just written his seventh book.

Bob Hope is the most decorated civilian in U.S. history. He holds the Defense Department's Distinguished Public Service Medal, the highest honor given a civilian. He has been honored by Presidents Johnson, Kennedy, and Eisenhower.

Mr. Speaker, my favorite description

of this indomitable, courageous and totally unselfish American is that he is "a diplomat of comedy whose lifelong credo is the lifting of the human spirit."

In recent days, I have been talking to Bob and he has told me he considers tomorrow's ceremony, at high noon, one of the greatest honors of his life.

In turn, I look upon the honoring of this great American as one of the greatest pleasures I will experience in this historic Chamber.

Mr. Speaker, I urge all Members to be here to help show our gratitude and profound respect for this distinguished American who exemplifies all the great and wonderful qualities of our American flag, the hope of freedom here and around the world.

REPORT OF THE COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1972.

RICHARD NIXON.
THE WHITE HOUSE, June 13, 1973.

GASOLINE SUPPLIES

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

Mr. HAYS. Mr. Speaker, I had occasion to talk with a legal representative of one of the big oil companies in the country this morning about shutting off independent dealers from gasoline.

It is my considered judgment that the so-called gasoline shortage in this country is an artificially contrived shortage in order to drive the price of gasoline up.

I was in Europe about 3 weeks ago. There are millions of cars over there. The Spring Bank holiday in London saw cars backed up 50 miles trying to get back in the city Sunday night. There is no word of a gasoline shortage in Europe, where the price ranges from 70 cents to \$1.15 a gallon, and Europe gets its total supply of gasoline from the same source, the Arab nations, that we get only 20 percent of ours.

This gentleman tried to tell me about the difficulty of transportation and all that, but if the total supply for Europe can be transported, certainly 20 percent of ours could be.

I am considered, I guess, to be on the conservative side around here, but so far as I am concerned, unless these oil companies show more responsibility to the American people, I think perhaps nationalization ought to be something we should seriously consider; and that is a long step for me.

I will say this: I looked up the financial statement of one of the major oil companies, and it has made three-fourths of a billion dollars' profit in the last 5 years and has not paid 1 cent in income taxes.

GASOLINE SUPPLIES

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

Mr. MILFORD. Mr. Speaker, I keep reading and hearing that the energy shortage we have in the United States this summer is the result of some kind of a "conspiracy" on the part of the energy producers.

Today, I hear that charge repeated in this body.

There is no question that we are short of energy.

The darkened hall in front of my office is a clear indication. There is no question we are short of gasoline and diesel fuel. The people of Texas, one of the leading oil producing States, have let me know about it.

But to charge conspiracy is folly. I have enough faith in American industry—all segments of industry—to believe that no company, group of companies, or industrial complex would knowingly reduce their own income by restricting sales. Neither would they run the risk of jeopardizing their companies by violating existing antitrust laws, particularly when it would cause what literally is a crisis. And I have some figures to back up my faith in this instance.

We are simply doing the best we can under present circumstances. The oil refineries in the United States have the capacity to handle 13,618,000 barrels daily—and these refineries are presently operating at 92.8 percent of total capacity. The remaining 7 percent consists mostly of "down time" for routine maintenance.

Throughout this summer, American refineries have established new monthly, weekly, and daily records in the production of gasoline. These facts are available for anyone to check and verify.

I believe that indicates a pretty strong commitment to produce as much fuel as possible.

Another panacea which is constantly offered is to "import more oil from the Middle East."

But there is another vital fact of life which has a bearing on this solution. Middle Eastern crude oil is predominantly sour crude.

Of our total refining capacity—which is running at almost 93 percent of full capacity—only 41 percent is capable of refining sour crude. We cannot import more sour crude, because we have no means of refining it.

There are many other reasons, Mr. Speaker, why we have this energy crisis today. But we are not going to solve it by making false cries of blame. We must immediately start trying to find alternatives that will produce solutions.

Casting a cloud of conspiracy over the oil industry is not going to produce one additional drop of oil. It will only cloud the issue and delay a real answer.

**PROVIDING FOR CONSIDERATION
OF H.R. 8410, TEMPORARY IN-
CREASE IN PUBLIC DEBT LIMIT**

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 437 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 437

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. 8410) to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes, and all points of order against said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order an amendment to the bill H.R. 8410 which shall consist of the text of H.R. 3932, as passed by the House by a vote of two hundred and twenty-nine yeas to one hundred and seventy-one nays on May 1, 1973, with conforming changes in section numbers and internal references to comply with the bill H.R. 8410. At the conclusion of the consideration of H.R. 8410 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.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. YOUNG of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 213]

Badillo	Edwards, Calif.	Rooney, N.Y.
Brown, Ohio	Erlenborn	Rostenkowski
Buchanan	Fisher	Ruppe
Burke, Calif.	Gray	Sisk
Chisholm	Hébert	Smith, N.Y.
Conyers	Huber	Steed
Coughlin	Morgan	Steelman
Daniels,	Nedzi	Stokes
Dominick V.	Poage	Teague, Tex.
Dellenback	Powell, Ohio	Waldie
Diggs	Reid	

The SPEAKER. On this rollcall 402 Members have recorded their presence by electronic device, a quorum.

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

**PROVIDING FOR CONSIDERATION
OF H.R. 8410, TEMPORARY IN-
CREASE IN PUBLIC DEBT LIMIT**

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I will state for the RECORD at the beginning that any time I yield will be for the purposes of debate only. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

(Mr. YOUNG of Texas asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Texas. Mr. Speaker, House Resolution 437 provides for an open rule with 2 hours of general debate on H.R. 8410, a bill providing for continuation of the present debt limitation level of \$465 billion through November 30, 1973.

All points of order against the bill for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives are waived. The waiver against points of order is required because of appropriations in the original Liberty Bond Act. The rule also provides it shall be in order to consider without the intervention of any point of order an amendment to the bill which shall consist of the text of H.R. 3932, as passed by the House, with conforming changes in section numbers and internal references to comply with H.R. 8410.

H.R. 8410 modifies the \$10 billion limitation on outstanding long-term bonds which have an interest rate greater than 4½ percent. The purpose of this new change in the law is to provide that the Treasury Department issue a limited amount of long-term bonds to the public at higher interest rates.

The bill also gives the Treasury Department the authority to issue "check-bonds" for tax refunds caused by over-withholding. If the individuals hold the check for 6 months or longer from its issue date, the tax refund check is to become a bond having series E characteristics.

Mr. Speaker, I urge adoption of House Resolution 437 in order that we may discuss and debate H.R. 8410.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am going to ask for the defeat of the previous question when that is in order on House Resolution 437 because, in response to the colloquy the gentleman from Iowa (Mr. Gross) engaged in with the gentleman from Texas (Mr. YOUNG), I agree that this probably is the most unusual and irresponsible rule I have read in my tenure of ten years on the Rules Committee, because this resolution would waive completely the germaneness rule against the text of H.R. 3932, a bill which can be described as the "axe Ash" bill dealing with the confirmation of the Budget Director and the Deputy Budget Director, it could be offered as an amendment to the debt limit bill.

Let me make it perfectly clear, it was not the kind of rule the distinguished chairman of the Ways and Means Committee asked for when he came before this committee and, therefore, I will ask that Members vote down the previous question so we can strike the language in this resolution as it is found on page

2, beginning with line 1 down through line 8 of this resolution.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to yield to the distinguished chairman of the House Ways and Means Committee.

Mr. MILLS of Arkansas. Mr. Speaker, I want to advise my friend, the gentleman from Illinois, that I agree completely with his position.

I am going to vote with the gentleman from Illinois to vote down the previous question not because of the subject matter of the amendment—that has nothing to do with it—but because I think this would establish a precedent that not only will haunt us today but will haunt us on into the future and may well lead to the elimination of our rules on germaneness.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman from Arkansas is always listened to, I know, with great respect by other Members of this body and he has well and truly said that the precedent we would establish here today would certainly come back to haunt us.

We might as well adopt the chaotic procedures of the other body if we are going to forget entirely about a rule of germaneness.

Let me point out also it is very ironic that on yesterday afternoon when the Committee on Rules reported out this resolution they refused to protect two other nongermane amendments to the bill that at least were within the jurisdiction of the Ways and Means Committee. This particular bill, this section that is made in order by this resolution as an amendment is not even in the jurisdiction of the Ways and Means Committee. It comes out of the House Committee on Government Operations and has nothing to do with the work of the Ways and Means Committee.

What in effect we are saying is the gentleman from Texas (Mr. Brooks) is trotting out the same old political horse to run it around the barn for the third time at the very moment when we should be responsibly and seriously addressing ourselves to the very important question of extending the debt limit so that we can keep the wheels and the machinery of Government in motion.

But some are going to stand before you, I suppose, if they get some time on the other side, and with a straight face make the sweeping claim that this amendment dealing with the confirmation of the Budget Director and Deputy Budget Director is going to somehow reassert the constitutional prerogatives of the Congress. That is hogwash because we have got plenty of other opportunities in an orderly and regular procedure to deal with the reestablishment of the prerogatives of this Congress. We can get to work on the Ullman-Whitten bill that would do something about the budget procedures in this body.

If the Members really want to restore congressional power and order, let them do it by getting action on that bill, not by adding a completely nongermane bill to this particular measure. I would add

simply in conclusion that I am one of those—and I think this is relevant—who did support on the floor of this House when it was offered a few weeks ago, an amendment by the gentleman from Texas (Mr. STEELMAN), an amendment that would have made confirmation for the Budget Director required prospectively.

Therefore, I am not standing here as an absolute opponent of the principle of confirmation.

But, I am here to defend the rules of this House, to try to assert that I think the Committee on Rules in time will become the ruleless committee or the unruly committee if we set the kind of precedent that is suggested by the adoption of this resolution.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 1 additional minute. There was no objection.

Mr. ANDERSON of Illinois. At the appropriate time, therefore, when the previous question is ordered on House Resolution 437, I hope that the Members will join me, join the distinguished chairman of the House Committee on Ways and Means, Mr. MILLS; and I know the leadership on my side of the aisle and many Members on the other side of the aisle, in standing for responsible procedure, and vote no on the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, I rise in support of the rule, in support of the previous question.

We should consider this legislation today, and during consideration of it, I plan to offer an amendment providing for Senate confirmation of the Director and Deputy Director of the Office of Management and Budget. The amendment will also return to the Office of Management and Budget the statutory functions that were removed from it by the 1970 Reorganization Act.

I agree with my distinguished friend from Illinois (Mr. ANDERSON) that we should confirm in the future. I further agree that we should do it now with the incumbent.

The Director of the Office of Management and Budget plays a vital and important role in determining the size of the national debt, which is a direct result of the management of our national revenues and expenditures.

The Director of the Office of Management and Budget makes decisions concerning Government economic policies which have an overwhelming impact on the conduct of our national economy, and therefore upon the size of the national debt, which seems to increase weekly. Despite the extraordinary power and responsibility residing in the Office of the Director of Management and Budget, we in Congress have no part in his selection, nor any opportunity to evaluate his qualifications.

Twice already this year, this House has passed by a 58-vote margin a bill that would require the confirmation of the Director of the Office of Management

and Budget, and the Deputy Director. Legislation doing the same thing has passed the U.S. Senate on three occasions, including overriding of a Presidential veto.

I say to the Members, if it is a precedent that this House of the Congress of the United States, by a majority vote of 58 shall pass legislation, then I am for that precedent. What is wrong with a majority of this Congress acting and having those acts become law? Why must we have a two-thirds vote on this in this Congress? If it takes 66 2/3 percent of the votes to pass legislation, How are we going to run this Congress on majority rule?

There is absolutely nothing wrong with a precedent established by letting a majority of 58 Members of this body put into action, into law, the majority decision. There is nothing wrong with that.

Mr. Speaker, there is no question that the Congress wants more input into these important decisions surrounding the Office of Management and Budget.

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

Mr. BROOKS. Mr. Speaker, as soon as I finish this statement I will be delighted to yield to my distinguished Republican colleague from California.

There is no more compelling time and no more compelling reason than to do this at the time we are considering the extension of the debt limit. I can think of no time when we need it more.

I have many times seen bills from many committees come out of the Committee on Rules that did waive points of order.

There is nothing new about this. This has been done before. It is within the rules of this House. It is within the prerogatives of this House.

If we are going to maintain the integrity of the House of Representatives we should consider this amendment today.

I urge support of the rule. I urge support of the previous question, because if the previous question is defeated they can thereby prevent this House from acting on an amendment to cause the Director of the Office of Management and Budget to be confirmed, an action which has been taken twice in the past by a substantial majority vote.

I am now pleased to yield to my distinguished friend from California (Mr. McCLOSKEY).

Mr. McCLOSKEY. Mr. Speaker, the gentleman from Texas is aware that the alternative procedure to this unusual procedure, to amend the rule, which is offered today is that we have also offered a bill to make future directors of OMB subject to confirmation by the Senate. That bill is in front of the gentleman's committee. Can the gentleman tell us if we have a reasonable chance of having that bill reported out in the next few weeks, to make future directors of OMB subject to confirmation, but not to apply this retroactive "ripper" and very probably unconstitutional provision to Mr. Ash and to Mr. Malek?

Mr. BROOKS. I appreciate the gentleman's viewpoint. I would say that

that same provision was offered earlier in the consideration of this legislation, and the House rejected that.

I would say it is a great idea to do it for the future but that it is an even better idea to do it now.

Mr. McCLOSKEY. The question is, if we fail today can we expect in the next few weeks for that bill to be reported?

Mr. BROOKS. I am not the chairman of the full committee nor of the subcommittee to which it was referred.

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

Mr. BROOKS. I am pleased to yield to another distinguished gentleman from California.

Mr. LEGGETT. I want to commend the gentleman for discovering the ingenuity and capability we have in respect to this particular debt limit bill, which we have extended rather blindly from year to year and term to term over the past three Congresses.

This is one of the "gut" bills, as I see it, which we need to run the country, and it is one we can use, as the gentleman indicates, to show majority action by majority vote in this Congress for Congress to have its way.

I should like to ask the gentleman a question. The gentleman's amendment is now in order. There are some other amendments relating to taxes that some other of our colleagues want to offer. Would it be possible to defeat the previous question and then to amend the rule in such a way that both the gentleman's amendment and other amendments might be in order to attach to this bill at this time?

Mr. BROOKS. The Rules Committee has been so kind to me that I feel constrained to abide by the rule they reported out. I would be for the previous question and for the rule by the Rules Committee, which I believe would give us an excellent opportunity to implement the will of the majority of this Congress, both the House and the Senate.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 4 minutes to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, at the outset let me say that this issue on this vote is not one that is either Democratic on the one hand or Republican on the other. In my humble judgment this vote on ordering the previous question involves in a very serious manner the orderly procedure of the House of Representatives.

If there is a favorable vote on ordering the previous question, we will have taken today a giant step down the road to destroy orderly procedure in the House of Representatives. Therefore, I strongly urge a "no" vote on ordering the previous question.

This rule could be categorized on the one hand as an absurd, irresponsible rule. At best it could be categorized as an unusual rule.

We have seen rules committees come and go. Some previous committees on rules have been castigated because they were too limited in their attitude, and perhaps they were.

Mr. Speaker, in those circumstances the House then made some adjustments

in our rules, and in the last 2 years the Committee on Rules has been more responsive to the House. But if this rule is indicative of the kind of rules we are going to receive from the Committee on Rules in this Congress, it is a completely irresponsible Committee on Rules.

Let me say that some of the outstanding statesmen of this body in years past who have left us must be jumping out of their graves to see this kind of a rule come out of that distinguished committee.

I might say, with all the reverence I have, that our great Speaker of a few years ago, the Honorable Sam Rayburn, must be having some problems to see this kind of a rule brought to the floor of the House. It is irresponsible, it is absurd, it is completely and totally unjustified.

Mr. Speaker, we have had discussions in the past about an open or closed rule when a bill comes from the Committee on Ways and Means. There can be some arguments made that perhaps there ought to be an open rule when the Committee on Ways and Means brings out a trade bill or a tax bill or social security legislation. I do not say that I necessarily agree with that view, but one can make an honest argument about that, because in those cases at least the germaneness of an amendment would be limited to the subject matter coming from the Committee on Ways and Means.

But this action by the Committee on Rules takes a bill from a totally different committee, the Committee on Government Operations, and says that it is germane to a bill involving the federal debt limitation. It is completely contrary, completely different from any rule that has been drafted by a Committee on Rules during my twenty-four plus years in the House.

Mr. Speaker, I believe that if we approve this rule, the House of Representatives goes down the path of the other body in the consideration of legislation. I am proud of the record of the House, whether I have agreed with every piece of legislation we have approved or disapproved.

The SPEAKER. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 additional minutes to the gentleman from Michigan, the distinguished minority leader, Mr. GERALD R. FORD.

Mr. GERALD R. FORD. Mr. Speaker, I say again that I am proud of the record of the House. It has been responsible; it has been a record that we can stand up and be proud of over the years, because we have used a responsible procedure. We follow a method by which we concentrate on an issue. We do not bring in a lot of irrelevant, nongermane material, amendments or proposals.

On the other end of the Capitol, their procedures are quite different, and the net result is that I do not believe they measure up qualitywise to the House of Representatives in the consideration and the action taken on legislation.

Mr. Speaker, I ask every Member of this House on both sides of the aisle: Do

we want to be put in the same parliamentary mold that the other body has been, in the consideration of legislation? Do we want to follow that path in the future consideration of legislation, whether it is from this committee or another committee?

Mr. Speaker, I certainly do not want to do that, and I hope the House does not go down that path, the path that will put us in the same position the other body is in today. We have a reputation; it is a good one. An action taken today, in my judgment, to approve this rule will undercut and undermine this fine reputation that the House has for the consideration of legislation in an orderly, proper procedure.

Mr. Speaker, I strongly urge that the House vote down the previous question so that the gentleman from Illinois can offer his amendment to strike that part of the resolution that brings or would bring into the consideration here a totally irrelevant piece of legislation. We must consider the basic bill. A "no" vote on the previous question helps to get that bill on the floor without an irrelevant issue muddying the issues.

Mr. Speaker, I hope the Members vote no on the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Wisconsin (Mr. REUSS).

Mr. REUSS. Mr. Speaker, I am going to subdivide my 5 minutes; 2½ on the merits and 2½ on the procedure.

On the merits, we are about to consider the debt ceiling bill. This is the time when this body casts its fiscal vote.

There could not be a better day on which we could do that. The dollar is in trouble abroad, the price of gold is soaring, inflation in the United States is out of hand, the executive branch is in confusion. Today is the day when we ought to see that the House of Representatives is fiscally responsible, and today is the day on which we ought to pass a couple of simple amendments which will plug two of the most outrageous tax loopholes, and thus put another \$6 or \$7 billion into the Treasury.

The loopholes sought to be plugged by the amendment to the resolution I am going to mention in just a moment are, first, in the minimum tax set up in 1969 to provide that tax avoiders of great wealth at least pay a pittance to the Treasury. It has been a farce. Our amendment, following the line suggested by the independent experts of Brookings Institution, would tighten the minimum tax, and thus yield an extra \$4.5 billion a year.

The other amendment—and these are treated separately—would repeal the so-called ADR superrapid depreciation, which gives a mythological 20 percent added depreciation on the regular depreciation rates carefully calculated by engineers, and is largely responsible for the current boiling inflation that we have in the heavy and capital goods industry today.

These amendments, if they are affirmatively considered, will help to restore equity to the tax structure and put an extra \$6 billion or \$7 billion into the Treasury, which it desperately needs,

and at the same time strike a blow against inflation.

Now, what is the parliamentary situation? I hoped it would be a little cleaner, and for one brief and shining moment it looked like the great Committee on Rules would be with us yesterday. By a narrow 7-to-6 margin, we failed to get a rule making these amendments in order.

But all is not lost. Hear me out.

I vigorously support the amendment that will be offered by my distinguished colleague, the gentleman from Texas (Mr. JACK BROOKS), inserting congressional responsibility into the selection of the Director of the Office of Management and Budget. But I think we can best reach that if we will join with our friends on the Republican side and vote down the previous question on the rule. Then when our friends get up to offer their little amendment eviscerating JACK BROOKS from the rule, and cutting out those precious words that he got from the Committee on Rules, then let us vote down the previous question on their amendment by an overwhelming vote. Then in the most germane and parliamentary fashion, I will be eligible for recognition for a substitute amendment which will do two things: First, restore to its full strength and vigor the Brooks amendment, so that we can vote on that; and second, make in order the two salutary and salubrious tax reform amendments so that, in the words of Daniel Webster, we can perform this afternoon something worthy to be remembered.

Mr. LEGGETT. Will the gentleman yield?

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

Mr. LEGGETT. I would like to ask the gentleman this: If we vote down the previous question and then if the minority side has the opportunity to offer a revised amendment to get rid of the Brooks amendment, they will have control of the time. If they move the previous question on that amendment and that is voted down, then would not your amendment at that point be perhaps nongermane to the present bill, because we do not waive points of order as to your particular amendment?

Mr. REUSS. I believe my amendment would be clearly germane and in the proper degree because it waives the necessary point of order. But let us assume the worst. Let us look ahead to this ultimate darkness at the end of the tunnel.

If that happens, I hope Members will join me in voting down the rule, which can then be taken across the hall and up the stairs to our friends on the Committee on Rules, where that 7 to 6 vote can readily become 8 to 7, and they can readily return a rule making the Brooks amendment in order, and tax reform in order.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I want to associate myself with the remarks of the distinguished gentleman from Illinois (Mr. ANDERSON) and the distinguished

minority leader, the gentleman from Michigan (Mr. GERALD R. FORD). I take this time to remind the distinguished chairman of the subcommittee, the gentleman from Texas (Mr. BROOKS) that there is a bill pending in the Committee on Government Operations a fact which was alluded to a little while ago by the gentleman from California (Mr. McCLOSKEY) with almost 100 cosponsors, introduced by the gentleman from Texas (Mr. STEELMAN) and myself.

Many members of the Committee on Government Operations are cosponsors of these bills that would require confirmation of the Director of the Bureau of Management and Budget, and I submit, Mr. Speaker, that adopting a nongermane amendment to get at Mr. Ash and Mr. Malek is irresponsible and politically contrived. If the gentleman from Texas is sincere then the gentleman should consider the bill which has recently been introduced and cosponsored by almost 100 Members of this body. This bill is now before the Committee on Government Operations, and would provide for confirmation of the Director and Deputy Director of the Bureau of Management and Budget according to the Rules of this House and in a constitutional manner.

Mr. Speaker, I urge that the previous question be voted down.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I merely want to thank my distinguished colleague, the gentleman from Wisconsin (Mr. REUSS) for invoking with his usual very colorful language, support on the gentleman's side of the aisle for my request for a nay vote on the previous question. I have only one mild demur that I would offer to the gentleman's otherwise very effective statement, and that is that the amendment that I will offer will not be an eviscerating amendment, but it will be an invigorating amendment so that we can proceed to follow the rules of the House of Representatives.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Speaker, I support the motion of the gentleman from Illinois, and the gentleman from Wisconsin, to defeat the previous question at this point, and then, in the event that proper amendments are not in order to fully enlarge the scope of this bill, then I would join the gentleman from Wisconsin in defeating the rule on this bill, and sending it back to the Committee on Rules. The Committee on Rules voted 7 to 7 on the issue of reporting this bill to this House. I can well understand why the minority leader might say that he is proud of the record of this House to responsible procedure, to orderly and proper procedure. I guess what the gentleman was referring to is the vote that we had on the Vocational Rehabilitation Act of 1972, where 36 Members of the Senate sustained the veto of the President and all of our work on vocational rehabilitation went down the drain at that time.

I suppose the gentleman is referring to the rural water and sewer grant pro-

gram in the current session that was defeated, not by a majority, but by 189 Members of this House that voted not to override the veto of the President of the United States.

I suspect that the gentleman also is referring—

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

Mr. LEGGETT. Not at this time.

I suspect that the gentleman was referring to the confirmation of the Director and Deputy Director of the Office of OMB, where 178 Members determined the course of action in this House.

And if we look back over the 2½ years we will find that out of 34 bills vetoed by the President of the United States, substantially nullifying the nuts and bolts of what makes this House of Representatives go, we will find that the last time that we could overcome this minority that has been running this House was back in October, when we overrode the President on two occasions.

We are also concerned about impounded funds. At the present time we have impounded, as admitted by the President of the United States, some \$8.4 billion of regularly impounded moneys, some \$6 billion in EPA funds, some \$2 billion of highway funds, and the Library of Congress indicates that the total amount currently impounded is about \$18 billion, or about 9 or 10 percent of our regular administrative budget. If the Members think it is a regular and a proper and a very neat way to run this Congress, I say that we ought to take inventory of our legislative procedure.

Why do we do this today? This is the only single bill that the President needs to run this country. He does not need appropriations. He can operate on continuing resolutions. What he needs is the ability to turn over a \$400 million monthly maturity of bonds that will mature in July and August and September, and he needs this power under this bill to temporarily extend the debt limit from the permanent level of \$400 billion, which it will revert to on July 1, to the \$465 billion level temporarily.

I have an amendment to this bill which is going to be germane, no matter what is done, and I intend to offer an amendment to reduce the time frame from the 5-month extension, which the chairman of the Committee on Ways and Means has agreed to in negotiation with the leadership, to 3 months. I think that by the end of September, no matter what we do, we ought to have another look at this debt extension bill, and at that time I am going to urge the Committee on Rules to really put a daisy chain Christmas tree on this bill so that a majority can start running this House of Representatives once again. This is our only opportunity to do this. This is the only—what we call—choke point in the procedure of the House of Representatives. They do not need us for appropriations; they do not need us on practically anything to run the country. The President can do it virtually as he wants, but he does need the debt authority, and I think the debt has got to be extended.

We have got to keep the country running; we have got to pay the bills; but we can use this procedure as a vehicle to see

that a simple majority help run the country.

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

Mr. LEGGETT. I yield to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. The gentleman from California has cited three instances where either the other body or the House has sustained the Presidential veto. Does the gentleman suggest that that is an improper procedure in the Congress?

Mr. LEGGETT. I would answer the gentleman from Michigan this way: Certainly we are entitled to use the procedure as best we can, and we have, and I think we are entitled to use this procedure as best we can, and I hope we do it today.

The SPEAKER. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. I yield 1 additional minute to the gentleman from California.

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

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

Mr. GERALD R. FORD. If the gentleman does not approve of the proper procedure we have used on those three instances he has cited, I guess by inference he wants the Congress to go back to the old rubberstamp days where in effect we took anything that the White House approved.

Mr. LEGGETT. No; I just think it ought to be a partnership, and it should not be dominated by a few people down in the Oval Office downtown. I think that there are ways we can work together within the framework of a properly balanced budget, and I do not think that we care to have it totally dominated from downtown.

We have got a legal procedure with respect to budget and veto overriding. This is also a legal procedure we are using here today. It is a procedure which allows for nongermane amendments. It is all a proper procedure.

Mr. GERALD R. FORD. The gentleman is not suggesting that this rule is a usual rule; is he? He must concede that, to say it the kindest way, it is unusual; and on the other hand, it is absurd and ridiculous.

Mr. LEGGETT. And it is highly unusual to have 34 vetoes in 2½ years.

Mr. ANDERSON of Illinois. Mr. Speaker, I have no further requests for time. I reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Washington (Mr. ADAMS).

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

I join in support of the gentleman from Wisconsin and the gentleman from Illinois in their proposition that we vote down the previous question. I am in support of the position of the gentleman from Texas (Mr. BROOKS) with regard to the fact that when we vote the debt ceiling we certainly should begin to have some congressional control over those who are administering this area of our Government. I also agree that we must have a tax reform measure

before this House, and frankly the gentleman from California (Mr. MOSS), the gentleman from Wisconsin (Mr. REUSS), the gentleman from New Jersey (Mr. THOMPSON), and I have tried to pick the lowest common denominator of tax reform that can be placed before this House. We have presented this testimony to the Ways and Means Committee. It is clearly within the jurisdiction of that committee.

I might say to the Members of this House that the administration, according to press releases, seems to indicate that there will be a tax surcharge. I am sure the House will find it a great deal more preferable to raise \$6 billion to \$7 billion through tax reform measures. We intend to offer an amendment to this debt ceiling bill, as outlined by the gentleman from Wisconsin, to do away with the accelerated depreciation range, which incidentally was never voted by this House. The accelerated depreciation range was put into effect by Executive order out of the Treasury Department.

Our second amendment would strengthen the minimum tax. We would simply say on any more tax that everyone pay his fair amount. The statistics last year indicated 24,000 people who paid any of this tax at all paid only 4 percent rather than 10 percent as this House mandated. The administration itself admits that the minimum tax needs to be tightened, but we are faced with the problem that the Ways and Means Committee has put over hearings on tax reform measures until sometime in the fall.

If it occurs, as indicated by this debt ceiling bill, that this Government is running at a deficit and will continue to run at a deficit, the only way to correct this is to raise revenues. If the raise in revenues is going to be presented in this House as an increase in the gasoline tax, or an income tax surcharge as announced, I think the Members would be wise today to vote for these two tax reform measures and avoid that.

This is an integral part of the debt ceiling problem, and as well stated by the gentleman from California (Mr. LEGGETT), this is a legitimate device, a legitimate method of operation for a majority of this House.

We are not asking that a minority of the House adopt any position but simply that the Members be entitled to vote on these propositions. If the propositions are adopted, then the will of the House by a majority has been so established. If they are not adopted, then we bow to the will of the majority on that problem.

We are also facing the fact that the President then has his choices as to whether or not he wishes to veto the debt ceiling and drop the entire spending level down to that limit.

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

Mr. ADAMS. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I think the gentleman would like to be entirely accurate and I do not think he intended to convey the idea that there had been a recommendation from the administration that we enact a gasoline

tax, as some have suggested might be done.

Mr. ADAMS. I would state to the gentleman that all I understand is what I see released in the press, and this has been released in the press, that this was a proposal that would be presented, and that is what I have stated, and that I would stand by. Whether or not the President has sent a formal message on it I do not know. I understand it is going to be announced in some fashion today as to what the position of the administration is, but I think the House should consider the fact that the administration's trial balloons have gone up and this is something the House is going to have to wrestle with.

Mr. WAGGONNER. The gentleman is correct, there have been some trial balloons but no proposals have been made. I understand the gentleman said earlier there had been some proposals.

Mr. ADAMS. I thank the gentleman.

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

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

Mr. VANIK. Mr. Speaker, I want to concur in what my colleague, the gentleman from Washington has said. I think we have waited long enough for tax reform action. We are not sure what our Ways and Means Committee will do this autumn. The President first proposed the asset depreciation writeoff as an administration matter. This was a proposal by the administration which was subsequently ratified in a conference report which was not very widely understood until the deed was done. It seems to me that the imbalance in our economy is the result of the excess of corporate tax writeoff.

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. YOUNG of Texas. Mr. Speaker, I yield the gentleman from Washington 2 additional minutes.

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

Mr. VANIK. Mr. Speaker, the fact of the matter is that the asset depreciation range can be changed very simply today. I think it would serve two purposes. It would increase the revenues of the Government and cool off the inflationary spiral. I think the idea of combining the increase in the minimum tax and the repeal of the asset depreciation range is very good. It would provide billions in needed revenue to reduce the deficit and cool off the inflationary spiral in precisely the right area—in the overheated sector of corporate expansion.

In the Ways and Means Committee, I offered an amendment to provide a 10-percent surtax on corporate profits, but this amendment did not prevail.

Mr. ADAMS. Mr. Speaker, we are faced with an inflationary spiral. One of the key factors in viewing this is the accelerated depreciation range, which goes on top of the 7-percent investment credit.

Many of us in the House opposed this type of action going ahead with the accelerated depreciation range, as long as we have the 7-percent investment credit.

We have not done anything and do not

propose to do anything today with that investment credit, so the Members of the House know that this still is in place and is ample incentive to business to continue its expansion.

However, we have found the accelerated depreciation range has had no effect on unemployment. It has fueled inflation. Therefore, I hope my colleagues vote down the previous question so that the Reuss substitute can eventually be offered and the House will have the opportunity to work its will on the matter of tax reform, as well as the Office of Management and Budget.

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

Mr. ADAMS. I yield to the gentleman from New York (Mr. WYDLER).

Mr. WYDLER. Mr. Speaker, I am a little bit confused by the statement of the gentleman from California that this debt limit is something the President needs.

I really think that this is something that not only the President needs, but that the Congress needs and the country needs. We are playing these very dangerous kinds of games with this bill on the theory that this is something only the President needs, and it could get our country in a lot of trouble.

I think every Member should consider that in voting on this bill.

Mr. YOUNG of Texas. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California (Mr. MOSS).

Mr. MOSS. Mr. Speaker, this is not a new or novel rule. With all due deference to the very distinguished gentleman from Michigan, the minority leader, he knows that it is not a new or novel rule.

As a matter of fact, it is utilizing the rules of this House in order to arrive at a desired result. That is what the rules are for, to permit us to use them. It is perfectly legitimate.

The gentleman knows, as I certainly do from my experience, that it would be very difficult to look at any rule and say, "This is unprecedented," because there is virtually an endless range of precedents for rules which have been reported to this House on numerous occasions.

During my days as a newcomer here in the 83d Congress, when the gentleman from Michigan was in the majority, and I was getting my experience as part of the minority, I have a vivid recollection of hearing the minority leaders then decry some of the rules proposed by the majority of that day.

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

Mr. MOSS. I yield to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, can the gentleman from California cite for me one specific instance where a rule for the consideration of legislation from one committee provides that legislation from another committee which has been vetoed, and the veto sustained, has been included and made eligible under a rule?

Mr. MOSS. Mr. Speaker, I said that the range was limitless, and I would not undertake the assignment of research.

However, I am quite confident, as ex-

perience has taught me, that when one wants to get the precedent, one can find it, believe me, and one can find it on all four points.

But, the fact is that what we are proposing today is to actually originate a revenue measure here in this House. We are going to participate, I hope, and again there is nothing wrong with that. It is, in a sense, the highest sense of fiscal responsibility to increase the revenues of this Government at a time when it is suffering a serious lack of income; at least, an income matched to its outgo.

So, if we can pick up through the elimination of this asset depreciation range proposal, which was sort of pushed into the tax pattern, and we can clear a couple of billion dollars and deal with certain minimums, and pick up another conservative \$4 billion, that is good fiscal responsibility. I invite all Members to join me in that effort.

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

The SPEAKER. The question is on ordering the previous question.

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

Mr. YOUNG of Texas. 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 21, nays 395, not voting 17, as follows:

[Roll No. 214]

YEAS—21

Brooks	Matsunaga	Stanton,
Evins, Tenn.	Milford	James V.
Gonzalez	O'Hara	Stratton
Gunter	O'Neill	Udall
Hays	Patten	Wright
Hicks	Rose	Young, Tex.
Kastenmeier	Rosenthal	
McSpadden	Sisk	

NAYS—395

Abdnor	Bowen	Clausen,
Abzug	Brademas	Don H.
Adams	Brasco	Clawson, Del.
Addabbo	Bray	Clay
Alexander	Breax	Cleveland
Anderson,	Breckinridge	Cochran
Calif.	Brinkley	Cohen
Anderson, Ill.	Broomfield	Collier
Andrews, N.C.	Brotzman	Collins, Ill.
Andrews,	Brown, Calif.	Collins, Tex.
N. Dak.	Brown, Mich.	Conable
Annunzio	Brown, Ohio	Conlan
Archer	Broyhill, N.C.	Conte
Arends	Broyhill, Va.	Conyers
Armstrong	Buchanan	Corman
Ashbrook	Burgener	Cotter
Ashley	Burke, Calif.	Coughlin
Aspin	Burke, Fla.	Crane
Bafalis	Burke, Mass.	Cronin
Baker	Burleson, Tex.	Culver
Barrett	Burlison, Mo.	Daniel, Dan
Beard	Burton	Daniel, Robert
Bell	Butler	W., Jr.
Bennett	Byron	Danielson
Bergland	Camp	Davis, Ga.
Bevill	Carey, N.Y.	Davis, S.C.
Blaggi	Carney, Ohio	Davis, Wis.
Blester	Carter	de la Garza
Bingham	Casey, Tex.	Delaney
Blackburn	Cederberg	Dellums
Blatnik	Chamberlain	Denholm
Boggs	Chappell	Dennis
Boland	Clancy	Dent
Bolling	Clark	Derwinski

Devine	Kluczynski	Roe
Dickinson	Koch	Rogers
Diggs	Kuykendall	Roncalio, Wyo.
Dingell	Kyros	Roncalio, N.Y.
Donohue	Landgrebe	Rooney, Pa.
Dorn	Landrum	Roush
Downing	Latta	Rousselot
Drinan	Leggett	Roy
Dulski	Lehman	Royal
Duncan	Lent	Runnels
du Pont	Litton	Ruth
Eckhardt	Long, La.	Ryan
Edwards, Ala.	Long, Md.	St Germain
Elberg	Lott	Sandman
Esch	Lujan	Sarasin
Eshleman	McClory	Sarbanes
Evans, Colo.	McCloskey	Satterfield
Fascell	McCollister	Saylor
Findley	McCormack	Scherle
Fish	McDade	Schneebeli
Flood	McEwen	Schroeder
Flowers	McFall	Sebelius
Flynt	McKay	Seiberling
Foley	McKinney	Shipley
Ford, Gerald R.	Macdonald	Shoup
Ford,	Madden	Shriver
William D.	Madigan	Shuster
Forsythe	Mahon	Sikes
Fountain	Mailliard	Skubitz
Fraser	Mallary	Slack
Frelinghuysen	Mann	Smith, Iowa
Frenzel	Maraziti	Snyder
Frey	Martin, Nebr.	Spence
Froehlich	Martin, N.C.	Staggers
Fulton	Mathias, Calif.	Stanton,
Fuqua	Mathis, Ga.	J. William
Gaydos	Mayne	Stark
Gettys	Mazzoli	Steed
Giaimo	Meeds	Steele
Gibbons	Melcher	Steiger, Ariz.
Gilmant	Metcalfe	Steiger, Wis.
Ginn	Mezvinsky	Stephens
Goldwater	Goodling	Miller
Grasso	Grasso	Stubblefield
Green, Oreg.	Green, Pa.	Mills, Ark.
Green, Pa.	Griffiths	Minish
Grimes	Grover	Mink
Gross	Gubser	Minshall, Ohio
Grover	Gude	Mitchell, Md.
Hader	Guyer	Mitchell, N.Y.
Haley	Haley	Mizell
Hamilton	Hamilton	Moakley
Hammer-	Hammer-	Mollohan
schmidt	schmidt	Montgomery
Hanley	Hanley	Moorhead,
Hanna	Hanna	Calif.
Hanrahan	Hanrahan	Moorhead, Pa.
Hansen, Idaho	Hansen, Idaho	Hanley
Hansen, Wash.	Hansen, Wash.	Hanson
Harrington	Harrington	Hanson
Harsha	Harsha	Hastings
Harvey	Harvey	Hawkins
Hastings	Hastings	Hebert
Hawkins	Hawkins	Hechler, W. Va.
Hebert	Hebert	Heckler, Mass.
Hedrick	Hedrick	Heinz
Hefner	Hefner	Heilstoski
Henderson	Henderson	Henderson
Hillis	Hillis	Hinchaw
Hinshaw	Hinshaw	Hogan
Holifield	Holifield	Holt
Holtzman	Holtzman	Holtzman
Horton	Horton	Hudson
Hosmer	Hosmer	Hudson
Howard	Howard	Hughes
Huber	Huber	Hunt
Hudnut	Hudnut	Hutchinson
Hungate	Hungate	Ichord
Hunt	Hunt	Jarman
Hutchinson	Hutchinson	Johnson, Calif.
Quille	Quille	Jordan
Railsback	Railsback	Jordan
Randall	Randall	Jordan
Rangel	Rangel	Karath
Rarick	Rarick	Kazan
Rees	Rees	Keating
Regula	Regula	Kemp
Reid	Reid	Ketchum
Reuss	Reuss	King
Rhodes	Rhodes	Rodine
Riegle	Riegle	Rodine
Rinaldo	Rinaldo	Rodine
Zablocki	Zablocki	Zablocki
Zion	Zion	Zion
Zwach	Zwach	Zwach

NOT VOTING—17

Badillo	Erlenborn	Rooney, N.Y.
Chisholm	Fisher	Rostenkowski
Daniels,	Gray	Ruppe
Dominick V.	Jones, N.C.	Smith, N.Y.
Dellenback	Nichols	Steelman
Edwards, Calif.	Poage	Walde

So the previous question was not ordered.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Smith of New York.

Mr. Rostenkowski with Mr. Dellenback.

Mrs. Chisholm with Mr. Walde.

Mr. Gray with Mr. Erlenborn.

Mr. Badillo with Mr. Fisher.

Mr. Edwards of California with Mr. Ruppe.

Mr. Nichols with Mr. Steelman.

Mr. Dominick V. Daniels with Mr. Jones of North Carolina.

The result of the vote was announced as above recorded.

The SPEAKER. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

AMENDMENT IN THE NATURE OF A SUBSTITUTE
OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Speaker, I offer an amendment in the nature of a substitute.

Amendment in the nature of a substitute offered by Mr. ANDERSON of Illinois: In lieu of the matter contained in H. Res. 437, insert the following:

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. 8410) to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes, and all points of order against said bill for failure to comply with the provisions of clause 4, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, 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. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for the benefit of those Members who may not have been in the Chamber during the previous hour when we were considering House Resolution 437, the amendment in the nature of a substitute which I have offered, and which the Clerk has now read, simply does this:

It takes the language on page 2 of the resolution, beginning with the words, "It shall be in order to" found on line 1, and eliminates the wording down through the words, "bill H.R. 8410." on line 8 on page 2.

This simply means that it will now, upon the adoption of the previous question, be possible for the House to vote and, I would hope, adopt the rule so that we can get on with the business that

Kyros	Owens	Staggers
Leggett	Patman	Stanton,
Lehman	Pepper	James V.
Litton	Perkins	Stark
Long, Md.	Pike	Stokes
McCormack	Fodell	Studds
McFall	Price, III.	Sullivan
Macdonald	Randall	Symington
Madden	Rangel	Thompson, N.J.
Matsumaga	Rees	Tierman
Meeds	Reid	Udall
Meicher	Reuss	Vanik
Metcalfe	Rieglo	Vigorito
Mezvinsky	Rodino	Wilson,
Minish	Roe	Charles H.,
Mink	Roncalio, Wyo.	Calif.
Mitchell, Md.	Rooney, Pa.	Wilson,
Moakley	Rosenthal	Charles, Tex.
Mollohan	Roush	Wolf
Moorhead, Pa.	Royal	Wright
Moss	Ryan	Yates
Nedzi	St Germain	Yatron
Nix	Sarbanes	Young, Ga.
Obey	Schroeder	Young, Tex.
O'Hara	Seiberling	Zablocki

NOT VOTING—21

Badillo	Duncan	Rostenkowski
Chisholm	Edwards, Calif.	Ruppe
Clawson, Del	Erlenborn	Smith, N.Y.
Daniels,	Fisher	Steelman
Dominick V.	Gilman	Veysey
Dellenback	Martin, Nebr.	Waldie
Diggs	Poage	
Dorn	Rooney, N.Y.	

So the resolution, as amended, was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Del Clawson for, with Mr. Dominick V. Daniels against.

Mr. Martin of Nebraska for, with Mr. Rooney of New York against.

Mr. Erlenborn for, with Mr. Waldie against.

Mr. Duncan for, with Mr. Rostenkowski against.

Mr. Ruppe for, with Mr. Badillo against.

Mr. Smith of New York for, with Mr. Diggs against.

Mr. Dorn for, with Mrs. Chisholm against.

Until further notice:

Mr. Fisher with Mr. Edwards of California.

Mr. Steelman with Mr. Smith of New York.

Mr. Gilman with Mr. Dellenback.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT

Mr. MILLS of Arkansas. 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. 8410) to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas (Mr. MILLS).

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. 8410, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the

gentleman from Arkansas (Mr. MILLS) will be recognized for 1 hour, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 1 hour.

The Chair at this time recognizes the gentleman from Arkansas (Mr. MILLS).

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

Mr. Chairman, the first section in the bill H.R. 8410, which contains the Ways and Means Committee action on the public debt, provides for an extension of the present limit on the public debt at the level of \$465 billion for 5 months.

The committee action continues the present permanent limit at \$400 billion and the temporary additional limit of \$65 billion through November 30 of this year. At that time we hope that there will be a clearer picture and a better setting in which to determine an appropriate limit for the rest of fiscal year 1974.

In the public hearings before the committee last week, the administration requested an increase in the debt limitation to \$485 billion for all of fiscal year 1974. The increase requested is based on estimates of receipts that have been revised upwards since January and on the assumption that the administration's recommendation for budget outlays next year will be realized at the \$268.7 billion level. Estimates of the end of month debt levels, based on the receipts and outlays projections, showed that at the end of August and November, the Treasury Department estimates that the debt then will reach \$467 billion.

Their projection of debt levels of \$467 billion on these dates assumes that there will be on hand an operating cash balance of \$6 billion.

With an operating cash balance of \$4 billion on August 31 and November 30, 1973, a public debt of \$465 billion is satisfactory according to their figures. This is a tight limit for a few days of activity, but it is one the Treasury Department acknowledged that it can manage.

While Congress frequently provides a margin for contingencies within the limit when the public debt limit is extended for a relatively long period of time, this should not be necessary for the short period immediately ahead. Should the present debt limitation appear inadequate, Congress can reconsider the limitation before the November 30 expiration date for the extension.

It was primarily because the economic and budget outlooks are so uncertain that the committee decided simply to extend the present limit for several months. The outlook has changed drastically between the end of January when the President sent his budget recommendation to the Congress and last week when Secretary Shultz presented the administration request for an increased debt limit before the Ways and Means Committee. In that period, the anticipated deficit in the unified budget fell by \$10 billion, from \$12.7 billion to \$2.7 billion, and, the anticipated deficit in the Federal funds budget fell from \$27.8 billion to \$18.8 billion. We cannot at this time be sure there may

not be other changes in the budget picture for this year.

The favorable change in the deficit outlook since January primarily results from an increase in receipts that reflects an unusually high rate of economic growth and the undesirably high rate of increases in prices that occurred in the first quarter of this year. In addition to the uncertainty in the receipts picture, the level of outlays remains unchanged because we have not had much action so far this year on appropriations bills. We know that before the end of this month, the House hopes to have completed its legislative work on all but three appropriations bills, but this does not give us a clear idea yet whether budget outlays may turn out to be higher than the administration's request.

Against this background, it is extremely difficult to know what to anticipate in the way of Federal Government needs for a public debt limit.

In addition to the uncertain budgetary outlook, the committee believed that the absence at this time of means for obtaining effective overall congressional control of the budget makes it desirable to use the debt limitation as Congress major tool for budget control to the fullest extent possible. When Congress establishes its own procedures for effectively establishing its own budget ceilings and for allocating portions of the budget total among various programs, the use of the debt limitation as a substitute for such procedures will not be necessary. However, in the absence of this type of control, the committee decided to keep a tight limitation on the debt during the period immediately ahead and to undertake another review of the budget situation later in the year.

At that time, the committee hopes that the uncertainty clouding the budget and public debt limit picture will have been dissipated because congressional action on appropriations bills will have been completed. It also will be more evident whether the economy's rate of growth will slow to a sustainable growth rate. At that time, we should know budgetary needs and whether fiscal policy must be revised because of changes in the economic outlook.

In the second major issue in the bill, in addition to the one dealing with the debt limit, the Ways and Means Committee responded to a request by the administration for elimination of the 4 1/4-percent ceiling on all bonds—securities with maturities longer than 7 years—issued by the Federal Government. Present law permits the Treasury Department to issue up to \$10 billion in long-term bonds at interest rates in excess of the statutory limit of 4 1/4 percent. Authority for the \$10 billion exception was enacted 2 years ago and the Treasury has exercised it seven times since mid-August 1971 at coupon rates that have varied between 6 1/8 and 7 percent. Presently, there are \$8.4 billion in such long-term bonds outstanding.

Approximately half of that total, or \$3.9 billion, is held by Government accounts and the Federal Reserve System.

Holdings by these accounts and the Federal Reserve reduce the ability of the Treasury Department to issue such bonds to the general public where there is a continuing market for this type of security. At the same time, there unquestionably is a need for the trustees and the managers of the various Government accounts to acquire public debt securities with relatively long maturities at the most favorable interest rates available.

The committee believes that the solution to this problem is to exclude holdings by Government accounts of such long term bonds. When the \$10 billion exception to the interest limit was enacted, it was not contemplated that Government accounts would use up such a large portion of the authority. In fact, the committee did not generally think then that the limitation should be applied to Government account holdings. This is because it really is meaningless to impose the limitation on interest rates on these accounts. Most Government accounts, by law, are limited to a rate of interest that is equal to the average market yield on outstanding marketable securities. This serves as the most effective limitation on the rate of interest that can be paid to such accounts and no other limit on these accounts is needed.

The committee action provides that no interest rate limitation is to apply to bonds held by Government accounts but that the \$10 billion limitation will continue to apply to bonds held by the public. The limitation applies with respect to a new issue of bonds at the time the bonds are issued. Government accounts generally may sell bonds with an interest above 4 1/4 percent to the public, but the sales may not be made when the result would be to increase the public's holdings of these bonds above \$10 billion.

By removing the holdings of the Government accounts from the \$10 billion exception, the committee has amended present law so that it will work as initially intended. This will provide the Treasury Department with the additional ability to reach out to the public with the long-term bonds. By using this greater authority to issue long-term bonds, the Treasury will be able to lengthen the present average maturity on the public debt from the present average of 3 years—a period so short that the Treasury Department frequently returns to the money market for refunding operations. Lengthening the average maturity will mean that the Treasury Department will not have to return to the money market so often—or for as large amounts—as it has in recent years.

Your committee wants to assure the Members of the House that its action on this provision is not to be construed as approval of the Federal Government to pay high interest rates. Your committee has always tried to act in such a way as to keep the interest rates at as low a level as is satisfactory for the well-being of the country. This provision essentially makes it possible for the Treasury Department to sell its long-term bonds to those individuals in the long-term bond market who are interested in Federal securities, and these sales

represent only a minor fraction of long-term securities, when compared with corporate and State and municipal offerings.

Under the present 4 1/4 percent ceiling on long-term interest rates, it simply is not possible to sell long-term Federal securities, unless the Treasury Department is willing to accept a substantial discount at the time of issue. The limited authority to sell above the 4 1/4 percent level was enacted 2 years ago in recognition of the existing state of financial affairs.

A third related topic is also dealt with in this bill. This proposition has to do with the suggestion that was made by members of the Committee on Ways and Means last year when we were considering in the committee the debt ceiling. At that time, some of the members of the committee discussed with the Secretary of the Treasury and other representatives of the Government the idea—I believe the gentleman from Ohio (Mr. VANIK) was one of the principal ones, as well as the gentleman from New York (Mr. CAREY) of trying to convert the large amounts of overwithholding and the refund of these overwithholdings into some type of investment by the person who is entitled to that refund.

The intent was to convert these refunds into savings bonds to avoid the potentially dangerous inflationary impact of a sudden burst of spending of such a large amount of money within a short period of time when the tax refunds are paid. In response to this request, the Treasury Department last week presented a recommendation for paying refunds in the form of a check which the taxpayer can convert into a savings bond identical in character to Series E savings bonds. However, the taxpayer would still have the option to cash the check-bond as soon as he receives it, if he wants to.

To carry out this objective, all refund checks on timely filed returns, even though issued on April 15, will carry an effective date of January 1. If the checks are not cashed by July 1 of the same year, they will automatically become savings bonds, and they will earn interest from January 1 at the 5 1/2 percent rate now applicable for Series E savings bonds. From then until the bond is redeemed, it will possess all the characteristics of a savings bond, and it will be subject to the identical regulations that apply to savings bonds issued in the usual manner. Taxpayers will be eligible to receive the check-bond only when their tax returns have been filed within the time limit currently specified in tax law and when no extensions of time have been requested. The Treasury Department will be able to put this program into effect after December 31, 1973.

The dates just described apply to taxpayers who file on a calendar year basis which is the great bulk of taxpaying individuals. For taxpayers who report on a fiscal year basis, the check-bond will earn interest from the day after the close of the fiscal year, and the tax return must be filed within 3 1/2 months after the close of the fiscal year.

The committee has taken this action because it believes that it is important to

have this means available for converting tax refunds into savings so taxpayers may continue to keep those funds out of the normal spending streams during the present inflationary period. It is clear that taxpayers have implicitly treated overwithholding as a form of savings because they did not exercise their option of filling out new withholding certificates to adjust the amount of withholding to coincide with their estimated tax liability. Your committee hopes that these taxpayers will have a continued desire to save and that they will respond favorably to this opportunity to convert their overwithholding into savings bonds.

I do not like to have to extend the debt limit for just part of a year. I would rather have just one debt ceiling bill a year and not have to come to the House on more than one occasion for this reason. But I do not see any other way to do it and do it effectively.

Mr. Chairman, I also want us to get a better picture of what Congress intends to do to itself, to clothe itself with better procedure for making its own budget determination. If we wanted to do what the committee which Mr. ULLMAN and Mr. WHITTEN headed, as far as the House is concerned, recommended—if we wanted to set up some type of budget machinery—that would be another matter. However, as ineffective as I think the debt ceiling itself is in trying to provide a degree of budget management by the House, I would want to use it as a last resort if we do not have any other procedure. But I do think the recommendations of the Joint Study Committee should be accepted by the House. They are sound and are a much better way of trying to accomplish the objective than trying to use the debt ceiling method. But if the debt ceiling is the only way left for us to go, then I think in some way we ought to try to use it effectively.

For this reason and because of the uncertainty as to the size of revenues and expenditures the committee decided last week to continue for this 5-month period the temporary ceiling. Of course, if we do not extend the debt limit, it lapses on June 30. Then the debt cannot be greater than \$400 million. All of the securities already issued would be recognized as legal obligations, but the Secretary of the Treasury could not issue additional securities with a \$400 billion debt ceiling, and he probably would run through his cash balance by the 15th day of July and not be able to make any payments out of the general fund after that date. So the legislation here is essential if the Government is to operate during this period of time.

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

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

Mr. REID. Mr. Chairman, I thank the distinguished chairman for yielding to me. I would like to ask the gentleman one or two questions if I might.

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

Mr. MILLS of Arkansas. Mr. Chairman, I yield myself 1 additional minute.

Mr. REID. Mr. Chairman, first I would like to ask the gentleman about the reg-

ulations promulgated by Secretary Weinberger because I am concerned, and I am sure the chairman and other Members of the House have been concerned, with the new regulations, because they would result in less freedom for the States to change their eligibility standards, and a possible reduction of about \$700 million below the \$2.5 billion ceiling authorized by the House.

Mr. MILLS of Arkansas. I am glad the gentleman from New York has asked that question, but let me make a short statement, first.

The gentleman, I am sure, is aware that when we adopted what we did in the conference we were unaware that the Department would in any way change its existing regulations that had to do with other aspects not included in the conference amendment. What I favor, and I think perhaps the gentleman from Pennsylvania (Mr. SCHNEEBELI) favors, and what I think is being introduced today in our names as well as another name—

Mr. SCHNEEBELI. If the gentleman will yield, in the name of the gentleman from Pennsylvania (Mr. HEINZ).

Mr. MILLS of Arkansas. In the name of the gentleman from Pittsburgh, Pa. (Mr. HEINZ) and that would eliminate from what we did everything that we did except provide the formula for the distribution of the money among the States. That formula would still be retained to the amount of money distributed on the basis of population; nothing else would happen except the overall limitation of our \$2.5 million. If the Senate amends one of our bills that we have sent over there, as I think they probably will, that is the type of amendment I would want to bring back to the House for the approval of the House. I do not want to delay the implementation of the regulations. I want to change the law so that the regulations themselves have to be changed. I would rather do it forthright and straight across the board.

I know there is a suggestion on the other side that they adopt an amendment to hold up the implementation of these new regulations until January 1, 1974, but I believe that we should get this job behind us.

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

Mr. MILLS of Arkansas. Mr. Chairman, I yield myself 1 additional minute.

Mr. REID. Mr. Chairman, if the gentleman will yield further, it is my understanding that Senator LONG had announced a 6-month moratorium as a possible amendment.

Mr. MILLS of Arkansas. That is what I understand has been announced, and I hope that the Senator will change his mind, and do what the gentlemen from Pennsylvania (Mr. SCHNEEBELI and Mr. HEINZ) are suggesting.

Mr. REID. Might I ask the chairman where that would leave the existing regulations, either old or new?

Mr. MILLS of Arkansas. Any regulations with regard to who is a welfare or prospective welfare client would have no application, because we are not limiting the money in any respect to those par-

ticular individuals. The money would be used for social services in such a way as the individual States would feel was best from the viewpoint of each individual State. If they want to use it for retarded children, if they want to use it for any other social service, then they can do so.

I must admit that this takes on the characteristics and the attributes of a revenue-sharing proposal, but it is limited in its use to social services.

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

Mr. MILLS of Arkansas. Mr. Chairman, I yield myself 1 additional minute.

Mr. REID. If the gentleman will yield further, I have just two other brief questions.

As I understand it, under the new regulations as they are proposed it would wipe out the opportunity of the State in drug and alcoholic care, health care, special care cases, and among the mentally retarded. If I understand the chairman as to what the gentleman was proposing, and would like to bring back to the House, it would leave the eligibility and/or the availability of those programs to the States?

Mr. MILLS of Arkansas. The States would make the determination as to how they would want to use that money.

Mr. REID. Would there by any particular standards established? As the chairman is well aware, some States have not always had the concern or the need, and indeed many States do not have the need to deal with certain social services.

Mr. MILLS of Arkansas. The Department might have to establish a standard with respect to what constitutes social services, but the Department has not done that in the past. That was one of the problems that resulted in this very amendment being adopted, that they would make no determination as to what a social service was; they left it entirely to the States, and the gentleman knows, as I do, that the money was running through the ceiling under that situation.

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

Mr. MILLS of Arkansas. Mr. Chairman, I yield myself 1 additional minute.

I do not see any justification for any type of a standard that would have to do with anything else than what possibly social service is. I will review the bills that have been introduced today to make sure that the States have the latitude I have described. If a further bill is necessary to make this clear, I will introduce such a bill tomorrow.

Mr. REID. My concern, Mr. Chairman, is that there have been eligibility opportunities as well as standards.

Mr. MILLS of Arkansas. Eligibility is limited. They can use 100 percent of their money for people not on welfare, but I would not advise them to do it, because the social service program was initially solely and exclusively for the benefit of the many people we have on welfare.

Mr. REID. I would ask the chairman whether some of these programs can continue in a wise way without adverse impact to people who need care?

Mr. MILLS of Arkansas. The State

might do something. The State is the only authority that could say how the money is to be spent within the State.

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

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

Mr. LEGGETT. Mr. Chairman, I think everybody realizes the need to extend the temporary debt limit at this time, and I am pleased to note the chairman's apprehension with respect to the fact that the condition of the economy is changing.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLS of Arkansas. Mr. Chairman, I yield myself 1 additional minute.

I yield to the gentleman from California.

Mr. LEGGETT. I am pleased to note the chairman's apprehension with respect to the fact that the condition of the economy is changing every 3 or 4 or 5 months. Is it not a fact that earlier in the year when the original budget was made up, we projected that there would be a deficit of some \$24.8 billion for the current fiscal year and \$12.7 billion on a combined basis the next fiscal year, for a total increase in debt of some \$37.5 billion, whereas the midyear report that came out the other day indicates that we are \$17 billion better off on a 2-year basis?

Mr. MILLS of Arkansas. Yes, but the debt for the 2 years on a unified budget basis would still amount to \$20.5 billion.

Mr. LEGGETT. Exactly, but however you slice it, we are \$17 billion better off on a 2-year basis?

Mr. MILLS of Arkansas. Oh, yes.

Mr. LEGGETT. We are \$17 billion better off on a 2-year basis today than we were at the first of the year, and that might well affect our priorities on spending and taxes and other matters; is that not correct?

Mr. MILLS of Arkansas. I do not know that it has to but it is possible.

Mr. LEGGETT. I said it might.

Mr. MILLS of Arkansas. I said, I do not know that it has to but it is possible.

Mr. Chairman, I yield back the balance of my time.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I rise in support of H.R. 8410, which will continue the existing temporary increase in the debt limit until November 30 of this year. As the chairman noted, the bill also amends provisions of existing law allowing a limited amount of long-term bonds to be issued at market interest rates above the 4 1/4-percent interest ceiling, and also provides a special procedure for issuing income tax refunds in the form of a tax refund bond.

Mr. Chairman, as we are all aware, the present permanent statutory debt ceiling is \$400 billion. The permanent ceiling is supplemented by temporary borrowing authority of \$65 billion, which expires on the 30th of this month. The committee bill simply extends this \$65 billion temporary borrowing capacity for another 5 months through November 30 while making no change in the permanent ceiling of \$400 billion.

During this time the debt ceiling, both the permanent and the temporary, will remain at its present level of \$465 billion. The debt subject to limitation was \$457 billion as of the first of this month and is estimated to be approximately \$458 billion by the end of this month. So, unless action is taken extending the present debt ceiling, the ceiling will revert back to \$400 billion at the end of the month.

As the Members know, it would then become impossible for the Government to issue any new debt, roll over existing debt, and meet its bills as they occur. It is, therefore, imperative that action be taken now.

I think it is actually rather surprising that we can still operate within our present debt ceiling for another 5 months in the light of our Federal spending experience over the last 10 years. During fiscal year 1972 we spent \$232 billion and the forecast for the next fiscal year—1974—is \$268.7 billion. That is an increase of \$36 billion in spending over a 2-year period despite reductions, impoundments, et cetera. Were it not for this latter factor the spending would be much greater. In light of our projected spending of an additional \$36 billion in the 2-year period, it is rather surprising that we can come to the House at this time and ask for a mere extension of our present ceiling rather than requesting an increase.

One of the reasons for this situation is the unanticipated large increase in tax receipts which we are getting from both personal and corporate income tax. These receipts were not envisioned in January when the budget figures were estimated.

The committee bill imposes a very tight debt ceiling on the Treasury during the next few months. As shown in the committee report, it is estimated that with a \$6 billion operating cash balance and the normal \$3 billion contingency, which is always allowed, the debt subject to limitation will be \$470 billion on August 31, \$5 billion above the ceiling that is being requested. As a result, this will require the Treasury to draw down its cash balance and be very cautious in the management of public funds during the 5 months for which the committee proposes to extend the present limitation.

Additionally, since the present limitation is extended for a period of only 5 months, we will be required to again review the appropriate level of the Federal debt limit sometime in the fall. As the Members know, Congress has not yet passed any appropriation bill for fiscal year 1974, although I presume the first one will be coming up this Friday. The buoyant economy has resulted in significant improvements in revenue projections since the President's budget message in January. I think for the fiscal year 1974 budget the receipts will be as much as \$10 billion greater than anticipated in January.

In view of the uncertainties affecting both outlays and receipts, the committee felt it would be desirable to have more concrete information on congressional action on the fiscal year 1974 budget, as well as final figures on fiscal year 1973,

and another look at the relevant economic data, before establishing a debt ceiling for all of fiscal year 1974.

I think at this time we should focus our attention on the real problem of Federal finances, which is the lack of congressional control over the budget. We concentrate on the component parts of the Federal budget, sometimes in minute detail, through various committees and subcommittees, but we have no mechanism for fitting the parts to the whole.

We know that the appropriate level of Federal spending, taxes, and debt is a question vitally affecting not only each citizen's individual welfare but also our future as a Nation. Yet, we give little attention to this larger question—almost none on a comprehensive and coordinated basis—since we lack the institutional and legislative procedures for doing so.

What we need are procedures for focusing our attention on the Federal budget as a whole so that when we look at its component parts we will have some guiding criteria enabling us to establish priorities in accordance with a responsible fiscal policy that serves all of our people. When we passed Public Law 92-599, temporarily increasing the debt ceiling last year, we recognized the common sense and urgency of these arguments for budget control. We established a Joint Study Committee on Budget Control charged with "improving congressional control over budgetary outlay and receipt totals" and to insure a comprehensive and fully coordinated congressional examination of the budget.

This bipartisan membership of the joint committee is composed of members from the taxing and appropriation committees in both houses, as well as several members from legislative committees.

The CHAIRMAN. The gentleman from Pennsylvania has consumed 7 minutes.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 2 additional minutes.

Despite the widely divergent ideological views of the members of this committee, the urgency of the task enabled the committee to organize and produce an interim report, hold hearings, and by unanimous vote issue a final report in about 3 months time. Legislation encompassing our specific recommendations for congressional control over the budget has now been introduced in both houses.

I see my good friend, the gentleman from Oregon (Mr. ULLMAN) sitting here. As cochairman of the joint committee, he was responsible for many of the recommendations which were finally adopted. I believe he will speak to this question during discussion of this bill. The point is that when we attempt to control federal spending through a debt ceiling, we are glossing over the symptoms rather than attacking the root cause of the Federal fiscal disorder.

The recommendations of the Joint Committee would insure that the budget is looked at not only in its component parts, but as a comprehensive whole. There would be several times during congressional review of the budget when we

will be required to fit the sum of the parts into a realistic, responsible and meaningful total.

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

Mr. SCHNEEBELI. I yield to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Pennsylvania. I wish to say that he is one of the most valuable members on this Joint Study Committee on Budget Control.

The gentleman will agree with me that we tackled a rather difficult job. We have 32 of the members who have served for long periods in the Congress and who have done a lot of individual thinking on the subject. We did come up with a unanimous report which I think the gentleman will agree with me was not expected in the beginning.

Mr. SCHNEEBELI. A most unique accomplishment.

Mr. ULLMAN. When we introduced it in the House, Congressman WHITTEN, my cochairman, and I and the gentleman in the well, Mr. SCHNEEBELI, and all the other House members on the committee were agreed on the subject of the bill.

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

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 2 additional minutes.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield further?

Mr. SCHNEEBELI. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I want to again commend the gentleman for his work and dedication on the committee, and also for speaking out now and continuing to speak out at every opportunity toward the establishment budget control in the Congress.

Mr. SCHNEEBELI. Mr. Chairman, it is quite obvious that but for the great leadership the gentleman has exerted as cochairman of this committee, we would not have been able to accomplish what was accomplished. He has contributed much to this committee.

Mr. BROYHILL of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from North Carolina.

Mr. BROYHILL of North Carolina. Mr. Chairman, I thank the gentleman for yielding.

I think it is interesting to note that the last time we were considering an increase in the debt ceiling, this same subject was under consideration. That is, what are we going to do about the appropriation process? What are we going to do to reform the appropriation process?

An amendment was added to the debt ceiling bill of last year which granted this special committee. The committee has reported legislation in the form of H.R. 7130, which is before the Committee on Rules and has been before the Committee on Rules for almost 2 months. No action has been taken.

Mr. Chairman, I think it is high time that the Committee on Rules hold hearings, report out the bill, because in my

opinion the majority of the House of Representatives is in favor of such legislation to reform the appropriation process to give more congressional control over the budget.

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

Mr. SCHNEEBELI. Mr. Chairman, before I yield, I would like to acknowledge the great contribution which the gentleman from North Carolina (Mr. BROYHILL) has made to this Joint Committee. He was one of the members from the legislative committee appointed to serve on the Joint Budget Committee. He has worked very hard, and I think he will agree that at the time of the last debt ceiling bill we did not realize we would accomplish so much in so short a time.

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

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 2 additional minutes.

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

Mr. SCHNEEBELI. I yield to the gentleman from New York, Mr. KEMP.

Mr. KEMP. Mr. Chairman, I thank the gentleman for yielding. As one who is deeply concerned about budget reform, I wish to associate myself with his remarks and those of the gentleman from North Carolina.

I join them in this move and intend to work with them toward the day when we can present it to the floor and act upon this vital issue which is so important to the future of this country and its budgetary process.

I have long held that budget reform is and should be the foremost issue to be dealt with in this Congress. I have introduced legislation in this session to improve and implement procedures for fiscal controls in the Government.

I appreciate the gentleman's leadership, and that of the gentleman from North Carolina.

Mr. SCHNEEBELI. I thank the gentleman. The leadership of the Republican Party has once or twice reminded the Rules Committee of the urgency of this matter.

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

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

Mr. ROUSSELOT. I thank the gentleman for yielding.

I compliment the gentleman from Pennsylvania (Mr. SCHNEEBELI), the gentleman from Oregon (Mr. ULLMAN), and others who have participated in forcefully bringing this recommended budget control legislation, H.R. 7130, to the Congress for much needed action. Many Members of this House and tax-paying citizens everywhere appreciate the action of the gentleman in the well (Mr. SCHNEEBELI) and the entire Joint Committee on Budget Control for trying to get the Rules Committee to move and to bring H.R. 7130 before the Congress so that we can fulfill our commitment to once again be a responsible body in fiscal planning. In short, H.R. 7130 would make it possible for us to take command of the budget.

The gentleman from Pennsylvania has been very active and very persuasive in his effort to bring this legislation before us. Now that it is properly drafted, I believe we should all give full attention to it. Perhaps we should encourage the gentleman from Iowa (Mr. GROSS) to help us get the bill out of the Rules Committee, as he so effectively has found a way to pry other legislative bills out of the Rules Committee. Perhaps we can encourage him to join us in this effort to get this bill out of the Rules Committee. I congratulate my colleague, Mr. SCHNEEBELI.

Mr. SCHNEEBELI. I thank the gentleman for his observation. Of course, the reputation of the gentleman from California for fiscal responsibility is well known in this House.

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

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 1 more minute.

Mr. Chairman, the bill before the House contains the needed extension of the present debt limit and improvements in the tools for managing the Nation's huge public debt. Responsible management of the Nation's finances requires reform in congressional budgetary procedures. As one of my colleagues observed, we have reached the point of no return so far as budgetary responsibility is concerned.

This important goal is not partisan, so let us move forward to the task of accomplishing this important job. Meanwhile, until action is taken on the budgetary front, it is necessary for the House to approve the existing debt ceiling for several more months, through November 30.

I urge the approval of H.R. 8410.

Mr. BROYHILL of North Carolina. Mr. Chairman, today we are debating once again an extension of the national debt ceiling. I am reminded of the discussion—and the work that we did—last fall on H.R. 16810 which raised the temporary ceiling to \$465 billion and extended it to June 30, 1973. I would like to recall some of the prevailing attitudes expressed at that time.

Quite frankly, Members of Congress were at that time dissatisfied with the position of Congress in continually needing to pass emergency extensions of the debt ceiling. There were also calls for a congressional mandate for a spending ceiling for 1973. Colleagues on both sides of the aisle said, in effect, "Congress, to fulfill a constitutional mandate in the fiscal and budgetary affairs of this Nation, simply must have a better procedure to deal with the matters of economic priority."

Because of this dissatisfaction, Congress included in H.R. 16810 a provision—title III—which established the Joint Study Committee on Budget Control. In no uncertain terms, Congress gave this committee an urgent mandate to come to grips with the appropriations process and to submit legislation that would materially improve congressional control over the Federal budget. It has been my privilege to serve on this com-

mittee and to take an active part in its work this year.

In the current situation, consideration of budget totals and appropriate levels of budget debts or surpluses are thrust upon Congress at times like these when we consider extensions or increases in the public debt limits. But this process does not constitute an adequate substitute for considering and voting on budget totals at the beginning of the appropriations process.

The Joint Committee on Budget Control under the able cochairmanship of the gentleman from Mississippi and the gentleman from Oregon has attacked the task set down before it by Congress. Out of our hearings and discussions on the budget and appropriations process grew the legislation, H.R. 7130, which we introduced on April 18. You are all aware of the provisions of this legislation so I see little reason to discuss its details today. But I think that it is fair to say that many of you share my opinion that this is sound and viable legislation that carries out the responsibilities given to us by the last session of Congress.

The joint committee has met its legislative responsibility on the issue of budget control. Individual Members of the House have indicated their support of this effort to restore to Congress its constitutional powers of budget responsibility by improving and updating our own appropriations procedures.

H.R. 7130 now sits in limbo before the Rules Committee. In the nearly 2 months that it has had H.R. 7130 before it, we have heard only vague promises that it will be considered at some later date. The Democratic leadership of this Congress has been vocal in partisan attacks on the problems of inflation and budget related questions of impoundment. Indeed, I understood that the Rules Committee is now preparing to report an anti-impoundment bill with a spending ceiling amendment—the very issue that prompted the urgency of the congressional mandate to the Joint Study Committee last year. Yet that leadership has proved unresponsive to the demands of both the membership of this House and of the public for needed and effective revamping of the appropriations process and an improvement in congressional control of the budget.

It is time for the leadership of this House to look beyond the narrow focus of some supposedly partisan issue. It is time that they moved past mere criticism to positive, constructive and long range action.

I trust that this measure before us this afternoon will remind the majority leadership of its commitment to the demands of responsible Government spending and an effective Federal budget. It is the time for them to join with their colleagues on both sides of the aisle in providing for immediate hearings on H.R. 7130 to improve congressional control of the Federal budget.

Mr. ULLMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I want again to commend the gentleman from Pennsylvania for bringing up the subject of the budget.

I also want to express my appreciation to the chairman of the committee, WILBUR MILLS, and to the chairman of the Committee on Appropriations, GEORGE MAHON, both of whom have been extremely helpful in putting together this recommendation.

Is it not ironic that this debate today, with these few people in the House Chamber, marks the most important economic debate on congressional spending policy that we have during the year? We simply do not have an opportunity here procedurally to act responsibly—on this subject.

What we should have, and what we are recommending in the Budget Committee proposals, is a full-scale economic debate on economic policy, on revenue objectives, on expenditure limitations, and I believe most importantly of all on priorities.

When did a Member of this body ever have an opportunity to go before the House of Representatives and debate and vote on those issues? That is really all we are asking in the Budget Committee proposals.

Now, there have been those who think that this is some kind of a grab for power on the part of a committee or a few Members of Congress. I want to assure the Members that JAMIE WHITTEN and I, having worked so closely with Senator McCLELLAN, Senator LONG, Senator PROXMIRE, all of the Senators that were on the committee in the other body, and with the gentleman from Texas, GEORGE MAHON; the gentleman from Pennsylvania, HERMAN SCHNEEBELI; the gentleman from North Carolina, JIM BROTHILL; and the gentlewoman from Michigan, MARTHA GRIFFITHS; and all of those who were on the committee, that there never was any consideration here as to any kind of concentration of power. Our entire effort was devoted to devising a procedure for bringing to the floor of the Congress a meaningful approach to a congressional budget, an attempt for the first time to put it all together.

Mr. Chairman, when do we ever have an opportunity in the procedures of the Congress to put it all together? That is what this effort is; it is an effort for the first time to establish procedurally a concept of putting the whole package together to form a meaningful national policy.

Let me say that there never has been a time in the history of this country when it was more important that we in the Congress come to a determination on national policy. The country is in trouble. We have far-reaching economic problems; I do not need to reiterate them. We are entering an era when it is becoming almost a necessity that the Congress make its budget decisions in a meaningful way, that we recapture, in fact, the prerogatives that the Constitution intended the Congress to have in forming national economic policy and in determining spending priorities and in establishing a national plan, a national goal.

The major theme in the congressional debate on the public debt limit in the past has been that any increase in the debt

was to be deplored, but since Congress already had approved the spending proposals, it could not refuse to pay the bills when they became due. In fact, this was true, but it also was a measure of the weakness of our institutional procedures which made it impossible for us to control our spending. We simply piled one spending program on another without considering the total or its impact on the economy.

As we approach the debt limit today, our situation in many respects is much the same. We know very little as yet about our appropriation and expenditure totals. We know the totals recommended by the President. We also know that the views of the Appropriations Committee as to a number of individual appropriations will soon be reported to the House but on a piecemeal basis. Actually, we have acted on only one appropriation bill to date—our own—and the fiscal year starts in 2½ weeks. We have not debated what the deficit or surplus should be from the standpoint of the economy nor have we considered what our revenues should be in view of the economy or in view of the spending program. To put it bluntly, we have no budget plan of our own. We have only the President's proposal of last January warmed over with his new revenue estimates.

It is true that we may be able to whittle a little bit off here and add a little bit there, but it will still be basically the President's budget plan and not ours. As a result, we are considering a debt limit today which of necessity is based on the President's figures, plans and programs, not our own. The best we can do is hold him to the minimum of what he may need for a few months ahead and then hope we will have enough more information to provide a realistic figure for the rest of the year—but we will be following the President, not setting the pace.

The only difference I can see from the past is a realization, on what I believe is clearly a majority of the House, that we need our own procedures for establishing a congressional budget. As you know, JAMIE WHITTEN and I have had the honor to be cochairmen of the Joint Study Committee on Budget Control, which has presented to the House a procedure for congressional budget control. The bill we introduced to carry out this procedure, H.R. 7130, was referred to the Rules Committee where it currently is waiting consideration. I urge the Members of the House to encourage the Rules Committee to take up the consideration of the bill with the intention of bringing it to the floor before the August recess.

While H.R. 7130 represents the best thinking of our Joint Study Committee, I do not question that it may be improved upon, and I am willing to see compromises adopted in some areas to make sure it is acceptable to a substantial majority of the House. Fundamentally, however, something like the procedures in this bill for budget control and for the making of tough, necessary political decisions must be enacted so that Congress can develop its own budget and set its own priorities within it. Our constitutional responsibility for this role is quite

clear, and we have allowed Executive encroachment for far too long.

I do not believe we would be here today with a debt limit based on the President's plans for spending and revenues if we had acted on a procedure for establishing our own budget procedure. The Ways and Means Committee recognized this when in its report on the debt limit it said:

The committee believes that in the absence at this time of any other means of providing an effective overall congressional control of the budget, it is desirable to use the debt limitation for this purpose to the extent possible. If there were procedures for Congress to establish its own budgetary ceilings with the allocation of the amounts involved to the various programs, the use of the debt limitation in this manner probably would not be necessary. However, in the absence of control of this type, it appeared desirable to your committee to have a tight limitation on the debt in the period immediately ahead, with another review of the budget situation this fall.

I would like to take this opportunity to outline for you in general terms the congressional budget procedure the Joint Study Committee bill would provide.

The bill first of all calls for the creation of budget committees in both the House and the Senate. One-third of the House Budget Committee members would come from the Appropriations Committee, one-third from the Ways and Means Committee and one-third from the legislative committees. The exact proportion of the members to be drawn from the appropriations and tax committees is something that would be modified. I would not object to a ratio of 50-50 between the financial committees and the legislative committees generally.

Both the House and Senate committees would be served by a joint staff headed by a legislative budget director. This is to be a nonpartisan professional staff with the highest qualifications, which would be available to all Members of Congress on questions of the budget.

These budget committees would devote themselves to reporting out an overall legislative budget early each session. This measure would reflect the suggestions and testimony received by diverse groups within Congress and from private organizations. It would also reflect the analysis of the budget committee and its staff.

This measure, in the form of a concurrent resolution, would set the total new budget authority, total outlays, and total revenue to be raised. The same measure would also allocate the spending total among the program categories, reflecting in general the division of the programs among the appropriation subcommittees. This allocation or subdivision of the spending total is particularly important because it is to reflect the congressional review of national spending priorities.

When the resolution reaches the floor, 30 hours are allowed for extended floor debate during which any Member can offer amendments to any part of the resolution. Amendments which result in an increase in any category are to indicate the source of the funds for the in-

crease. This can come from either reductions in other programs or from an increase in the total spending—reflecting either an increase in debt or calling for an increase in taxes. These procedures have been designed to insure that full and open discussions will occur and that Congress can work its will on the budget.

The first concurrent resolution which I have described for you is to be completed by the first of May. Appropriation bills are to follow in the months of May and June. We believe that this can be done since the preliminary committee work on the appropriation bills can be done by that time and the Budget Committee can start public hearings on budget priorities and totals as soon as Congress convenes. In addition, it seems to me that there will be less argument about individual appropriation bills since Congress will have made up its mind in the concurrent resolution on the priorities of different programs.

We recognized the difficulty in completing action on congressional priorities by the first of May, and we have dealt with this problem in the procedures that we set up. It was because of this that we provided for a contingency fund in the first resolution for those areas where decisions have not yet been reached. It is contemplated that specific allocations for them will not be made in the first resolution, and instead, they will be allocated in a second resolution dealt with in July or perhaps September, after Congress has relatively complete information on the affected programs.

The second resolution to be considered in July or September not only would allocate the amounts set aside in the contingency fund but also could change other programs and the expenditure or revenue totals, if the Congress thinks this is appropriate. It would be followed by a wrap-up, or supplemental appropriation bill, specifically providing for the funding of any new programs for which allocations were made in the second resolution.

Another feature of the bill provides that in the concurrent resolution the Congress is to indicate the level of deficit or surplus that it believes is appropriate in view of economic conditions and other important national objectives. If the deficit or surplus that develops in the second concurrent resolution is not the deficit or surplus Congress considers economically desirable, then provision is made for adding to the wrap-up appropriation bill a surcharge to decrease the deficit to the economically desired level or increase the surplus to that level. The Congress can substitute other revenue measures for the surcharge, if this seems appropriate.

It seems to me that the budget control bill gives Congress an unparalleled opportunity to regain from the executive its appropriate control over the purse-strings. I trust that the Congress will not forgo this opportunity because of the difficulties in arriving at a coherent decisionmaking procedure and because of any seemingly temporary advantage the legislative branch may have gained over the executive. We must, and I feel

sure we will, grasp this opportunity to restore the congressional control over the fiscal affairs of the Government to the status intended by the Constitution.

I, of course, am aware of the fact that there have been criticisms of the report of the Joint Committee on Budget Control. It seems to me that it is inevitable that improvements can be made in any area which recognizes as many innovative ideas as this includes.

I would like to have it understood that I—and I believe the majority of the members of the Joint Committee on Budget Control agree—do not believe that the bill introduced by the Joint Committee must necessarily be passed in exactly the same form in which it was introduced.

As I have indicated, I, for example, am not opposed to giving the legislative committees equal representation on the Budget Committee with the Tax and Appropriation Committees if this is the will of the Congress. I also am not opposed to the selection of the Democratic members under the regular caucus rules.

I also recognize that it may be desirable to loosen up to some degree the procedures followed in the first resolution to make later changes in this resolution easier for the membership of the Congress as a whole.

I also want it understood that the congressional budget staff would be large enough so that it can be available to all Members of the Congress whether or not they are members of the Budget Committee and that it could be available to them on a confidential basis to assist them in working out alternatives to the congressional budget proposed by the Budget Committee.

I want this procedure to be a true reflection of congressional priority decisionmaking. At the same time, I believe that we should not postpone the consideration of this measure further because of either real or imagined imperfections in the major outline. I think we are entitled to see an honest effort made to work out these differences and to work them out as soon as possible. I believe firmly that a majority of the Members of the House favor a priority budget-making procedure along these lines, and I believe that they must be given an opportunity to act on this early in this session of Congress.

Mr. CONABLE. Mr. Chairman, will the gentleman from Oregon (Mr. ULLMAN) yield?

Mr. ULLMAN. I will be happy to yield to my colleague, the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I thank the able gentleman from Oregon for yielding.

It has been said, I think, more often than we need to have it said, that the debt ceiling as a fiscal tool is a crude device at best. I am wondering if the gentleman would feel that if we could adopt the recommendations of the Joint Committee on the Budget, it would be possible for us then with some safety to abandon the debt ceiling device.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. ULLMAN) has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I yield further to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, it has been said that one of the primary justifications for the debt ceiling review is that it does force us to face up to our fiscal responsibilities and it does provide us with the responsibility of looking at the forest and not just the trees.

Now, the procedure that is recommended—and I support it fully—would provide for a review in, I believe, a much more sensible form. So if the recommendations of this joint committee are adopted, is it not possible that we might not have to go through this annual ritual of the debt ceiling?

Mr. ULLMAN. Mr. Chairman, the gentleman from New York (Mr. CONABLE) is absolutely right. As a matter of fact, the recommendations as to the level of debt would be incorporated in the budget package. There might still have to be a revision in the statutory limit from time to time, but this then would be perfunctory.

Here we are trying to control the level of spending after the fact, when it is time to pay for the spending. Of course it is not possible to have much impact on spending after the spending has been funded. The time to get hold of the budget process is in its formation.

Mr. Chairman, let me fully agree with the gentleman, that this procedure of ours in the Federal debt ceiling is a meaningless one. It does not give us any chance to responsibly control national policy in any sense of the word. But if we incorporate this in a budget proposal where we establish spending ceilings and revenue obligations, and then in a rational way look at the budget effect and at the debt effect, and in the same process expand the debt, that would be a meaningful act on the part of the Congress.

Mr. CONABLE. Mr. Chairman, I thank the gentleman, and I want to put myself firmly on record as favoring his recommendation as by far a preferable fiscal device for the debt ceiling at this point.

Mr. DENNIS. Mr. Chairman, will the gentleman from Oregon (Mr. ULLMAN) yield?

Mr. ULLMAN. I yield to the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, I just did not want to let the occasion of this debate pass without joining my colleagues here in expressing my appreciation as one member who has not had any particular part in the work done by the gentleman and his colleagues on the special Joint Committee on Budget Control.

It seems to me that this is one of the most serious-minded, intelligent efforts to a commonsense approach to this problem. This is probably the most serious common sense approach that I have seen since I have been a Member of this body. I would like to congratulate the gentleman and his colleagues and express the hope that they will be able to persuade the leadership to give their legislation a rule and bring it out for consideration on the floor.

Mr. ULLMAN. I thank the gentleman. Mr. LEGGETT. Will the gentleman yield?

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

Mr. LEGGETT. I want to commend the gentleman on bringing up the subject of budget control. Certainly the leadership you have given in the development of a format for control of the budget in this House is probably 50 or 100 years late. It is idiotic, I think, that we run this House stacking programs on programs and running the deficit up to a projected \$505 billion, which is the budget summary at the end of fiscal year 1974, although it may not be as bad as that in the way it develops.

However, what many of the Members are concerned about is that the committee the gentleman is working on may be dominated by Members who have been around here for a long time and who may be tending to be a little bit conservative and may not have the same ideas as far as priorities of spending are concerned as some of the junior Members of the House who have been here only for 10 or 15 years.

I wonder if the gentleman is as concrete on the makeup of the budget control committee, because that seems to be the key to the program. I know many Members fully support the idea of a balanced budget approach or a controlled deficit approach with some kind of checks and balances but do not want to get the cart before the horse at the beginning of any session of Congress or the midpoint.

Mr. ULLMAN. I am glad the gentleman raised that issue. The important thing here is not the makeup of the Budget Committee or the exact time schedule we worked out. I am certainly flexible on those points. But the important thing is that we have procedures for considering priorities when we bring the matter before the Congress and the Congress can work its will. This will mean that for the first time you as an individual Member can stand up on the floor and make an argument for an expenditure level of x number of dollars and a given revenue objective, all at one time. The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLS of Arkansas. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. ULLMAN. What we want is a chance for a meaningful budget debate here on the floor of the House. You do not have any procedures now whereby you as an individual Member can argue national priorities or revenue objectives and expenditure limitations. This would give you that format. The important thing is we bring that kind of matter to the floor under a rule whereby you would have a meaningful debate and Congress could work its will. That is the important thing.

Mr. LEGGETT. If the gentleman will yield further, unfortunately it still happens many times even though a bill comes to the floor and is fully amended, the will of the chairman seems fairly well to

dominate. An example of that is the vote that we just had where 236 Members of the House only a few weeks ago voted to review the Office of Management and Budget appointment, including Mr. Ash. Today we get almost the very same issue posed with the Anderson amendment except in the reverse fashion. The chairman was opposed to the amendment and the amendment was defeated, so that the will of the House as expressed a few weeks ago did not effervesce today. That is why I think the form and makeup of the committee is critical, because probably there are going to be only a half a dozen people who are going to be able reasonably to relate priorities.

And the priorities that they relate to and bring to this floor are going to be concrete regardless of whether or not they are overruled.

Mr. ULLMAN. Let me respond to the gentleman that the vote that we have just had was a vote on a rather long-standing principle in the House of Representatives, and that is one of germaneness. We did not at this time vote on the subject of the review of the appointment of the Director of OMB.

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

Mr. MILLS of Arkansas. I yield 2 additional minutes to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. The membership already expressed its judgment on the issue to which the gentleman from California refers, but now the membership voted its disapproval of a violation of the rule of germaneness in this House of Representatives.

We brought an open rule before this body. I think particularly in view of the precedents that just bringing in an open rule before this body should be enough without having a rule that violates the rule of germaneness.

Mr. LEGGETT. If the gentleman will yield further, I think that where we got the idea that maybe we would have an opportunity to add nongermane amendments was when the chairman of the full committee came before the Committee on Rules and asked for a waiver of points of order for two nongermane amendments, so we took it, then, that nongermane amendments were the order of the day. Unfortunately, that did not prove correct.

Mr. MILLS of Arkansas. If the gentleman will yield, I would like to correct my friend, the gentleman from California (Mr. LEGGETT), and say that the waiver of points of order that we asked for in the Committee on Rules, and that the Committee on Rules granted to us, is always necessary when you amend a statute that, as initially enacted, both authorized and appropriated at the same time.

Any amendment of that statute in the future is subject to a point of order. That is the only way an amendment to such an act can be brought to the House. We did not ask to have a waiver for anything we included in this bill.

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

Mr. ULLMAN. Would the gentleman from Arkansas yield me 1 additional minute to conclude my statement here?

Mr. MILLS of Arkansas. I yield 1 additional minute to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I believe the bill as reported out by the joint committee is a responsible, basically well thought out and worked out proposal. It has been approved unanimously by all 16 Members of the House. The gentleman from Mississippi (Mr. WHITTEN) and I cosponsored it in the House, and jurisdictionally it now is before the Committee on Rules. And with all the sincerity that I have I would urge the Committee on Rules to move expeditiously on this matter, so that the House can work its will.

Certainly the House should work its will on the formation of the new procedures and new committees. There are a couple of amendments that I would join in when the House begins its consideration of the bill. I want to reemphasize that what we have proposed is entirely responsible, and that if we were to adopt it without a single change it would be one of the most responsible acts that this Congress has passed.

But that does not mean that there are not alternatives, and I would be glad, if it would make some of the Members of the House happier, to look at some of the alternatives.

Mr. MCCLORY. Mr. Chairman, would the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Illinois.

Mr. MCCLORY. Mr. Chairman, I thank the gentleman for yielding. I would like to associate myself with the remarks of the gentleman with respect to the establishment of the Joint Legislative Budgetary Commission.

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

Mr. MILLS of Arkansas. I yield one additional minute to the gentleman from Oregon.

Mr. MCCLORY. Will the gentleman yield further?

Mr. ULLMAN. I yield further to the gentleman from Illinois.

Mr. MCCLORY. Again I thank the gentleman for yielding.

I would like to say, Mr. Chairman, that my first impression when I arrived here in the House of Representatives was the lack of initiative and control which the Congress of the United States appeared to exercise with respect to the budgetary process. We have deliberately and, I believe, unthinkingly surrendered this authority. It is about time now that we recapture this prerogative, and reassert our constitutional authority with respect to the establishment and administration of the budget. We should provide the machinery for the establishment of a ceiling on spending, and with respect to the determination of an order of priorities.

It seems to me that these and other aspects of good fiscal management are entirely possible through this concept of a Legislative Budget Commission.

I congratulate the gentleman from Oregon and his colleagues who have developed this legislation for presentation, hopefully very soon, to the House for its action.

Mr. ULLMAN. I thank the gentleman from Illinois.

It seems to me that in view of the circumstances this country finds itself in, and the awareness of the people of America of the problems and of our lack of procedures to decide priorities with respect to them that this is far more than just a challenge, and that it is almost a mandate to the House that we act.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLS of Arkansas. Mr. Chairman, I yield to the gentleman from Oregon 3 additional minutes.

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

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

Mr. KEMP. I appreciate the gentleman's yielding to me. I wish to congratulate the gentleman on his remarks and his answers contained in the colloquy with the gentleman from California. I should like to associate myself with the remarks of the gentleman from Oregon (Mr. ULLMAN) and commend his leadership in this area of budget reform so vital to the fiscal responsibility of this country.

I should like to ask the gentleman just one question, and that is this: What is the gentleman's guess as to the possibility of a rule being granted on legislation in the near future?

Mr. ULLMAN. Let me clarify the issue. The Committee on Rules has original jurisdiction. They will have to hear the bill and bring out the bill themselves. I have received some assurances that they are considering setting a time certain for consideration of the bill, and I certainly urge the Committee on Rules, the leadership, and everybody in this body to do what they can to accomplish this.

Mr. KEMP. If the gentleman will yield further, I join him in that urging and appreciate very much his comments.

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

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 1 additional minute.

I yield to the gentleman from Arkansas.

Mr. MILLS of Arkansas. I have congratulated the gentleman many, many times for his leadership in this area. But let me ask the gentleman a question. Is it not possible for the Committee on Rules to so report the bill that the House itself could have an opportunity of amending any provisions that are in the bill? If anyone does not like the composition of the budget committees, could not that composition be changed by an amendment before the House if the House wanted to do it?

Mr. ULLMAN. I am glad the distinguished chairman raised the issue. This is all we are asking. We ask that the

Committee on Rules work its will and then bring it to the floor for full and open consideration where the House can work its will on all of the procedures. There has not been one single objection that has been raised that cannot be responded to legislatively. I know I have talked to all of the members of the committee. We are all flexible in our approach to the problem. The only thing in adopting amendments that we are going to have to insist on is that on the basic integrity of the proposal; it has got to be meaningful. The budget committee has got to have legislative authority to bring the matter procedurally to the floor, and when the House works its will, it has got to be based upon a rule of responsibility. Otherwise the budget is meaningless.

I yield back the remainder of my time.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. COLLIER), who is not only a valuable member of the Committee on Ways and Means but also did yeoman work on the study on this budget committee which we have been discussing.

Mr. COLLIER. Mr. Chairman, there is one obvious conclusion to be drawn from the discussion we have heard today for the extension of the temporary debt ceiling. It is the simple fact that the fiscal woes which have plagued efforts to achieve proper budget management lie in the lack of adequate congressional control over the budget.

In the 43 years since 1931 the Federal Government has been in a deficit position 37 times. In 32 of these years, budgets were submitted to Congress with a deficit.

The simple fact of the matter is that the increasing size of deficits illustrates the need for Congress to obtain better control over the budget and this cannot be done under the present system of spending more each year than our revenues produce. The device known as backdoor or mandatory spending actions have, in effect, divided the control over spending among numerous committees to a point where today the appropriations committees have effective control over less than 50 percent of the budget.

It is ironical that most Members of Congress have assumed a public position for years of supporting a balanced budget, but most have given little more than lipservice to this pious precept.

This year the Joint Study Committee on Budget Control has issued a report which offers the only hope for curbing this practice using the slogan axiom and permitting each Member of this House to put the taxpayer's money where his mouth is. If the bill—H.R. 7130—introduced by the bipartisan Joint Study Committee on Budget Control on April 18 is not reported or is delayed in the Rules Committee because of opposition of the Democratic Study Group, I would suggest to the rest of my colleagues that we do not let this session come to an end without using the discharge petition procedure to bring it to the floor. While this would not be the most desirable route to take in pursuing of the orderly process of legislation, it may be the only one open to those of us who want the opportunity to do what the vast majority

of the American taxpayers want—to face up to our responsibility and get our fiscal house in order.

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

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

Mr. CONABLE. Mr. Chairman, I would like to thank my friend, the gentleman from Illinois, for yielding to me. I think the gentleman has made a very responsible statement. I would like to ask him about a practice that seems to have sprung up in recent years relating to the extension of a temporary debt ceiling.

Let us assume for instance that the report of the Joint Committee on the Budget study is not adopted and that we go on from time to time raising the debt ceiling. We seem to have yielded to a higher debt ceiling with such reluctance that we are constantly putting it up on a temporary basis, so that when the time expires it reverts to a much lower level. This permits people to add to the debt ceiling bill provisions, political and otherwise, but to which the whole Government is held hostage. I can give the gentleman many examples recently when this was done. An effort was made to do this today. The gentleman will also recall we had a 20-percent social security benefit increase which was attached to an effort to raise the debt ceiling and if we had not done it we would have reverted to the much lower level.

I have personally come to the conclusion if we raise the debt ceiling we should raise it permanently so we will not have this degree of blackmail implicit in our failure to act in timely fashion. Admittedly if expenditures are going beyond the permanent ceiling, that is bad, but it is nowhere near as desperate as it might be to have the legal debt revert to a much lower level. I wonder if the gentleman would comment about that.

Mr. COLLIER. Mr. Chairman, I think the gentleman is eminently correct. The procedure which is now followed with regard to the establishment of a temporary debt ceiling, the extending of it, is simply a routine exercise as it relates proper of debt management. But I agree with everything he has said.

I also agree with what has been stated by my distinguished colleague, Mr. ULLMAN in his urging that we deal realistically with the problem through the type of proposal that has come out of the joint committee. We then would not have to go through this exercise in the future subjecting this legislation to the type of amendments and political window dressing that has repeatedly occurred in the past in the routine action of increasing the debt ceiling.

Mr. WAGGONNER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I just take this time to point out that the debt ceiling that we act on today is only a part of the story, only a part of the total public obligation which fuels inflation and depreciates the dollar. I think my colleagues will agree with my concern about the growth of the Federal borrowing

and the Federal responsibilities outside of the debt.

I have a table which I have received from the Office of the Secretary of the Treasury on debt analysis, which points out that the net increase in outstanding debt, excluding public debt securities, in 1972, was \$17.9 billion. This will increase in 1973 to \$26.5 billion and continues at about that level.

I think that we must realize that there are other factors which affect inflation, interest rates and the national credit. The national credit is very vitally affected by these activities of agencies which are beyond the control of the Congress, who now can issue bonds on which the public has a liability, and they can issue these bonds at their discretion.

Some effort will be made, when we consider the Federal financing bank, to correct this problem, but I think that, practically speaking, that a great deal of the pressure on the money markets today is caused by this borrowing outside of the debt. I think that it is something on which we must legislate.

It is incredible but, according to tes-

timony submitted by Under Secretary Volcker to the House Ways and Means Committee last September, over \$27 billion will be borrowed in fiscal year 1973 outside of the debt limit. The authority for borrowing and guaranteeing outside of the debt limit is incredible. The following list includes projected borrowing:

Export-Import Bank—\$2 billion in coming years.

Rural Telephone Bank—\$100 million. Postal—\$10 billion—\$2 billion of which may be bought by Treasury.

Farmers Home Administration asset sales—\$3 billion.

Maritime merchant marine bonds—\$400 million—1974.

Academic facilities (HEW)—\$300 million.

Student Loan Market Association—\$1—\$2 billion/year.

College housing bonds.

Community debentures—\$100 million. Public housing bonds and notes—\$2—\$3 billion/year.

Urban renewal notes—235 and 236 housing—several hundred million.

Amtrak.

Washington Metro Authority—\$1 billion.

GSA building program—leaseback guarantee—not under debt ceiling.

OPIC—Anaconda and Kennecott losses repaid by notes guaranteed by OPIC. Economic Development Administration.

Defense Department—occasionally guarantees foreign government borrowing in United States to finance foreign military purchases.

Nurse training program.

SBA guarantees.

FHA—Several billion per year.

This list is incomplete and had to be extracted from testimony before the Ways and Means Committee on September 28. The administration testimony is confusing, incomplete and misleading.

Subsequently, on May 8, I wrote to the Treasury Department and obtained from Under Secretary of Treasury Paul A. Volcker the following table on Federal and federally assisted borrowing from the public other than public debt—Treasury—securities for the fiscal years 1972-74:

	Net increase in outstanding debt—Fiscal years—			Net increase in outstanding debt—Fiscal years—		
	1972	1973 ¹	1974 ¹	1972	1973 ¹	1974 ¹
Securities issued by Federally-sponsored agencies:						
Farm credit system	1.2	1.6	1.8			
Federal home loan bank system	—1.5	2.5	3.2			
Federal National Mortgage Association	3.5	3.5	3.1			
Total sponsored agency issues	3.2	7.6	8.0			
Securities issued by Federal agencies:						
Export-Import Bank	—.8	1.5	1.4			
U.S. Postal Service	.3		.8			
Tennessee Valley Authority	.4	.5	.4			
Other	—1.0	—.5	—.1			
Total agency issues	—1.1	1.5	2.5			
Asset sales by Federal agencies:						
Commodity Credit Corporation		.3	1.0			
Farmers Home Administration	1.9	3.5	2.2			
Housing and Urban Development	.2	1.1	.3			
Veterans Administration	.4	.6	.4			
Other	.1	.1	(.0)			
Total asset sales	2.5	5.6	4.0			
Securities guaranteed by Federal agencies:						
Housing and Urban Development:						
Community development notes		0.3	0.7	0.4		
Public housing bonds and notes		1.3	1.4	1.6		
New community debentures		.1	.1	.1		
GNMA mortgage-backed securities ⁴		3.4	4.0	4.8		
Transportation:						
Washington METRO bonds				.4	.3	
Railroad equipment certificates				.2	1.1	
General Services Administration: Public building certificates				.6	.5	
Commerce: Merchant marine bonds				.2	.1	.2
Total agency guarantees				5.2	7.6	9.1
Obligations guaranteed by Federal agencies but not ordinarily financed in the securities market ⁵				8.2	4.2	2.3
Total Federal and federally assisted borrowing (excluding public debt securities)				17.9	26.5	25.9

¹ Estimates.

-Reduced by amounts of sponsored agency issues of GNMA mortgage-backed bonds and investments in Federal agency issues.

² Less than \$50,000,000.

³ Includes "pass-through" as well as bond-type securities.

The Washington Metro Transit Authority, without consulting anyone, last autumn put on the market a quarter billion dollars worth of bonds apparently without any further review by anyone here about whether it was a good time.

We have another area of pressure on public credit. That is the extent of public insurance, guarantees, and government loans. We are moving more and more toward guarantees on loans. In this area, we are close to the trillion dollar mark, or above it.

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

Mr. VANIK. I am happy to yield to the distinguished gentleman from Arkansas (Mr. MILLS), chairman of the House Ways and Means Committee.

Mr. MILLS of Arkansas. Actually the contingent liabilities of the Federal Government are above the trillion dollar figure by \$129 billion.

⁴ Excludes FHA and VA mortgages financed by sponsored agencies or by GNMA mortgage-backed securities. Includes obligations guaranteed by HEW, SBA, Eximbank and other agencies, which are financed in part in the securities market.

Source: Special analyses C and E of the budget of the U.S. Government for the fiscal year 1974.

I think the gentleman's figures outside this amount are a little high. I think something which the gentleman has referred to, the so-called Federal Financing Bank, involves some debt which is still within the limitation.

If the gentleman will look on page 42 of the Special Analyses of the Budget of the U.S. Government, he will see that for the end of fiscal 1974, the gross Federal debt was estimated at \$505,453,000,000.

The Federal debt subject to statutory limit was estimated at \$491,587 million, which leaves a figure not within the debt subject to statutory limitation of \$13.9 billion. I can remember some several years ago when that figure was \$8 billion. It has grown, but it has not grown as fast, apparently, as the debt subject to such limitation.

The figures I am looking at differ, as I read them, from the figures the gentle-

man has, but the important point, from the gentleman's point of view—

Mr. VANIK. Is the extent of the growth.

Mr. MILLS of Arkansas. That is right.

Mr. VANIK. If we take those figures, it shows \$40 billion of borrowing over and above the debt ceiling, to \$505 billion.

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

Mr. MILLS of Arkansas. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the distinguished gentleman from Arkansas, the chairman of the Ways and Means Committee.

Mr. MILLS of Arkansas. That is true, but the gentleman knows we have not completed our action with respect to the entire fiscal year in this bill.

Mr. VANIK. That is right.

Mr. MILLS of Arkansas. We do not purport to cause anyone to believe we will get by on \$465 billion for the whole year.

Mr. VANIK. I thank our distinguished chairman.

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

Mr. VANIK. I am happy to yield to the gentleman from Pennsylvania, the distinguished ranking members of the Committee on Ways and Means.

Mr. SCHNEEBELI. I believe the figures the gentleman is speaking about are very pertinent. I welcome his bringing these up on the floor. These are matters about which we should be vitally concerned.

This is an area, also, in which it is proposed the Budget Committee will act. It will come within its purview and review. This is another argument for the Budget Committee, because this is an area which will be under their jurisdiction.

Mr. VANIK. As the gentleman will recall, I appeared before the Budget Committee and asked that this kind of power be developed, because unless we control borrowing, guaranteeing and insuring we can be offsetting or completely washing out what we do on budget control.

Mr. SCHNEEBELI. This indicates the area beyond the present debt ceiling in which the Budget Committee would serve. I thank the gentleman for bringing it up.

Mr. VANIK. I thank the gentleman.

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

Mr. VANIK. I yield to the distinguished gentleman from Arkansas, the chairman of the Ways and Means Committee.

Mr. MILLS of Arkansas. I remember that the gentleman did appear before the joint committee and made recommendations. There was authority given for the joint committee to exercise control in this very area of contingent debt as a result of the gentleman's recommendation. They will have to do it. The gentleman did accomplish that.

Mr. VANIK. Mr. Chairman, I hope during the course of our discussion on that bill we can work to make its provisions more effective and strengthen them.

Mr. MILLS of Arkansas. The Gentleman understands I am talking about the bill that sets up the joint committee.

Mr. VANIK. Yes, I understand.

I want to point out further that unless we can put a limit on this borrowing, lending and guaranteeing we might negate our work in fiscal management, because what we control by direct appropriations we may be losing control of in the actions of faceless bureaucrats who in their own discretion can decide when to issue bonds, when to issue guarantees, and when to issue assurances that some creditor is going to be paid on his note of obligation by the taxpayers of this Nation.

Mr. Chairman, I certainly hope that with respect to contingent liabilities we will think about building a reserve, on these contingent liabilities. It seems to me we ought to rightfully expect there might be at least a 2 to 5 percent loss.

One of the things we ought to consider,

as we appropriate and extend our credit with contingent liabilities, with insurance programs, and with guarantee programs is that at the same time we should consider the possibility of funding a reserve fund of perhaps 5 percent or some appropriate amount which could be used to offset and pay for a serious liability which may develop on any insurance program, guarantee program, or some costly charge that might be made on these responsibilities which would affect the Treasury.

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

Mr. VANIK. Yes, I will yield to the chairman of the committee, the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS of Arkansas. Mr. Chairman, I agree with my friend, the gentleman from Ohio (Mr. VANIK) that that is a desirable objective. I am concerned, however, as we look at it, with this: I would consider setting up a special reserve to assist us with respect to contingent liabilities where we are not adequately protected now.

But there are problems. Let me cite an example. Rather than to deny eligibility to any American citizen for social security benefits who is not now drawing those benefits, we would have to leave the payroll tax in effect, because those who are presently on the rolls will receive, before they die or become ineligible for benefits, approximately \$400 billion over a period of years.

Mr. VANIK. Mr. Chairman, that worries me. However, I was not talking about the social security fund; I was talking about the increasing premiums on insurance and contingent liabilities to develop a reserve fund.

Mr. MILLS of Arkansas. I understand.

Mr. VANIK. I was talking about raising some kind of a reserve fund by putting a charge on those conditions and facilities which are benefited by loan, insurance, or guarantee.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. VANIK) has expired.

Mr. MILLS of Arkansas. Mr. Chairman, I yield 2 additional minutes to the gentleman from Ohio (Mr. VANIK).

Mr. Chairman, will the gentleman yield further?

Mr. VANIK. I yield further to the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS of Arkansas. Mr. Chairman, when we talk about the contingent liabilities, we are talking about such contingent liabilities as this social security liability that I just referred to. We are also talking about the contingent liability to the Railroad Retirement Board, and to the civil service retirement fund. In addition there are also a lot of our guarantees with respect to housing loans, veterans' loans, and the Farmers Home Administration. There are all these kinds of liabilities, but the loss experience with respect to most of them is very small as a percentage of the total outstanding liabilities.

Mr. VANIK. Well, Mr. Chairman, I hope they can be kept at a small percentage so we will not be exposed to any sudden Treasury drain.

Mr. Chairman, I want to thank my

distinguished chairman, the gentleman from Arkansas (Mr. MILLS) and the ranking Republican member of the Ways and Means Committee, the gentleman from Pennsylvania (Mr. SCHNEEBELI) for their contributions.

Mr. MILLS of Arkansas. Mr. Chairman, if the gentleman will yield further, I want to thank my friend, the gentleman from Ohio (Mr. VANIK) because he has expressed his great concern in the debate getting to some degree of better control of these debts that are outside this statutory limitation.

I am leaning more and more to the point of view that we should get all of our debts, even though it may be a debt by the TVA or by anybody else, within this limitation. But we would horrify the House, I suppose, if we came back here with a ceiling high enough to include this \$13 billion in 1974.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. CHAMBERLAIN) a valued member of the committee.

Mr. CHAMBERLAIN. Mr. Chairman, I rise in support of H.R. 8410 which will extend the existing \$465 billion debt limitation, until November 30, 1973. Since the authority of the Treasury to meet its obligations vis-a-vis the public debt expires on June 30 of this month, it is critical that we act now to approve this legislation.

The permanent debt limitation under present law is \$400 billion and the temporary additional limitation amounts to \$65 billion bringing the total overall public debt limit to \$465 billion. H.R. 8410 extends this existing level through November 30 of this year. No additional borrowing authority is authorized by this bill even though the administration requested an additional \$20 billion in the temporary debt ceiling for the period up through June 30, 1974.

The Committee on Ways and Means gave this request most serious consideration and decided that a simple extension of the existing level—\$465 billion—was preferable to any increase. The rationale behind our decision lies in the immediate past performance of the economy, its uncertainty in the next few months, and in the fact that no congressional action has been completed on fiscal year 1974 appropriation bills. In this connection, we concluded that it would be wise to attempt to restrict spending by limiting the borrowing authority of the United States in the near-term and at the same time, insure another review of the entire budget picture within 5 months. I believe this approach makes sense and should be supported.

Another provision in the bill grants the Treasury Department authority to initiate a program of income tax refund bonds for individuals. Under this authority, for tax returns filed on or after January 1, 1974, individual taxpayers who are overwithheld would be offered the option of either cashing in their overwithholdings or allowing these amounts to receive treatment similar to that obtained in a series E savings bond.

In the Revenue Act of 1971, the Congress enacted new withholding rates for

individuals in an attempt to eliminate serious underwithholding. While this action apparently corrected the underwithholding problems some taxpayers have experienced, it caused overwithholding for others with the result that significant overwithholding occurred. A major reason for this situation apparently was the preference by many individuals to continue overwithholding as a means of savings.

In view of this result, the committee decided that it would be wise to encourage individual taxpayers who are overwithheld to invest these funds in Government bonds. Under the provision in H.R. 8410, the Treasury Department could issue "check-bonds" for tax refunds. If this check is held for 6 months or longer from its issue date, the check is to become a bond with the same general characteristics as a series E bond and would draw interest from January 1 of the year of issue. The interest rate and redemption procedures will be the same as the series E bond.

I believe this provision will be utilized to a significant extent and will provide many taxpayers with the opportunity to help themselves at the same time they are helping their Government.

Mr. Chairman, H.R. 8410 is a necessary and important bill which must be approved now. Our committee gave careful consideration to its provisions before making its recommendations. I urge my colleagues to support it.

Mr. BROYHILL of Virginia. Mr. Chairman, I rise in support of H.R. 8410 to extend through November 30 of this year the existing public debt limit of \$465 billion. We must take action now in order to insure the ability of our Government to be able to meet its obligations after June 30 of this month.

On its face, H.R. 8410 simply represents a 5-month extension of the public debt ceiling but in reality, it is intended to be more than that.

The Ways and Means Committee hopes that in the absence of any other available mechanism for providing effective congressional control over the budget, the continuation of the public debt ceiling at its present level will serve this purpose. This, Mr. Chairman, is a worthy and necessary objective at this time. As every Member is well aware, our economy is operating in high gear, yet inflation is rampant and shows no signs of improvement. While many factors have contributed to the spiraling prices, excessive Government spending is high on the list of causes and we must at the very least restrict that spending immediately in order to insure against further fanning of the inflationary fires.

Ideally, we should not find it necessary to use legislation of this type for the ancillary purpose of insuring congressional control over the budget. Ideally, the mechanism for doing so—as was recommended by the Joint Study Committee on Budget Control, of which I am a member—would be in place and operational but, unfortunately, we do not yet have those necessary procedural tools functioning. Accordingly, the committee felt that the method offered by this bill represented the only near-term possi-

bility for containing spending and exercising budgetary control.

As the chairman has already stated, H.R. 8410 extends the \$65 billion temporary borrowing authority of the Treasury through November 30, 1973. No change is made in the \$400 billion permanent debt ceiling. Thus, in this interim period, the overall public debt limitation will remain at \$465 billion.

The administration recommended an increase in the temporary borrowing authority of \$20 billion through June 30, 1974. That would have meant an overall limitation of \$485 billion. The committee considered this proposal very carefully and weighed all the factors involved before deciding to recommend the action contained in H.R. 8410. Central to our decision were the factors I have already discussed but we also believed it necessary for the Congress to have another look at the entire budget situation within the next few months. If, indeed, what is past is prologue, we will have every reason to review our economic position in November.

Since January, we have witnessed significant alterations in our economy—some good, some bad. On the plus side, the fiscal year 1973 deficit in the unified budget is down \$7 billion and the estimated deficit for fiscal year 1974 is now \$2.7 billion in contrast to the January projection of \$12.7 billion. These changes are solely attributable to increased tax receipts.

On the negative side, there has been a disturbing increase in all prices, particularly in the cost of food where the rate of change has topped all other price increases. In addition, there has been renewed speculation against the dollar in foreign currency markets and the price of gold has hit all-time highs.

Other changes have also caused economic analysts to revise their projections for the economy in late 1973 and 1974. For example, in the first quarter of this year, the Gross National Product increased by \$43 billion over the fourth quarter of 1972. This rapid increase represents an 8 percent annual rate of increase in real output and a 6.6-percent increase in prices. While many commentators question whether this kind of expansion can continue indefinitely, they also have difficulty predicting just what is in store for the economy in the next 18 months.

This uncertainty about the short-term economic picture, coupled with the fact that Congress has not yet completed action on any appropriation bills, brought the committee to the conclusion that it should recommend a tight rein on the debt limit and then take another look at the situation in the fall. I believe this represents a sound approach.

Mr. Chairman, in addition to the debt extension language, H.R. 8410 contains provisions to permit a limited amount of long-term Treasury bonds to be issued at an interest rate greater than the 4 1/4-percent ceiling and provides for a procedure whereby the Treasury will be able to issue a tax refund bond similar to existing series E savings bonds for amounts overwithheld by the Department. Both provisions have been ex-

plained by the chairman and my colleague from Pennsylvania, the ranking minority member of the committee. I support them fully and urge that the bill, as reported by our committee, be approved.

Mr. FRENZEL. Mr. Chairman, I rise in support of H.R. 8410, the bill to continue the existing temporary increase in the public debt limit through November 30, 1973. That temporary limit is now \$465 billion.

I note with pleasure that the committee believes that the current temporary limit need not be increased now, even though the administration had requested an extra \$20 billion. Also noted with pleasure is that the committee is admittedly using the debt ceiling as a means for controlling spending, but only because no other control mechanism is now available.

It is also pleasant to hear that improved economic conditions probably mean that no more than \$10 billion in extra debt will be needed this year. With a little self-control, and a little economic good luck, we may, in fact, escape any increase at all.

Whatever our economic fortunes, we have no alternative but to pay for the obligations we have all jointly incurred. Nobody enjoys raising, or extending, debt. Nobody here ever gets exactly the spending priorities he desires. But, we all share the responsibility to pay for what we have done.

Last but not least, I commend the individual Members who have labored long and hard to achieve control of spending and taxing procedures. I endorse their work and their product, and hope we will have a chance to vote on their proposal as soon as possible.

Mr. LUJAN. Mr. Chairman, I stand before this body to openly oppose any extension of the national debt. And as I have in the past I rise in personal protest of the size and growth of the debt itself. I cannot in all good faith place additional fiscal burdens on the American people by endorsing action that would raise the limit of the national debt to \$465 billion.

In the strongest terms I can muster, I stand here to urge my colleagues to consider the burden we are being asked to put on our people.

My opposition to an increase debt limit is strictly pragmatic. I do not think it is in the best interest of the Nation to continue this type of spending. We must rid the Nation now of this cancerous growth of spending before we are destroyed by it. The time to do that is now. The place to do it is right here in the House of Representatives. The way we are spending money is just bad business. No businessman or head of a household could handle his finances like this without being considered completely insane.

As you know, I have long voiced an opinion for a balanced budget. I do not think the Government should be allowed to spend more than it takes in.

To raise the debt limit to \$465 billion will result in the spending of more than \$25 billion a year in interest alone. To be a little more specific that figures out at a little more than \$40,000 per minute in

interest payments. Payments for which the American taxpayer gets absolutely nothing. That is not fiscal responsibility.

Extending the debt limit to the requested \$465 billion is only adding more fuel to the fire. The least we can do is show our responsibility and not add to the taxpayer's burden.

The United States is at this moment \$452 billion in debt. Every year as the reckoning on this debt is brought before the House for an accounting, those of us who believe we should live within our income and begin paying off what we owe are shouted down. Even when the spending bills come back marked "insufficient funds" the answer of the majority in this House is always the same: "Borrow, borrow, borrow, then borrow some more" to pay the interest on what we have already borrowed.

What we should be doing is cutting back on some of the spending habits of this Government. Certainly we should not be giving the various agencies an additional \$13 billion to play with.

If a business or individual family followed the same spending practices as does the Government it would soon face economic disaster.

I say to you, Mr. Chairman, and to my colleagues here in the House that we must stop this irresponsible spending before we, too, reach that economic disaster. We are not too far from it at this moment.

I strongly oppose any and all legislation that would allow an extension to the limit of the national debt.

Mr. CAREY of New York. Mr. Chairman, I rise to comment briefly on the bill, H.R. 8410, and to address some specific remarks to the committee amendment which encourages greater participation in the savings bond program by the average American investor.

Once again the administration has requested an increase in the temporary public debt ceiling. This ceiling presently stands at \$465 billions, a combination of the permanent ceiling of \$400 billion, plus the temporary addition of \$65 billion. This total ceiling, incidentally, is an even \$100 billion more than when the incumbent President took office. When one looks at the overall economic mismanagement of the economy and the record interest rates and corporate profit levels that obtain in spite of this mismanagement, the full employment budget device has been a smashing success—success for the wealthy; unemployment and despair for the workingman.

The committee has wisely decided, based on figures supplied by the administration itself, that the present temporary level is sufficient to carry the Government through the end of November of this year. I applaud this action by the committee not only for its fiscal rightness but for its political wisdom. Clearly, the only way to come to an understanding with the President on the needs of America and on the proper course for cooperation between the branches of Government in providing for the general welfare, is to send him veto-proof packages which include items the Congress regards as absolutely necessary to responsible Government.

Mr. Chairman, why are we again going through this unpleasant exercise of legislating on the public debt? One would think that, in a period of such rampant inflation, Federal revenues long ago would have reached a surplus position of many billions of dollars. Apparently the historic deficit binge of the last several years, totaling nearly \$100 billion, remains with us in the form of a gradually receding hangover.

Clearly Nixon economic mismanagement persists, in spite of rapidly increasing Government revenues. The economy, once released from the mild restraints of phase II, "like a horse full of high feeding, madly hath broke loose and bears down all before him." (Henry IV I:1.) And make no mistake, this horse of inflation is eating the average American out of house and home.

Consumer prices are rising at a 9 percent annual rate, with food leading the parade at an annual rate the highest since the Government began to compile statistics on these items back in the 1950's. The wholesale price index is climbing at an annual 23 percent rate, presaging further jumps in prices the average consumer will pay when these items get to the marketplace. The GNP deflator, our best current measure of inflation, has increased more than 16 percent since Mr. Nixon took office in 1969.

Despite this rampant inflation, the budget deficit in 1972 was \$23 billion, compared with a surplus of \$3 billion in 1969. And during this time of record-breaking Federal deficits inflation has become increasingly severe. Price increase rates during phase III are more than double the increases prior to the original freeze of phase I. What is the President waiting for? The time for the President to act is now—he must use the powers the Congress has given him and impose an across-the-board freeze on every volatile item in the Nation's economy—with some flexibility to permit the workingman to recover somewhat from the economic clobbering he has suffered from inflation during the last 4 years. This freeze should also be selectively retroactive—rolling back prices of items that have exceeded even the intolerable bounds of recent average price increases.

Clearly someone has been prospering during the Nixon inflation. Substantial, even record, gains have been posted by financial and corporate interests. The prime interest rate has again begun to soar and corporate profits, after taxes, have climbed more than 50 percent since Mr. Nixon took office. The only thing the Nixon administration has succeeded in stabilizing has been the working man's wages. Action, I repeat, must be taken now to restrain the appetite of the horse of inflation. Surely, it is now beginning to join its other apocalyptic brothers, ravaging the land.

Americans should no longer be subjected to an average grocery bill \$208 higher than a year ago; a \$3,500 increase in the median price of a new home; lumber costs up 30 percent—and all this economic erosion coupled with an unemployment rate that is now at a shocking 5 percent and had averaged approximately 6 percent for over 2 years.

Mr. Chairman, the debt limit bill is ad-

mittedly a worthy vehicle to bear discussion of the administration's economic mismanagement, but it is also, thanks to the Rules Committee, becoming a worthy vehicle for other must legislation.

One amendment to the bill, added by the Committee on Ways and Means, with the support of the administration, would provide a means of permitting taxpayers to change their income tax refunds into series E Savings Bonds simply by not cashing them.

I am particularly gratified by this amendment since it is precisely what I suggested back in 1972, and as the report on the bill indicates, the committee requested such a recommendation from the Treasury at that time. This device will again permit the average American investor to participate in the Government securities market in a way, and in amounts, not readily available to him now. It will also provide an anticyclical device that will divert consumer purchasing power into savings.

Mr. Chairman, the fact that this amendment has been included in the committee bill is indicative of a great deal more than massive Government over-withholding during the tax year of 1972. It also means that some method must be devised so that the average investor and the average workingman can make an investment in America and not only have that investment adequately protected, but also receive a fair return on that investment. At present, neither situation is the case.

Rate trends for major types of bonds indicate lower yields for U.S. Government securities when compared with corporate and other bond rates. Corporate yields have risen to as much as 8 percent and more during the last 2 months, while taxable Government securities have not risen much over 6 percent. High grade municipal bonds have been yielding a tax-free return of just slightly over 5 percent. How has the average man fared in the securities market? He has been cut out of the Treasury bill market since March of this year, when the Department upped its smallest denomination to \$10,000. Also unavailable to the average investor is the tax exempt municipal bond, offered in denomination of \$1,000, in lots of five. Savings bonds are perhaps the only Government security available to the small investor.

The committee amendment, following the lines of my earlier proposal, would make it easier to invest in savings bonds at a financial level that is more meaningful. But a restudy and an upgrading of the yield rates on savings bonds is also needed and needed soon. We need to provide better protection to those who invest in America—protection from the comparative unfairness that exists between holders of commercial securities and holders of U.S. savings bonds.

This comparative unfairness has two basic causes: First, the return for those investing in their country is less than the yield in the commercial money market. Present law limits the interest rate on Series E Bonds to 5.5 percent, compared to a prevailing rate of 8 percent in the money market. The second factor which adds to the frustration of the

American who is willing to invest in his Country is, again, inflation.

Despite the fact that Americans have been "bullish" on America and have invested over \$58 billion in savings bonds, this program is heading for increasingly troubled waters, and, as I mentioned above, the reasons are inflation and low rate of return. Even adding accumulated interest, these bonds are worth significantly less today in terms of purchasing power, than when purchased.

The investor in America is still faced with prices which rose 9.2 percent on an annual basis during the first 3 months of this year. Thus, the economic mismanagement of the administration has made it increasingly difficult for Americans to buy savings bonds. Inflation leaves him with less money to invest and erodes the value of the dollars he does have.

Interest accruing to savings bond holders is continually eroded by inflation and relief looks to be slow in coming. The principal dollar invested, plus the interest dollar received at maturity, have less buying power than did the original dollar invested. This situation simply cannot be permitted to continue—it robs the small investor and will lead eventually to the failure of this type of savings program—to the detriment of the small investor and of the Nation.

Mr. Chairman, this situation needs immediate study and remedy. I am determined to work in behalf of the reform necessary to provide protection to the investor in America—protecting both the original dollar invested and the dollar he has a right to expect in return.

Those who invest in America should receive this increased protection. Action must and will be taken to protect the depredations permitted during the past several years.

The average American should not have to bear the whole brunt of administration policies which provide gains only to the rich through increased corporate profits and interest rates. The economy must be managed in such a way as to provide equal investment opportunities for all Americans—investment made attractive not only through implementation of the savings bond amendment to the pending bill and improving the guaranteed return, but also in managing the Nation's economy in such a way that the little investor is not shortchanged again and again.

Mr. BIAGGI. Mr. Chairman, I rise in opposition to H.R. 8419, the public debt limit temporary increase extension on several grounds. First and foremost, however, is the fact that the fiscal irresponsibility of continuing such a high debt must be stopped. I have opposed so-called temporary increases in the past just as I oppose this one.

President Nixon first came into office with the glowing promises of a balanced Federal budget. He has added more to the Federal debt during his 5 years in office than any other President before him. The trend must be reversed and the way to do it is to vote against this bill.

In addition steps must be taken to cut back on the extensive tax loopholes that

permit wealthy individuals and giant corporations to get away with paying little or no taxes.

It is for this reason that I supported efforts earlier today to defeat the previous question and provide for an open rule permitting tax reform amendments to be offered. I regret that the vote was not sufficient to permit the House to consider these two amendments.

The two amendments were very sound. The first would have strengthened the minimum tax by removing the deduction for other Federal taxes paid, by removing the deduction of \$30,000 of loophole income and by making the rate progressive by fixing it at one-half the marginal Federal income tax rate. The second would have repealed the asset depreciation range—ADR—system which was designed to stimulate investment in a recession economy. Both these amendments would have brought in an additional \$6 billion in Federal revenues.

Let us make no mistake about it. There is no infinite pot of gold in the basement of the U.S. Treasury Building. Every year the special interests come to Washington in increasing numbers—hat in hand—asking for a bigger cut of the taxpayers' dollars. It has just got to stop. The little guy in the middle cannot continue to pay and pay and pay.

I urge my colleagues to join with me in voting against this bill. It is fiscally irresponsible and will only contribute further to the already highly inflationary period we are now experiencing. Let us reverse the trend on the upward spiral of the Federal debt. Let us say no today.

Mrs. HOLT. Mr. Chairman, today the House is considering an extension of the public debt ceiling. I am reluctantly supporting this extension because I realize that it is necessary to meet our commitments for the upcoming fiscal year. However, I think that it is time that this distinguished body must begin to implement ways in which we can effect reductions in the public debt and ways in which we can become more responsible in our considerations of the budget.

Deficit budgets are necessary under certain economic conditions; however, we cannot allow them to become a permanent way of life. There is no question in my mind that this form of financing Government activities is a primary contributor to the accelerated rate of inflation which we have experienced during recent years. For us to articulate concern over inflation while we simultaneously increase Government spending and the resulting deficits is an abrogation of our responsibilities.

I strongly urge that the Rules Committee bring H.R. 7130 to the floor so that we can consider our reform of the budgetary process and so that we can debate our priorities and devote attention to equitable methods of debt reduction. A viable economic climate demands that Government cease living on credit and begin to make expenditures match anticipated revenues.

Ms. ABZUG. Mr. Chairman, I rise in opposition to this bill. I certainly do not oppose additional Federal spending, and have in fact fought hard to prevent Mr.

Nixon's cruel cuts in desperately needed domestic programs. I believe that we must be prepared to spend as much as is necessary for such programs as housing, child care, public service employment, mass transit, and pollution abatement. I also think that we can do so without borrowing huge sums of money—a means of raising funds that merely creates an additional burden on the taxpayer because of the great cost of debt service. This sort of device merely adds to the lion's share of the burden already borne by our low and middle income citizens, and we then add insult to injury by spending the money on weapons instead of houses, schools, and child care centers.

There are unquestionably better ways to raise this money. Revisions in the capital gains tax ceiling, in the oil depletion allowance, in the interest-free income from municipal bonds are but a few of the alternative solutions. The repeal of the accelerated depletion range and the tightening of the minimum tax provisions, proposed here today by my distinguished colleague, Mr. Reuss, are others. Also, we must reduce our defense spending and apply that money to the domestic priorities I have mentioned above.

This bill is not a satisfactory solution, even on a temporary basis. I urge its rejection, followed by immediate congressional action on tax reform and a shift of priorities from military to domestic spending.

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Mr. MILLS of Arkansas. Mr. Chairman, I have no further requests for time.

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

Mr. LEGGETT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Fifty-six Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 218]

Badillo	Evins, Tenn.	Rosenthal
Beard	Fisher	Rostenkowski
Blatnik	Forsythe	Ruppe
Bolling	Fraser	Ryan
Brown, Calif.	Hebert	Seiberling
Carey, N.Y.	Holifield	Smith, N.Y.
Chisholm	Hunt	Stanton,
Clark	Jarman	James V.
Conyers	McCollister	Steed
Daniels,	Moakley	Steelman
Dominick V.	Nedzi	Teague, Tex.
Dellenback	Pike	Tiernan
Dennis	Poage	Waldie
Diggs	Rees	Wilson,
Edwards, Calif.	Reid	Charles H.,
Erlenborn	Rooney, N.Y.	Calif.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, 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. 8410, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 389 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

H.R. 8410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 of the Act of October 27, 1972, providing for a temporary increase in the public debt limit for the fiscal year ending June 30, 1973 (Public Law 92-599), is amended by striking out "June 30, 1973" and inserting in lieu thereof "November 30, 1973".

Sec. 2. The last sentence of the second paragraph of the first section of the Second Liberty Bond Act, as amended (31 U.S.C. 752), is amended to read as follows: "Bonds authorized by this section may be issued from time to time to the public and to Government accounts at a rate or rates of interest exceeding 4 1/4 per centum per annum; except that bonds may not be issued under this section to the public, or sold by a Government account to the public, with a rate of interest exceeding 4 1/4 per centum per annum in an amount which would cause the face amount of bonds issued under this section then held by the public with rates of interest exceeding 4 1/4 per centum per annum to exceed \$10,000,000,000."

Sec. 3. (a) Section 22 of the Second Liberty Bond Act, as amended (31 U.S.C. 757c), is amended by adding at the end thereof the following new subsection:

"(j)(1) The Secretary of the Treasury is authorized to prescribe by regulations that checks issued to individuals (other than trusts and estates) as refunds made in respect of the taxes imposed by subtitle A of the Internal Revenue Code of 1954 may, at the time and in the manner provided in such regulations, become United States saving bonds of series E. Except as provided in paragraph (2), bonds issued under this subsection shall be treated for all purposes of law as series E bonds issued under this section. This subsection shall apply only if the claim for refund was filed on or before the last day prescribed by law for filing the return (determined without extensions there-

of) for the taxable year in respect of which the refund is made.

"(2) Any check-bond issued under this subsection shall bear an issue date of the first day of the first calendar month beginning after the close of the taxable year for which issued.

"(3) In the case of any check-bond issued under this subsection to joint payees, the regulations prescribed under this subsection may provide that either payee may redeem the bond upon his request."

(b) The amendment made by subsection (a) shall apply with respect to refunds made after December 31, 1973.

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

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

There was no objection.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEGGETT: Page 1, line 7, strike "November 30, 1973" and insert "September 30, 1973".

(Mr. LEGGETT asked and was given permission to revise and extend his remarks.)

Mr. LEGGETT. Mr. Chairman, the amendment which we have here is very simple. It is almost the only amendment under the rule as revised by the votes we have had here this afternoon which is germane. I do not purport to change the amount of the temporary debt limit, which has been suggested in this bill as \$465 billion, but I do purport to change the date from a 5-month extension to a 3-month extension.

Very frankly the reasons why I do that are very obvious to many. I think many of us recognize that the debt limit bill is one of the primary bills that moves through this Congress. It is the bill we need to keep the Government machinery oiled and going. I think we would make a disastrous mistake if we were ever to take the President off this tether where we do have some control over the borrowing power of the administration.

The administration, as I have indicated previously, absolutely needs this bill, needs the authority to cash \$400 million worth of bonds every month that were purchased during World War II or shortly thereafter, and if they do not have that authority they have got to come back to Congress and get it.

We have had a rather disastrous relationship with the President of the United States, and I am addressing myself now to the gentleman on the majority side.

We have had some 34 bills vetoed, as I have indicated previously. We have only been able to override those vetoes in the past 2 1/2 years on four occasions. We have had, in fact, a small minority of the House and Senate who have actually dictated policy in a great number of areas.

I think that to have this many vetoes is not in the public interest or in the congressional interest.

We have got some \$18 billion worth of

funds in contract authority which is currently impounded, which is not being exercised, in spite of the fact that we have got some \$5 or \$10 billion worth of additional income which has recently been reported by the administration. There is no effort to modify the earlier limitations on spending which have been announced rather dogmatically and automatically by the Office of Management and Budget and by the President.

We have got a number of bills coming up. The bill which was passed out of the HEW subcommittee chaired by Mr. Flood is going to be going to the full committee over the next several weeks. This bill includes money for OEO; it includes money for impact aid, as I understand, some 68 percent; includes money for the regional medical programs and is \$1.6 billion over the President's budget.

I anticipate that the Committee on Appropriations is going to pass that bill. It is going to pass in probably a more jumbo fashion perhaps on the floor of the House, and clearly the Senate will add more money to it. The bill will go to the President. He will veto it. It will come back to the floor and we will back to square one and be without a HEW bill for next year. We are going to start the same kind of negative marathon we have had over the past year, where it is the blind leading the dull and uninformed.

I think there is a way we can guard against that. There is only one shock point that we have, only one bit of authority that this Congress has over the President of the United States. Members can say that this is gut fighting or dinner politics or blackmail or say what they wish, but I think before November 30, we ought to have an opportunity to review by simple majority vote the vetoes that are going to be cast by the President of the United States.

If his past procedure is carried out over the next 3 or 4 months, he is going to have a number of vetoes. His average has been about one or two per month. We should have an opportunity to do what the Committee on Rules suggested that we originally do today. That is, review by majority vote the referendum we wanted on the appointment of Roy Ash as Director of the Office of Management and Budget.

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

Mr. LEGGETT. Mr. Chairman, I ask unanimous consent that I be permitted to proceed for 2 additional minutes.

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

Mr. KING. I object.

The CHAIRMAN. Objection is heard.

Mr. MILLS of Arkansas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I can well understand my friend's interest and desire to hold in hostage this particular subject matter in order that we may have another opportunity to add nongermane material when it comes to the floor of the House the next time, but the decision of the House today would lead one to believe that it might not be possible sometime down the road.

Mr. LEGGETT. Mr. Chairman, would the gentleman yield for a question?

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

Mr. LEGGETT. Mr. Chairman, might not the posture of the House be different sometime down the road, say in 3 months, were we to have say three vetoes and have action by the Democratic caucus, and were we to have very concerted effort by the leadership of this House? Might not then at that point we would be interested in having other gentlemen's assistance in nongermane amendments to this bill?

Mr. MILLS of Arkansas. I would leave that to my friend's judgment. Certainly his judgment on the subject would be as good as mine. I never can predict, really, what will happen 3 months in the future.

At any rate, let me call the attention of my friend to one thing which I do not know whether he has properly considered. It is the intention of the Committee on Ways and Means to begin, as soon as we return after the August recess, its consideration of tax reform. I have said that many, many times. That is still the program of the committee. If it were not for the fact that we are taking off the entire month of August the committee in all probability would begin that consideration around the 1st of August.

What the gentleman is doing, and I know he does not intend it, for certainly the gentleman is much interested in tax reform, is causing us to break right into the middle of it, if we adopt the amendment and have to pass legislation, say, by the first, second, or third week in September in order for the Senate to have an opportunity to consider it. This would be breaking right into the period we are marking up a bill on tax reform and delaying that matter, and perhaps making it less likely that the committee could bring to the floor of the House a bill reforming the tax laws before the Congress adjourns.

We have to go through hearings on these matters, and if we have to go through a long fight in the House, such as we had today with respect to a decision of the House on nongermane amendments, I do not know what would happen.

In addition, we do not know whether the President would veto such a bill. If he had another bill appended to it, he might see fit to veto it. He might not. But if he did, then we would have to go through this operation again.

I hope my friend will recognize the point I am making, because I know he is so interested in tax reform. I am certain he does not want the committee to be further delayed than it already has been with respect to that matter.

I wish my friend would be patient with us. We will probably come back toward the end of October with a debt limit bill anyway. The President might veto three bills by September 30, and my friend might want to add six more he vetoes in October as nongermane amendments.

I believe the gentleman can still hold the matter as hostage and still have an opportunity to exercise his point of view and obtain the approval or disapproval by the House of it, if the amendment is

defeated, just as easily as he could if the amendment succeeded and carried.

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

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

Mr. SCHNEEBELI. I agree with the position stated by the gentleman from Arkansas, the chairman of the committee.

I rise in opposition to the amendment. It seems to me the longer period of time we have as a control of the expenditure, the more effective our legislation is. If we have it for 5 months instead of 3 months, this is an additional period during which we can control spending, an additional period of time of 2 months.

It will be very precarious for the Treasury Department to conform to our restrictions, and the longer the period the better.

Mr. MILLS of Arkansas. I would hope that my friend, if I could appeal to his great judgment and wisdom, would withdraw his amendment. I believe it would work directly to the opposite effect of what he wants.

Mr. LEGGETT. Mr. Chairman, I know the gentleman probably made his last point facetiously.

Is it not true that of all the bills the President might veto this probably is the least likely candidate, and therefore if we want to maintain some power in the Congress and some interrelation with the Chief Executive, is this not the best vehicle, so-called, to keep our powder dry in the Congress, so that we can deal with the President and maintain some of the powers set forth in article 1 of the Constitution?

Mr. MILLS of Arkansas. The gentleman can keep his powder dry for 5 months as well as for 3 months.

Mr. Chairman, I am saying that it does not make any difference whether the bill is extended to November 30 or September 30.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on this subject matter most of us fear even getting near the water. But I find that if we really want to learn about it, it is not too difficult a subject. It is not deep and mysterious; it is just something that any little ordinary guy like myself can learn a great deal about.

Mr. Chairman, in reading some of the past history of this country and some of the testimony that has been given before the committees of this Congress, I discovered that probably what we need is just to quit doing the same old thing. Let us do what should be done and what should have been done in the past.

We discovered that we could draw up paper money and get away from hard currency.

A long time ago many economists held to the fact—and it is not fiction—the following:

Government possessing the power to create and issue currency and credit as money and enjoying the right to withdraw both currency and credit from circulation by taxation and otherwise, need not and should not borrow capital at interest as a means of

financing governmental work and public enterprise. The government should create, issue and circulate all the currency and credit needed to satisfy the spending power of government and the buying power of consumers. The privilege of creating and issuing money is not only the supreme prerogative of government but it is the government's greatest creative opportunity. By the adoption of these principles, the long-feit need for a uniform medium will be satisfied. The taxpayers will be saved immense sums of interest, discounts and exchange. The financing of all public enterprises, the maintenance of stable government and ordered progress and the conduct of the treasury will become matters of practical administration. The people can and will be furnished with a currency as safe as their own government. Money will cease to be master and become the servant of humanity. . . .

The taxpayers will be saved immense discounts in exchange. The financing of our public enterprise, the maintenance of a stable Government, ordinary progress, and the conduct of the Treasury will become matters of practical administration. The people can and will be furnished with currency as safe as their own Government, and there is not anything behind this debt but the credit and the faith of this Government.

This debt that we have is less than the amount of money that has been paid by this Government for interest alone on the borrowings it has made.

Mr. Chairman, money will cease to be the master of our destinies and will become the servant of humanity.

Anyone who proposes an outright issue of money to finance Government runs smack into an inventory of invective kept on hand by the superbanking fraternity.

It is not any kind of an ordinary situation, but, rather, it is a big and a mighty one in the country.

Mr. Chairman, I relate now to the testimony given to the Finance Committee by Thomas A. Edison and Henry Ford when they proposed that \$30 million for Muscle Shoals be financed with interest, with currency and exchange produced by Government itself instead of buying debt when you issue bonds at interest.

What happened? They were laughed out of court, and every paper ridiculed them. And Henry Ford, himself, and Thomas Edison said:

We will pay the entire cost of Muscle Shoals. We will hold the paper without interest, and when you pay it back, we will give you the deeds to the property in the hands of the people.

These are expenditures that belong to the public domain, and we are paying tribute every time that they come into this Congress of ours and raise the debt limit. And what else do we do when we raise the debt limit?

Henry Ford and Thomas A. Edison recommended that the big Muscle Shoals project be developed with the issuance of \$30 million in currency.

Edison said:

Under the old way, any time we wish to add to the national wealth we are compelled to add to the national debt.

Now, that is what Henry Ford wants to prevent. He thinks it is stupid and so do I, that for the loan of \$30 million of our own

money, the people of the United States should be compelled to pay \$66 million—that is what it amounts to—with interest. People who will not turn a shovelful of dirt nor contribute a pound of material will collect more money from the United States than will the people who supply the material and do the work. That is the terrible thing about interest. In all our great bond issues the interest is always greater than the principal. All of the great public works cost more than twice the actual cost on that account. Under the present system of doing business we simply add 120 to 150 percent to the stated cost.

If our nation can issue a dollar bond it can issue a dollar bill. The element that makes the bond good, makes the bill good also. The difference between the bond and the bill is that the bond lets the money brokers collect twice the amount of the bond whereas the currency pays nobody but those who directly contribute to Muscle Shoals in some useful way.

American Bankers Association members came up fighting from their chairs on that one. "We must combat this most damnable propaganda which threatens to disrupt the stability of our currency system," became the outcry. Financial "experts" ridiculed the plan, stating that Edison "lacked instruction in the elementary principle of economics and money."

The position that epithets put Edison in was the same one under which Carl Wilken suffered most of his adult life. The New York Times said:

The experts and the bankers who conduct finance in Wall Street and writers who report finance in the newspapers all were at one opinion about Edison. It was the only thing about which they could agree perfectly; namely, that he hadn't the remotest idea of what he was talking about.

And yet Edison was right.

A permanent, non-interest-bearing money no longer figures. The law nowadays proceeds with vengeance against a counterfeiter, but permits banks to create money by wholesale lots and lend it at interest. A recent issue of the Wall Street Journal best described the process:

The process is simplest when the open market staff at the Fed's New York district bank buys, for instance, \$1 million of securities from a big commercial bank in New York. To pay for them, the Federal men simply add \$1 million to the "reserve account" that commercial bank has at the Federal bank; or when the \$1 million check is deposited by a dealer in his bank account, that bank also gets the \$1 million addition to its reserve account as it sends the check back to the Federal bank.

This sets the stage for the multiplication of money. It comes about because the Federal regulations require commercial banks to keep idle as reserves only a fraction of the customer's deposits they receive. Assuming that the reserve requirement is 15%, a bank receiving a check for \$1 million needs to keep only \$150,000 of reserves behind the deposit. So, it suddenly has \$850,000 of "excess reserves" that the profit motive usually impels it to lend. Here's where the money creation process begins in earnest.

The bank lends \$850,000 by adding that sum to the borrower's checking account on its books. When the borrower spends this money, the check he writes soon winds up in another bank, giving that bank new ability to lend all but the 15% it must keep as re-

serves. As the process progresses, Federal theoreticians say, the initial \$1 million of new reserves evidently supports an extra \$6.7 million of checking-account deposits.

Gold is barbaric because it bears no interest. Worsening raw material prices bring on borrowing, and borrowing brings on credit creation, or a bigger interest-bearing money supply. As defined by the Federal Reserve Bank of St. Louis, the money stock toward late 1970 was \$207.1 billion, \$55 billion of which was currency. The billions in CD's were not counted, nor were the billions in savings deposits, although a mature sense of values would seem to insist that savings and short-term bonds are money in circulation.

Permanent money is considered barbarous simply because it bears no interest. Credit money deserves that title because it requires a subtle form of slavery. And until governments learn to create interest-free money, gold deserves a non-parcel rating. History has shown that when silver and gold supplies increased, economic activities got a shot in the arm. The gold standard per se went down the drain with World War I. For one thing, foreign deposits were blocked and other sticky situations came into being.

Interest sits down at the table and eats three meals a day, 7 days a week, taking the first bite. There just is not any way around the arithmetic of compound interest.

Let me show what we do. If our Nation can issue a dollar bond, it can issue a dollar bill. It is that simple. The bond is a promise to pay on the part of the Government, and the dollar is a promise to pay on the part of the Government. A bond issue will do exactly the same thing in the marketplace. It is used to purchase goods and services. Then what happens? On the other hand, we try to satisfy the insatiable appetite of interest—interest that sits down three times a day and 7 days a week and every day of its life eating.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

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

Mr. Chairman, I have a question I should like to ask of the distinguished gentleman from Arkansas (Mr. MILLS).

What is the amount of the present Federal debt that is subject to the debt ceiling?

Mr. MILLS of Arkansas. Subject to the debt ceiling?

Mr. GROSS. Yes.

Mr. MILLS of Arkansas. It is \$455 billion now.

Mr. GROSS. Well, it was between \$457 billion and \$458 billion on June 1, according to the Treasury statement.

Mr. MILLS of Arkansas. That is true. But it has fallen since then and bear in mind that revenues come in in sizable amounts during the month of June.

Mr. GROSS. And the gentleman thinks that with an extension of the present debt ceiling of \$465 billion to November the amount of the debt subject to the ceiling will not exceed \$465 billion in the meantime? Is that correct?

Mr. MILLS of Arkansas. In my judgment, of the actual debt, allowing for \$4 billion of cash on hand, does not need to exceed the \$465 billion between now and November 30.

Mr. GROSS. Do we presently have \$4 billion in cash on hand?

Mr. MILLS of Arkansas. Yes, and let me give the gentleman this figure. If the Secretary has \$6 billion cash on hand on June 30 next, the Treasury estimates the debt then will be \$455 billion. So the \$10 billion difference is sufficient for this 5-month period with the revenues that will come in in September and October and November to enable us to go through November 30, except that on two occasions, August 31 and November 30, the Secretary of the Treasury, in order to have \$465 billion of debt outstanding, would have only \$4 billion of cash on hand on those two occasions.

Mr. GROSS. Then, Secretary of the Treasury Shultz, when he appeared before the Committee on Banking and Currency earlier this year and suggested an increase in the debt ceiling, was not exactly correct when he said that as of that time this Government was broke?

Mr. MILLS of Arkansas. I do not know what definition he used for the word "broke." I do not think the Government is broke by any means. I think the Government can go broke at some time in the future in the sense that the values by which we measure things would become meaningless, if we do not change some of our actions.

Mr. GROSS. I listened intently to the exchange between the gentleman from Arkansas (Mr. MILLS) and the gentleman from Ohio (Mr. VANIK) a little while ago with respect to the debt of this country, and I know that recently the net public and private debt of this country as of December 31, 1972, was stated to be \$2.3 trillion.

Mr. MILLS of Arkansas. This figure of \$1.2 trillion was the contingent debt of the United States. But we are making large interest payments. The Federal Government probably this year will pay out in interest to all holders of its debt obligations approximately \$27.5 billion.

Mr. GROSS. How long does the gentleman think that we can keep up this race between inflation, with the dollar becoming more worthless all the time, and the retention of any kind of debt ceiling?

Mr. MILLS of Arkansas. Longer than some people think, and not quite as long as others think.

Mr. GROSS. On that note I will yield back my time.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, 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. 8410) to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes, pursuant to House Resolution 437, 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.

Mr. MILLS of Arkansas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 261, nays 152, not voting 20, as follows:

[Roll No. 219]

YEAS—261

Abdnor	Frelinghuysen	Mathias, Calif.	Vander Jagt	Widnall	Wylie
Alexander	Frenzel	Matsunaga	Vanik	Williams	Young, Alaska
Anderson, Ill.	Frey	Mayne	Vigorito	Wilson, Bob	Young, Ill.
Andrews, N.C.	Froehlich	Mazzoli	Waggoner	Wilson	Young, S.C.
Andrews,	Fulton	Melcher	Walsh	Charles H., Calif.	Young, Tex.
N. Dak.	Fuqua	Metcalfe	Ware	Whalen	Zablocki
Annunzio	Gettys	Mezvinsky	White	Wyatt	Zion
Archer	Gibbons	Milford	Whitehurst	Wydler	
Arends	Gilman	Mills, Ark.			
Armstrong	Gonzalez	Minish			
Baker	Grasso	Mink			
Barrett	Gray	Minshall, Ohio			
Bell	Green, Oreg.	Mitchell, N.Y.			
Bergland	Green, Pa.	Mollohan			
Blester	Griffiths	Moorhead, Pa.			
Bingham	Grover	Morgan			
Blatnik	Gubser	Mosher			
Boggs	Gude	Moss			
Boland	Guyer	Murphy, Ill.			
Boiling	Hamilton	Murphy, N.Y.			
Brasco	Hammer-	Natcher			
Bray	schmidt	Nedzi			
Breaux	Hanley	Nelsen			
Breckinridge	Hanna	Nix			
Broomfield	Hanrahan	O'Brien			
Brotzman	Hansen, Wash.	O'Hara			
Brown, Mich.	Harsha	O'Neill			
Brown, Ohio	Harvey	Passman			
Broyhill, Va.	Hastings	Patten			
Buchanan	Hawkins	Pepper			
Burke, Calif.	Hebert	Perkins			
Burke, Mass.	Heckler, Mass.	Pettis			
Burleson, Tex.	Heinz	Peyser			
Burlison, Mo.	Hillis	Pickle			
Burton	Hinshaw	Preyer			
Butler	Hogan	Price, Ill.			
Carey, N.Y.	Holifield	Pritchard			
Carter	Holt	Quie			
Casey, Tex.	Holtzman	Railsback			
Cederberg	Horton	Rees			
Clancy	Hosmer	Regula			
Clark	Howard	Reid			
Clausen,	Huber	Rhodes			
Don H.	Hutchinson	Rinaldo			
Clay	Jarman	Robison, N.Y.			
Cohen	Johnson, Calif.	Rodino			
Collier	Johnson, Colo.	Rooney, Pa.			
Collins, Ill.	Johnson, Pa.	St. Germain			
Conable	Jones, Ala.	Sarasin			
Conte	Jones, Okla.	Schneebeli			
Corman	Jordan	Sebelius			
Cotter	Karth	Shipley			
Coughlin	Kazen	Shriver			
Cronin	Keating	Sisk			
Culver	Kemp	Skubitz			
Danielson	King	Slack			
Davis, Ga.	Kluczynski	Smith, Iowa			
Davis, S.C.	Koch	Snyder			
Davis, Wis.	Kuykendall	Stanton			
Delaney	Landrum	J. William			
Dennis	Lehman	Stanton			
Dingell	Lent	James V.			
Donohue	Litton	Steed			
Dorn	Long, La.	Steele			
Downing	McClory	Steiger, Wis.			
Dulski	McCloskey	Stephens			
Duncan	McDade	Stratton			
du Pont	McEwen	Stubblefield			
Edwards, Ala.	McFall	Sullivan			
Eilberg	McKay	Symington			
Esch	McKinney	Talcott			
Eshleman	McSpadden	Teague, Calif.			
Evins, Tenn.	Macdonald	Teague, Tex.			
Findley	Madigan	Thomson, Wis.			
Fish	Mahon	Thome			
Flood	Mailliard	Thornton			
Flowers	Mailly	Tierman			
Flynt	Mann	Towell, Nev.			
Ford, Gerald R.	Maraziti	Treen			
Forsythe	Martin, Nebr.	Ullman			
Fraser	Martin, N.C.	Van Deerlin			

NAYS—152

Abzug	Ginn	Reuss
Adams	Goodling	Riegle
Addabbo	Gross	Roberts
Anderson,	Gunter	Robinson, Va.
N. Dak.	Calif.	Haley
Annunzio	Ashbrook	Hansen, Idaho
Archer	Ashley	Harrington
Arends	Aspin	Hays
Armstrong	Bafalis	Hechler, W. Va.
Baker	Blackburn	Hungle
Barrett	Bowen	Hunt
Bell	Brademas	Ichord
Bergland	Brinkley	Jones, N.C.
Blester	Brooks	Jones, Tenn.
Bingham	Broyhill, N.C.	Kastenmeier
Blatnik	Burgener	Ketchum
Boggs	Burke, Fla.	Kyros
Boland	Byron	Landgrebe
Boiling	Camp	Latta
Brasco	Carney, Ohio	Leggett
Bray	Chappell	Long, Md.
Breaux	Clawson, Del.	Lott
Breckinridge	Cleveland	Lujan
Broomfield	Cochran	McCormack
Brotzman	Collins, Tex.	Madden
Brown, Mich.	Conlan	Mathis, Ga.
Brown, Ohio	Conyers	Meeds
Broyhill, Va.	Crane	Michel
Buchanan	Daniel, Dan	Miller
Burke, Calif.	Daniel, Robert W., Jr.	Mitchell, Md.
Burke, Mass.	de la Garza	Mizell
Burleson, Tex.	Dent	Moakley
Burlison, Mo.	Derwinski	Dellums
Burton	Devine	Montgomery
Butler	Dickinson	Moorhead,
Carey, N.Y.	Diggs	Calif.
Carter	Drinan	Dent
Casey, Tex.	Eckhardt	Derwinski
Cederberg	Evans, Colo.	Evans, Colo.
Clancy	Fascell	Fascell
Clark	Foley	Foley
Clausen,	William D.	Ford,
Don H.	Fountain	Fountain
Clay	Gaydos	Gaydos
Cohen	Quillen	Giuliano
Collier	Randall	Rangel
Collins, Ill.	Randall	Rarick
Conable	Reeves	Reed
Conte	Rodino	Rodino
Corman	Roth	Roth
Cotter	Ryan	Ryan
Coughlin	Sarasin	Sarasin
Cronin	Sebelius	Sebelius
Culver	Shipley	Shipley
Danielson	Shriver	Shriver
Davis, Ga.	Sisk	Sisk
Davis, S.C.	Skubitz	Skubitz
Davis, Wis.	Slack	Slack
Delaney	Smith, Iowa	Smith, Iowa
Dennis	Snyder	Snyder
Dingell	Stanton	Stanton
Donohue	Steed	Steed
Dorn	Steele	Steele
Downing	Steiger, Wis.	Steiger, Wis.
Dulski	Stephens	Stephens
Duncan	Stratton	Stratton
du Pont	Stubblefield	Stubblefield
Edwards, Ala.	Sullivan	Sullivan
Eilberg	Symington	Symington
Esch	Talcott	Talcott
Eshleman	Teague, Calif.	Teague, Calif.
Evins, Tenn.	Teague, Tex.	Teague, Tex.
Findley	Thomson, Wis.	Thomson, Wis.
Fish	Thome	Thome
Flood	Thornton	Thornton
Flowers	Tierman	Tierman
Flynt	Towell, Nev.	Towell, Nev.
Ford, Gerald R.	Treen	Treen
Forsythe	Ullman	Ullman
Fraser	Van Deerlin	Van Deerlin

NOT VOTING—20

Badillo	Edwards, Calif.	Rooney, N.Y.
Brown, Calif.	Erlenborn	Rostenkowski
Chamberlain	Fisher	Ruppe
Chisholm	Goldwater	Smith, N.Y.
Daniels,	McCollister	Steelman
Dominick V.	Poage	Walde
Dellenback	Roncalio, Wyo.	Wiggins

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rostenkowski for, with Mr. Badillo against.

Mr. Rooney of New York, for with Mr. Roncalio of Wyoming against.

Mr. Steelman for, with Mr. Brown of California against.

Mr. McCollister for, with Mrs. Chisholm against.

Mr. Erlenborn for, with Mr. Goldwater against.

Until further notice:

Mr. Dominick V. Daniels with Mr. Wiggins.

Mr. Edwards of California with Mr. Ruppe.

Mr. Fisher with Mr. Smith of New York.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FULTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and to include extraneous material.

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

There was no objection.

ANNOUNCEMENT BY THE MAJORITY LEADER

Mr. O'NEILL. Mr. Speaker, I take this time to advise Members that arrangements have been made for Dr. Henry Kissinger to meet with Members tomorrow, June 14, at 11 a.m. in the Foreign Affairs Committee room, 2172 Rayburn House Office Building, to discuss the Paris communiqué issued today and answer any questions Members may have on this subject. Due to the limited space, the meeting will be for Members only.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT EXTENSION

Mr. McSPADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 432 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 432

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. 3926) to extend the National Foundation on the Arts and the Humanities Act. 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 Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against section 2 of said substitute for failure to comply with the provisions of clause 4, rule XXI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. 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 with or without instruction. After passage of H.R. 3926, the Committee on Education and Labor shall be discharged from the further consideration of the bill S. 795, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 3926 as passed by the House.

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

Mr. McSPADDEN. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 432 provides for an open rule with 1 hour of general debate on H.R. 3926, a bill to extend the National Foundation on the Arts and Humanities Act.

The rule provides that it shall be in order to consider the amendment in the nature of a substitute now printed in the bill as an original bill. All points of order against section 2 of the substitute for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriation language in a legislative bill—are waived.

H.R. 3926 extends the National Foundation on the Arts and Humanities and its two cooperating entities, the National Endowment for the Arts and the National Endowment for the Humanities. The purpose of the endowments is to complement and add to programs for the advancement of the humanities and the arts by local and State agencies.

During the past 3 years, the programs supported by the endowments have been directed toward making the arts available to a wider audience, assisting cultural institutions, and encouraging the creative development of artists.

After passage of H.R. 3926, it shall be in order to move to strike out all after the enacting clause of S. 795, and insert in lieu thereof the provisions contained in H.R. 3926 as passed by the House.

Mr. Speaker, I urge adoption of House Resolution 432 in order that we may discuss and debate H.R. 3926.

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

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

Mr. GROSS. If the gentleman explained the reason for the waiver of points of order on this rule, I failed to hear it.

Mr. McSPADDEN. The gentleman is eminently correct. All points of order against section 2 of the substitute for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House, are waived, which has to do with prohibiting appropriation language in legislative bills. Is that what the gentleman has reference to?

Mr. GROSS. Then there is an appropriation in the bill?

Mr. McSPADDEN. Yes, sir.

Mr. GROSS. I thank the gentleman.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in further reply to the gentleman from Iowa (Mr. Gross), I am informed by counsel that on page 7, subsection (D)(3), beginning on line 6 of that page, there is language which reads:

Of the sums available to carry out this subsection for any fiscal year, 75 per centum shall be allotted among the States which have plans approved by the Chairman, in equal amounts, except that each State shall be allotted at least \$200,000.

This is a new, basic change in the law on the Arts and Humanities.

In addition to that, because it does involve a reallocation of funds under the rule cited, rule XXI, clause 4, it would be necessary to waive points of order.

Likewise on that same page, subsection (4)(A), which begins, "Amounts made available for any fiscal year under this subsection shall be used to pay not more than 50 percentum," and so on; that is a reallocation involving a waiver for the same reason. And on page 8, subparagraph (B), beginning in line 5, "Any amount allotted to a State under the first sentence of paragraph (3) for any fiscal year which is not granted to the State prior to sixty days prior to the end of the fiscal year for which such sums are appropriated shall be available for making grants to regional groups." As I understand it, this is also one of these reallocations of funds involving moneys that might possibly be in the pipeline, and it, therefore, requires a waiver.

Other than that, with respect to the amount of the authorization, we were informed in the Committee on Rules that this is the figure the administration has requested in its budget, its January budget message, \$145 million for fiscal year 1974. The Committee on Education and Labor has left the authorization open-ended for fiscal year 1975 and 1976 because of its inability to determine what the costs of these programs would be for these 2 fiscal years, because of the growth that is taking place.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I am glad that the gentleman pointed out that this is open-ended, and as I understand it, the other body—sometimes known as the "upping" body—has already agreed on something like \$300 million for 1975 and \$400 million for 1976. This is a program that started in fiscal year 1966 with a total appropriation, as I recall, of \$5 million.

It went to about \$80 million in this fiscal year and under the terms of this bill would go to about \$145 million, which is, believe me, something of an increase. This thing is fast approaching the stage of being in orbit.

Mr. ANDERSON of Illinois. Mr. Speaker, there seems to be a growing appetite for culture in the country. Some people think it is good, I guess, and some people think it is bad.

Mr. GROSS. Mr. Speaker, do I understand this bill is supported by the administration?

Mr. ANDERSON of Illinois. Yes, that is my understanding. Yes, indeed.

Mr. GROSS. Well, I wonder if there is anyone here who can tell me whether the administration will be satisfied with \$145 million, almost double the amount for the current fiscal year.

Mr. ANDERSON of Illinois. Mr. Speaker, I should add, with reference to the question of the gentleman from Iowa (Mr. Gross) that my report indicates that no departmental letters are contained in the report of the Committee on Education and Labor, but we were told that the administration figure is

\$145 million, so I assume that they approved of the bill.

Mr. GROSS. Mr. Speaker, this is the same administration that has been impounding funds and instituting cut-offs and cutbacks of other funds, except for the arts and humanities, whatever that is. I wonder if the gentleman would yield further, so I may inquire of the gentleman from Indiana (Mr. BRADEMAS).

Mr. ANDERSON of Illinois. I yield to the gentleman from Iowa, Mr. Gross.

Mr. GROSS. Mr. Speaker, I wonder if the gentleman from Indiana (Mr. BRADEMAS) can tell us whether the administration will be satisfied with \$145 million next year, and \$300 million in 1975 and \$400 million in 1976.

Mr. BRADEMAS. Mr. Speaker, this is the first time, I might say to my friend, the gentleman from Iowa (Mr. Gross), that I have been asked to explain the thinking of this administration.

Mr. GROSS. The gentleman must include them somehow or other in his thinking.

Mr. BRADEMAS. Mr. Speaker, I would hope that the gentleman from Iowa (Mr. Gross) would turn his request in to a Member from the side of the aisle which is represented by the administration.

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

Mr. ANDERSON of Illinois. I yield further to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I would like to ask the gentleman from Indiana (Mr. BRADEMAS) where this bill originated.

Mr. BRADEMAS. Mr. Speaker, the bill originated with a legislative proposal by President Nixon, as well as by bills introduced by Members of the House, both Democrats and Republicans, as well as in the other body.

Mr. GROSS. And it came out of the committee of which the gentleman is a member?

Mr. BRADEMAS. I am delighted to say that it was reported favorably by the subcommittee which I have the honor to chair, without a single dissenting vote from either the majority or minority members, and it won such widespread support of the full Committee on Education and Labor that it was approved by a voice vote.

Mr. GROSS. So it is pretty clear the gentleman is on the same wavelength as the administration.

Mr. BRADEMAS. I am delighted to say for the first time this year I find myself enthusiastically on the same wavelength as the administration.

Mr. GROSS. And all in behalf of the arts and humanities. Is that correct?

Mr. BRADEMAS. The gentleman is correct.

Mr. ANDERSON of Illinois. I yield to the gentleman from New York (Mr. KEMP).

Mr. KEMP. I appreciate the gentleman yielding.

I would say to the distinguished gentleman from Indiana and my friend, who heads up the subcommittee that as one member of the full committee, I opposed

the excessive level of authorization in committee. I would point out that tomorrow I am going to propose an amendment to continue funding on the basis of the 1973 level, which would be \$80 million.

As I understand the authorization levels that they started in 1969 at \$22 million and would go to \$40 million in 1976 in the Senate version.

Mr. BRADEMAS. Will the gentleman from Illinois yield?

Mr. KEMP. Please let me finish my statement first and I'll be happy to yield.

We sat here a few moments ago and heard the colloquy between the gentleman from Iowa and the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas (Mr. MILLS).

As I understand it, not trying to quote him directly, the essence of his remarks was that unless this Nation changes its spending habit, it could very well be that we will be bankrupt at some future point. I do not see how we can move toward a point in the future of this legislation that would include \$400 million in 1976 for the arts and humanities without helping bankrupt this Nation.

Mr. BRADEMAS. Will the gentleman yield?

Mr. ANDERSON of Illinois. I will be delighted to yield to the gentleman.

Mr. BRADEMAS. Earlier I had been asked to defend the thinking of the administration, and I indicated I did not feel I was the appropriate person to do so. Now I want to say to my friend from New York that I certainly do not feel I ought to have to defend the actions of the other body, because it is the bill in the other body to which the gentleman refers which provides \$400 million by 1976 for these programs.

That is not true of the bill under consideration here. The bill under consideration contains the amount of money requested by President Nixon in his budget. It does not contain any more money for that, and I know my friend from New York will not mind if I say to him that his figures are inaccurate. The bill does not contain \$400 million.

Mr. KEMP. Will the gentleman yield further?

Mr. ANDERSON of Illinois. I yield to the gentleman.

Mr. KEMP. What plans do we have for the bill for 1975 and 1976?

Mr. BRADEMAS. I have no plans for the bill for 1976.

Mr. KEMP. What does the bill say?

Mr. BRADEMAS. The bill says such sums as the Congress may deem necessary in both fiscal years 1975 and 1976. This, may I say to my friend from New York further, is exactly what the administration requested in respect to that.

Mr. KEMP. Regardless of what the administration says, I think that is what concerns many of us here today, that is, "such sums as may be necessary."

Mr. BRADEMAS. I appreciate that.

Mr. KEMP. We hope to amend that part of it, also.

Mr. PEYSER. Will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman.

Mr. PEYSER. So that there is at least a Republican voice that was on the committee stating the administration position, the administration has enthusiastically endorsed the \$145 million figure, and they have sent their representatives to the committee and made it clear in no uncertain terms that it is what they were looking for.

We worked within the \$145 million figure for the coming year. So in answer to the question of the gentleman from Iowa, the administration certainly did aggressively put forward this figure and aggressively supported it in committee.

Mr. GROSS. If the gentleman will yield, I would like to respond to the gentleman from New York, Mr. PEYSER.

Mr. ANDERSON of Illinois. I yield to the gentleman.

Mr. GROSS. As I understand it, the Nixon administration also endorsed enthusiastically a \$10 billion increase in the debt ceiling, too. Is that right? Or was it \$20 billion that was requested?

Mr. PEYSER. I think we are talking on this bill and talking about a comparatively small amount of money for a tremendous program for this country.

Mr. ANDERSON of Illinois. Mr. Speaker, I believe I still have the time.

I think the rule provides for 1 hour of general debate under an open rule. Therefore I hope we can adopt the rule. There is obviously great interest in this measure, and we can then proceed to debate the bill under the rule.

I urge adoption of the rule.

Mr. McSPADDEN. Mr. Speaker, I have no requests for time.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BRADEMAS. 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. 3926) to extend the National Foundation of the Arts and the Humanities Act.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS).

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. 3926, with Mr. YOUNG of Texas in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Indiana (Mr. BRADEMAS) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. QUIE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, I rise in support of H.R. 3936, a bill to extend the National Foundation on the Arts and the Humanities Act of 1965.

I should, at the outset, Mr. Speaker, commend in particular the distinguished chairman of the Education and Labor Committee, the gentleman from Kentucky (Mr. PERKINS); the gentleman from New Jersey (Mr. THOMPSON); the distinguished ranking minority member of the committee, the gentleman from Minnesota (Mr. QUIE); the gentleman from Pennsylvania (Mr. ESHLEMAN); as well as the gentleman from Washington (Mr. MEEDS); the gentleman from Florida (Mr. LEHMAN); the gentleman from Idaho (Mr. HANSEN); and the gentleman from New York (Mr. PEYSER) for their outstanding efforts in developing this measure and seeing it through the committee.

BACKGROUND

Mr. Chairman, the National Foundation on the Arts and the Humanities Act was established in 1965 by Public Law 89-209 and was, thereafter, amended in 1967 and 1970.

The 1965 legislation created the foundation and its two cooperative operating entities, the National Endowment for the Arts and the National Endowment for the Humanities.

Since 1966, Mr. Chairman, funds under the act have increased from \$5,034,308 to the \$76.2 million appropriated for fiscal year 1973.

COMMITTEE ACTION

The bill before us today, Mr. Chairman, is essentially a combination of a bill cosponsored by members of the subcommittee and another measure introduced by the gentleman from Minnesota, (Mr. QUIE) together with myself and other members of the committee, on behalf of the administration.

The Select Subcommittee on Education, which I have the honor to chair, held 7 days of hearings on these measures, 3 days in joint hearings with the Special Subcommittee on Arts and Humanities, chaired by Senator CLAIBORNE PELL of Rhode Island, of the Committee on Labor and Public Welfare.

Mr. Chairman, the testimony we heard, from administration witnesses, representatives of State arts and humanities programs, as well as from public witnesses, including distinguished artists and scholars, emphasized the progress made since 1965 by both endowments.

And the testimony indicated, as well, that both endowments have developed the capacity fully to utilize increased funding, and, indeed, that increased funding is essential if we are adequately to stimulate the kinds of artistic and scholarly activities supported by the endowments.

PROVISIONS OF THE BILL

Mr. Chairman, I should like briefly to tell the House of the following major provisions in the bill before us:

Increased authorizations;

Changes in State allotments and matching requirements;

Regional programming; and

Grantmaking authority of the two chairmen of the endowments.

FUNDING AUTHORIZED

With respect to the authorizations provided in this bill, Mr. Chairman, H.R. 3926 provides \$145 million, equally

divided between the two endowments, for fiscal year 1974—a figure which is also the administration's budget request. For fiscal years 1975 and 1976, we also adopted the administration's language by providing for "such sums as Congress may deem necessary" for Federal support of arts and humanities programs. As I say, this provision was requested by the administration.

Mr. Chairman, as I have already stated, the witnesses before our subcommittee were unanimous in their praise of the work of the two endowments, and they told us, also, that both agencies could effectively use these additional funds.

ARTS BUDGET INADEQUATE

Indeed, Mr. Chairman, I understand that the arts endowment's program of "artists-in-schools", which reaches 2,700 elementary and secondary schools across the Nation, would, if extended to the 90,000 schools in our land, cost over \$75 million.

Similar gaps between the accomplishments of the endowment and the great needs in the arts can be seen in other programs:

Touring professional theater companies last year were able to visit only 27 of the 20,000 communities with populations below 50,000;

The expansion arts program can fund only 10 percent of the requests it receives for programs to assist the residents of inner cities and rural areas;

Eighty million dollars will be required to preserve just films made prior to 1951, which are rapidly disintegrating.

NEEDS IN THE HUMANITIES

I should observe also that similar problems, with respect to available funds and the overwhelming number of requests, exist within the humanities endowment.

Consider:

That in fiscal year 1972, the number of applications to the humanities endowment increased by 34 percent;

That of the 4,500 grant requests received by the endowment, only 1,100 could be funded;

That many of the 3,400 applications that were rejected were applications of substantial scholarly merit.

So I want to assure the House, Mr. Chairman, that the funding provided in this bill is not excessive, and that, indeed, both endowments could make good use of even greater funding if we had the moneys available.

STATE ARTS ALLOTMENTS

Mr. Chairman, this bill also provides an increase in the minimum allotment to the State arts agencies, from the existing \$65,000, to \$200,000.

The State arts councils, authorized in the original 1965 legislation, have greatly encouraged arts programs within State boundaries, and the committee is satisfied that these agencies are now fully able to utilize increased funds.

And the bill before us today, Mr. Chairman, provides broad new authority for innovation by the States arts agencies, by waiving, in special circumstances, the 50-to-50 matching requirement on the part of the grantees. The new provisions stipulate that, after matching the minimum allotment of \$200,000, the

States may spend up to 20 percent of their funds to pay for up to 100 percent of the costs of projects and programs.

The committee adopted these provisions in the belief that certain new programs might require 100-percent funding if they are to be successful.

REGIONAL PROGRAMS

The bill also provides that States may fund regional arts programs, these supported by multi-State groups, where resources can be pooled to support the arts so as to make the most significant impact on the widest possible audience.

I should tell the House that we anticipate that providing for regional arts programs will be of particular value in sparsely populated States with limited arts resources.

CHAIRMAN'S GRANTS

Finally, Mr. Chairman, I should say a word about the provisions in H.R. 3926 which authorize the chairmen of the two endowments to approve, at their own discretion, grant applications for \$20,000 or less.

The existing legislation authorizes each chairman to make grants for \$10,000 or less without seeking the approval of the appropriate Council.

The administration, however, requested that the authority for these "chairmen's grants" be set at \$25,000, and the bill, as reported from the committee, accepts that suggestion, but sets the figure at \$20,000.

I should stress to my colleagues, however, that the bill limits this grantmaking authority to a maximum of 10 percent of the moneys appropriated for the national programs of each of the endowments.

I should also note that the committee does not anticipate the utilization of the full 10-percent authority, particularly since only approximately 4 percent of national program money has been used for "chairmen's grants" in the last few years.

CONCLUSION

Mr. Chairman, I urge my colleagues to join with me in supporting the bill before us today.

The bill is the result of extensive deliberation on the part of the Select Subcommittee on Education as well as of the Committee on Education and Labor.

The bill provides a much needed increase in funds to help stimulate artistic and scholarly endeavors.

This measure builds solidly on the achievements of existing State arts programs and provides authority for innovative new approaches to State funding of the arts.

Finally, Mr. Chairman, the bill has received impressive bipartisan support, having been reported out of my subcommittee with but one dissenting vote and out of the Committee on Education and Labor by a voice vote.

Mr. Chairman, legislation for the arts and the humanities has always enjoyed support from both sides of the aisle, as well as from the executive branch.

Indeed, I recall in this respect, that in 1965 President Johnson told the 89th Congress:

This Congress will consider many programs which will leave an enduring mark on Amer-

ican life. But it may well be that passage of this legislation, modest as it is, will help secure for this Congress a sure and honored place in the story of the advance of our civilization.

And when President Nixon, 3 years ago, endorsed extending the Foundation, he said:

Few investments we could make would give us so great a return in terms of human understanding, human satisfaction, and the intangible but essential qualities of grace, beauty, and spiritual fulfillment.

And President Nixon returned to this theme again in March of this year, when in his state of the Union report on human resources, he said:

...renewed faith in ourselves also arises from a deeper understanding of who we are, where we have come from and where we are going... an understanding to which the Arts and Humanities can make a great contribution....

Mr. Chairman, I am not one of those who believes that Government should support the arts and humanities providing there is a little money left over.

For there will never be money left over. I urge my colleagues, therefore, to support the measure before us today, not because the arts and humanities deserve this token support, but because in their own right, they are essential to the well-being of the human spirit.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield.

Mr. BRADEMAS. I yield to the gentleman from New Jersey (Mr. THOMPSON), the original sponsor of this legislation and one who can justifiably claim great credit for the effectiveness of the programs which have since been supported under it.

Mr. THOMPSON of New Jersey. I thank my great and beloved friend the gentleman from Indiana.

Mr. Chairman, I rise in support of what the gentleman is saying and to congratulate the gentleman and the members of the subcommittee for what they have done on this piece of legislation. It has been nothing short of amazing to see the growth and success of the arts and humanities programs. I cannot help but include congratulations in particular for Miss Nancy Hanks, Chairman of the National Endowment for the Arts and Ronald S. Berman, Chairman of the National Endowment for the Humanities.

Mr. Chairman. It has been my personal privilege to be associated with legislation concerning the National Foundation on the Arts and the Humanities since before the inception of this agency. I was, in fact, the original sponsor of the legislation now so brilliantly being sponsored by my friend Mr. Brademas.

I recall, with great satisfaction, that day in September, 1965 when the original bill creating the Foundation was debated on the floor of this House. At that time I praised the cosponsors of the bill for their great vision; I repeat that praise today. For I believe that few actions taken by this House reflect more honor upon it than did the beginning years of the National Endowment for the Arts and the National Endowment for the Humanities.

We must bear in mind that these two

agencies have been in existence less than 8 years. Yet during those intervening years, the actions of both have more than borne out the hopes the Congress expressed for them.

We are asked, this year, to take action on reauthorization of the two endowments and eventually, to appropriate funds for them at a higher level than before. That request comes at a time, for many of us, which requires considerable soul-searching.

For while the level of authorization for the Arts and Humanities will be increased by this legislation, we are being asked, at the same time, to make some serious cuts in the levels of funding for other programs many of us have long supported. A number of those programs fall in the areas of education and social welfare—areas which are clearly of the highest priority to the Congress and to the people of this Nation.

The question then, logically becomes: Why should we grant an increase to this program while we are being asked to cut back on others of equal value, when, in point of fact, the intent of the Congress is often being frustrated by refusals to allocate and use funds at levels we feel are compatible with the needs of our educational institutions and social agencies?

That is an honest question and it is germane to our debate on this legislation.

Responding to it, I am constrained to point out that most of us who support increased funding for the National Foundation on the Arts and the Humanities are equally strong supporters of nearly all other programs which are of direct social benefit to all citizens. We do not, by any means, ask that funds for such programs should be diverted or redirected to the arts and humanities. All of these programs—elementary and secondary education, education, and training for the handicapped, rehabilitative programs of all kinds—all of these programs and many others are of critical importance to the effort to make this Nation a better one.

Not too many days ago, my distinguished colleague in the Senate from Rhode Island (Mr. PELL) noted that the people who would cut many of these programs do not serve in any elective capacity, that they are not on the committees bringing this reauthorization legislation for the Foundation to the floor, nor do they serve in any deliberative capacity on committees directly involved in the consideration of the priorities any social or educational programs must have in our society.

Senator PELL felt—and I emphatically concur in his feeling—that our Federal budget is large enough to include the social and education programs as well as increased funding for both the arts and the humanities. Senator PELL expressed it very economically when he said:

This increase is not a contradiction, but a continuation of our commitment to human beings and the well-being of the Nation.

For my own part, let me say that I believe that a nation that can devote close to \$80 billion a year to defense can find \$72 million for the arts and humani-

ties. Especially when we know that we are investing that \$72 million in a proven program, a program that works, a program that reaches people and enhances the quality of life of all our citizens and insures the preservation and transmission of a rich cultural heritage to those who will come after us.

Speaking very practically, what would \$10 or \$12 million mean if it were chopped from this program? Could it have any possibility of being used for a program even close to the importance and overall value of the arts and the humanities?

The Congress has had numerous experiences these past 2 years in trying to secure funds for badly needed social programs, only to see legislation vetoed or blocked. It has seen funds appropriated for education and social programs only to have those funds pass the year unused.

There is no question—no serious question, at least—that the work of the Arts Endowment and the Humanities Endowment are of great worth to our people and our society as a whole. And here we have an opportunity to allow funds to go into programs of proven worth. Even critics or those who have tried to cut back on the level of authorization at this time have given full credit to the worth of the National Foundation on the Arts and the Humanities. They have questioned only the level of funding this year.

I have no desire to retrace old history. Yet I come back, once more, to our original debate about this agency—a debate which dramatically emphasizes the extent to which these two endowments have abided by the mandate we gave them.

We urged the agencies to be responsive to the expressed needs of individual artists, scholars and arts organizations—and they have done so with increasing determination, broadening the base of their advisory panels from the field, seeking out young people and those who are isolated from the major cultural centers of our society, offering hope for study and research and creative time to those individuals committed to a professional pursuit of careers in the arts or in humanistic fields. We directed them to find new ways to make the arts germane within our education system—and they have responded with the largest and most successful program placing professional artists in direct contact with elementary and secondary school students all across the Nation. We warned them that support from Federal dollars should not, in any way, tempt them to interfere with or attempt to manipulate the artistic decisionmaking of any organization or individual given assistance—and the record shows that there have been no incidents of this kind in nearly eight years. We urged them to make maximum efforts to bring top quality professional arts performances to much wider audiences—and they have given this country the most extensive touring programs in all of the arts in its history.

Today our major dance companies, symphony orchestras, opera companies and theater organizations are reaching hundreds of thousands of citizens in every area of the Nation. With proper

funding, the Arts Endowment will be able to sharply increase the access our people want and need to have to high quality artistic presentations in all fields.

In the beginning, we urged the Arts Endowment, particularly, to devote a large part of its resources to the kinds of projects which would reach that community of citizens which has, in the past, often been ignored by major arts institutions. By this, of course, I mean those who live in urban ghettos, in relatively remote rural regions, in hospitals, schools and other institutions without previous exposure to the arts. And the Arts Endowment has dramatically increased its programs in all of these areas. Although I have no wish to sound parochial in this matter, I think I can best illustrate what I mean by pointing to a few of the grants the Arts Endowment has made in my own State.

A number of those grants have been made to neighborhood or community centers, for example—to the Langston Hughes House of Kuumba in Newark to assist its performing arts groups, to the Newark Community Center for support of its classes in music, dance and drama for nearly a thousand inner-city children and to the New Jersey Symphony Orchestra to enable it to carry out a number of concerts for general audiences in several counties around the State. In particular, I want to point to a relatively small grant to the Peters Valley Craftsmen, Inc.—one of the first grants made in the field of the crafts.

I cannot say, of course, that any of the Arts Endowment's programs or those in the humanities will have direct bearing on such matters as crime or drug abuse or any other infraction of society's laws or mores. But I think I can safely assume that the mind of a child or a teenager is less likely to become destructive, either to himself or to other people or their property, when it is actively involved in the expenditure of his or her own creative energy.

We need only look at the enormous sums of money the Congress is asked to appropriate for law enforcement, for the apprehension and punishment of criminals and for drug rehabilitation programs to see that the dollars we invest in this kind of potential preventive measure are minuscule in the extreme.

In 1974, Federal outlays for the reduction of crime will total almost \$2.6 billion—I repeat: \$2.6 billion. The request for the Law Enforcement Assistance Administration alone is close to \$1 billion.

If we add to this the expenditures for law enforcement and crime reduction at the local and State levels, we come up with a figure of \$18 billion in total expenditures from all levels of government.

It seems preeminently plausible to me that the small amount of money we put into the Arts and Humanities may be the best investment we can make in the Congress—an investment calculated to bring about the kind of meaningful lives and individual self-worth which nearly all of us believe will be the salvation of our country.

No one would be foolish enough to say that the arts "cure" crime. But it is demonstrable that a knowledge of the arts,

and learning to become an artist, can radically alter the minds and the lives of men and women who have been imprisoned for crimes. It is conceivable, therefore, I think, that a child who is exposed to the learning experience of working with a good poet or painter in the schools, a ghetto youth who is trained in graphic arts, a child whose life is touched by music and literature and is given hope and a vision beyond the limited possibilities he sees around him—it is not only conceivable, but probable, that these children will find the resources within themselves to meet the responsibility of life in society without looking for the quick "fix," the "fast buck" or revenge against "the system."

Talk with most young people who have been into drugs and you will find that, while there were many reasons for experimenting with them, the underlying cause is generally rooted in frustration and boredom. In this regard, the arts are superbly equipped to serve as an antidote, for they are, at their best, exciting, stimulating, enormously enriching and instructive.

Seven and one-half years ago, when we first considered the National Foundation on the Arts and the Humanities legislation, many of us who supported the bill pointed to the unfortunate imbalance between what the U.S. Government was doing to aid science and scientists and what we had traditionally done to assist the artists and humanities of our society.

At no time, however, did we suggest that the funds made available to science or scientists should be cut back or diverted to other purposes. We knew then, we know now, the great importance of our scientific effort to ourselves and to the world.

So, too, we know that, at this juncture in our history, the question is not whether we must have greater support for the arts and for humanistic pursuits at the expense of equally imperative education and social programs. It is not a question of "either" we have these programs "or" we cannot have increased support for the arts.

As with science, so it must be with education, social programs and health projects—and with these programs for the arts, artists, audiences, scholars and humanistic institutions. For they are co-equal in importance, literally, and they must be so treated.

The funds asked for in this reauthorization bill are deserved and, by the standards of other items in the Federal budget, they are extraordinarily modest.

I strongly urge support for this bill as a commitment on the part of this House of the Congress to a determined effort to bring greater opportunity to all Americans for fulfilled, creative lives.

Mr. BRADEMAS. Mr. Chairman, I thank the gentleman from New Jersey.

In summary, Mr. Chairman, I urge members of the Committee to join in supporting the bill before us today.

I echo the congratulations to Miss Hanks and Dr. Berman for directing the work of the two endowments. I think one of the reasons the programs supported by this legislation have enjoyed such great success has been the outstanding

work of these two chairmen as well as the fact that these programs have enjoyed the support from both the Democratic Presidents and Republican Presidents and the Democratic Members of Congress and the Republican Members of Congress.

Mr. PICKLE. Mr. Chairman, in reading the committee report on H.R. 3926, I notice on page 18 the committee states, and I quote from the report:

The committee does, however, stress that the National Endowment for the Humanities should cooperate, to the extent possible, with existing State agencies for the humanities.

During the debate of this measure in the other body, the Senator from Texas (Mr. BENTSEN) offered an amendment which added the words "designated State humanities agencies" after the words "Federal programs" of section 7 (d). The other body passed this measure unanimously, and is part of the bill.

During that debate, the Senator from Texas inserted into the RECORD a copy of a letter from Mr. Ronald Berman, Chairman of the National Endowment for the Humanities, dated April 10, 1973, which states Mr. Berman's strong approval of this approach. I will ask unanimous consent when the Committee rises that this letter be put in the RECORD at this point:

NATIONAL ENDOWMENT
FOR THE HUMANITIES,
Washington, D.C., April 10, 1973.
Hon. LLOYD BENTSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BENTSEN: Stephen Wexler of the Special Subcommittee on the Arts and Humanities has informed me of the proposed amendment to NEH legislation. I would like to say that I find this amendment not only entirely acceptable but indeed perceptive and helpful. You may rest assured that we will do our best to implement the letter and spirit of the proposed change, and I am personally most grateful to you for the attentive thought you have given to the Endowment's purposes and procedures.

Naturally we have discussed the pending legislation with many of the 26 members of our board, the National Council on the Humanities. Being simply private citizens, they are, as I'm sure you understand, deeply concerned about potential changes in programs which they have originated and to which they have deep personal commitments within their states. In the attempt to clarify the situation, some of them may, I think, have tried excessively to make themselves heard: this is certainly to be regretted and I assure you that we will try as hard as possible to keep their reactions from interfering with normal Congressional procedures.

May I take this occasion of making it a matter of record that we intend to review proposals emanating from state councils and indeed to stimulate them at all appropriate times. This confers upon us the obligation not only to cooperate with these designated groups but to take the best occasion of funding their justified proposals.

We would like to thank you for your patience in this matter, and for your continued interest in the Humanities.

Sincerely,

RONALD BERMAN,
Chairman.

This does not mandate the creation of new humanities councils, but it does allow these programs to be coordinated through State agencies when there are State agencies already in existence. This is the situation we face in the State of

Texas: We have a Texas Committee on the Arts and Humanities. This agency is receiving more and more support from the Texas legislature as these arts and humanities programs become more popular with the people. I have spoken to the chairman and to members of the committee about this possible change in the House bill, and it is my sincere hope that our conferees will agree to this amendment, as the Senate has already done, and I ask for that consideration.

Mr. BIAGGI. Mr. Chairman, I wish to express my wholehearted support for H.R. 3926, which authorizes a 3-year extension for the National Foundation on the Arts and Humanities, as well as a \$145 million appropriation for fiscal year 1974.

The Foundation, which is comprised of a National Endowment for the Arts and a corresponding Endowment for the Humanities was established in 1965 as an ongoing source of public support for the kinds of creative and cultural activities which have never been adequately funded in this country through private resources alone. It was indeed encouraging to learn that the administration did not intend to phase this program out, but had rather decided to recommend a sizable increase in funding. In fact, the \$145 million appropriation for 1974 represents an 80 percent increase over the fiscal 1973 level.

Mr. Chairman, an excellent example of the need for this Federal support appears in today's New York Daily News. An article by Ron Eyer entitled "People Are Seeking More Cultural Fare" reveals the findings of an interesting survey recently by Louis Harris & Associates into the cultural attitudes of average American men and women. The results show that there is a surprisingly high percentage of citizens in this country who would avail themselves of cultural facilities if there were greater access to theaters and galleries.

Mr. Chairman, we must strive to create an atmosphere in which the arts will flourish in America. The National Foundation has already contributed greatly to this end. I would exhort my colleagues to continue this vital support by voting in favor of increased funding for the National Foundation on the Arts and Humanities, as contained in H.R. 3926.

Mr. BRADEMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. MEEDS), a member of the subcommittee.

Mr. MEEDS. Mr. Chairman, the State of Washington is known for its great beauties of nature. Increasingly, the citizens of the State are taking great pride in their cultural achievements and the opportunities afforded to all of its people to participate in and appreciate the arts in all their forms.

Washington State was the one in the Nation that created a far-ranging cultural enrichment program following the transfer of title III authority from the U.S. Office of Education. We are certain that the State's continuation of this program has been beneficial to all the arts in our State.

The cultural development of Washington has been encouraged—with effective

use of modest sums and great imagination—by the National Endowment for the Arts working in closest cooperation with civic, educational, and cultural leaders in the State. Despite the fact that the past few years have seen severe economic problems in some areas of the State, I note to my colleagues that the growth in the arts has been phenomenal. Audiences are up, participation is widespread, and private and State and municipal moneys have increased substantially. One of the strengths of the arts endowment program is that small amounts of Federal moneys are used to encourage funding from other sources. And they are used to make the benefits of the arts more widely available, not only in our State but in our region. It was a source of great pride to the people of the State of Washington, that the Seattle Symphony has toured Alaska in each of the past 2 years with the assistance of the National Endowment for the Arts, in partnership with the Alaska Charitable Foundation, whose members include the New England Fish Co., Whitney Fidalgo, Western Airlines, and Sea-Land Service and other business and community sources. In 1972 the symphony spent 6 days in Alaska, played 37 concerts in 20 communities, and was heard by an audience of some 18,000 people—6 percent of the population in less than a week. This past year there were 34 performances and 9 master classes.

The symphony also tours extensively in the State. This past season there were 54 performances outside of Seattle. In Bellingham and Everett, for example, there were concerts for adults and then there were very imaginative school concerts, a program that includes film and an actor and is concerned with American literature, visual arts and music. When the symphony played in the San Juan Islands, which have a total resident population of 3,400, 1,400 people attended.

Funds from the National Endowment for the Arts have also been used to finance outreach programs by the Seattle Opera Association. These programs have included low-cost student matinees, three annual concerts in other parts of Washington State, college opera workshops, training programs for young people, public service lectures, and periodic performances before isolated groups such as senior citizens and retarded children.

Much of the Seattle Opera's activity outside its regular main season has been financed in this manner.

It is also a subject of great interest to me that so many of the endowment's programs have been particularly successful and visible. This joint program with the U.S. Office of Education involves poetry, the visual arts, film, and dance in Washington. Other arts are included in some of the other States. The opportunity to work with professional artists is increasing the children's powers of perception and their ability to communicate creatively.

Almost without exception the program has been applauded by teachers, superintendents, children and artists. The program affects only 2,700 out of the tens

of thousands of schools in the Nation. It involves some 1,250 artists and there are many more who would like to participate. This, like all programs of the endowment, involves local moneys and participation and this particular one is handled by the State arts agencies.

The endowment has relatively small and new programs—that I hope will be increased—for placing artists and craftsmen in residence at our institutions of higher education. Western Washington State College in Bellingham has participated in this program for each of the past 2 years. It is quite clear all over this country that our colleges and universities are going to have to become more involved in the creative arts, and I believe the National Endowment for the Arts has an important role to play in this regard.

Indeed, funds from the arts and humanities legislation has sparked renewed interest in the arts not only in Washington State but all over this Nation—funds which have enhanced the arts and enriched the lives of many Americans.

Mr. QUIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Chairman, I rise in support of this legislation renewing funding for the National Endowment of the Arts and Humanities. As an original sponsor of this program, and a strong supporter of its continuance for the past 5 years, I have many times risen to urge my colleagues to support increased funding for these vitally important programs, and I am happy to have the opportunity to do so again today.

The National Endowment for the Arts and Humanities have had a significant impact in my home State. By working through the Michigan Council for the Arts and others, the endowment has promoted such widely recognized projects as Artrain, which has brought the masterpieces of the great artists to hundreds of thousands, not only in Michigan but throughout the Midwest. Michigan has benefited in a host of other areas from the work of the Endowment for the Arts, but it is the lesser known area of the humanities which I wish to address myself today.

Mr. Chairman, if we are to attain a fuller understanding of the problems we Americans face, we must not ignore those subjects which fall into that elusive category, "the humanities." An understanding of our natures—what has made us what we are and made us build the country that we have built is the only means we have of placing our science and technology in perspective. The National Endowment for the Humanities is the only agency of the Federal Government directly and explicitly concerned with the study of these values and with the dissemination of humanistic knowledge.

As noted in the report of the Committee on Education and Labor:

The Endowment for the Humanities has acted since its establishment, with energy and imagination to provide leadership to the institutions and professions in the humanities; to expand traditional concepts and constituencies of the humanities in order to encourage greater participation in them by the American public; and to direct the attention

of persons and institutions involved in the humanities to questions of pressing social concern.

If we are to continue to receive whole truths, we must continue to support the work of NEH. NEH provides not only support for scholarly pursuits but also—and increasingly—seeks to encourage throughout the Nation an understanding of the moral, the philosophical, the legal, and the political bases upon which our society rests.

The endowment has an extraordinary range of activities which they carry out in the area of arts and humanities. I am particularly enthusiastic about the work supported by the endowment in the area of television programming. At a cost of less than 1-cent per viewer, the endowment has initiated programming which brings the humanities to millions of Americans. The committee's bill provides additional funding for high quality American-produced television programs to rival the much acclaimed British television productions, such as the series, "Civilisation." With increased funding the endowment will be able to help inform millions of our citizens about American history and experience.

A second important contribution by the endowment is its extensive scholarship support. This work is vital to our knowledge about ourselves and underpins the whole educational system. The endowment in the Fellowship for Professions has steadily expanded its reach beyond its traditional academic constituency to new constituencies and has involved ever greater numbers of Americans in acquiring humanistic knowledge. This year a small number of practicing journalists and lawyers—two groups whose daily decisions have a tremendous influence over our society—are being given an opportunity to undertake a course of humanistic study. I am particularly pleased that a grant for this purpose was made to the University of Michigan. With increased funding, as proposed in the committee's bill, these opportunities can be extended to more individuals and in other areas of national life including city planning, medicine, engineering, business, architecture to enable them to examine the implications of their work for the larger society.

Through its matching funds program NEH has generated a significant amount of public interest in and public support for the humanities. Nearly \$13 million, in the form of 1,900 separate private gifts, have been donated to NEH since its establishment; in each of the last 2 years the endowment has attracted the limit of its matching authority.

Among the other 124 projects now being conducted across the Nation with the aid of private gifts received last year are community adult discussion programs focusing on issues of U.S. foreign policy, student-conducted archeology field work in Nebraska, programs on medical ethics for medical students, a folklore institute for high-school teachers of the disadvantaged in Arizona, Afro-American music study centers, an experimental college in Vermont, Indian education programs in North Dakota, studies of America's

relations with China, the first complete edition of George Washington's papers, a traveling museum exhibition on the environment, and numerous television projects bringing humanistic knowledge directly to the American public.

The committee's bill contains expanded matching funds—\$7.5 million—and compared to the \$80 billion we spend on defense this would seem a paltry sum—and in fact, it is. But these funds will sustain the momentous interest generated thus far, and I urge my colleagues to support this important legislation.

Mr. QUIE. Mr. Chairman, I yield five minutes to the gentleman from Idaho (Mr. HANSEN).

Mr. HANSEN of Idaho. Mr. Chairman, I rise in enthusiastic support of the legislation before us to extend the National Endowment on the Arts and Humanities for an additional 3 years. I strongly urge a vote of approval without any reduction in the authorized level of spending for these programs.

I applaud President Nixon for his strong and consistent support of the Arts and Humanities programs. I agree fully with the assessment of our national needs and priorities that is reflected in the President's budget recommendation. From a very small beginning a few years ago these programs have grown steadily. The solid record of performance that has been achieved has fully justified the consistent support that Congress and the President have given to the arts and humanities programs. Based on past performance and future promise the legislation before us today to extend those programs is deserving of another vote of confidence by the House of Representatives.

Much has been said about the proposed increase in the level of support for the arts and humanities over the spending for the current fiscal year. The fact remains, however, that the higher level proposed in this bill represents only a modest effort. Ours will still be a relatively small investment when viewed in terms of our total wealth and when compared to the contributions of other nations to the arts and humanities.

Those comparisons help to place in proper perspective the amounts proposed in legislation before us.

From the beginning of the National Endowment for the Arts in fiscal year 1966 through 1973, Congress appropriated a total of \$116,721,166. Over 2,500 years ago in Athens the great statesman Pericles, during his reign as leader of the democracy, convinced his fellow Athenians to spend during one 16-year period a total of \$57,000,000 for the beautification of Athens, for the construction of the Parthenon, for statuary and paintings, and for other public buildings.

The Parthenon itself, according to historian Will Durant, cost 700 talents, or \$4,200,000. The statue of the goddess Athena, which stood in the Parthenon, cost \$6,000,000 alone—it was a gold reserve. The unfinished Propylaea cost \$2,400,000. Minor Periclean structures in Athens and the Piraeus cost \$18,000,000. Sculpture and other decorations cost \$16,200,000. Will Durant said:

The spread of this sum (\$57,000,000) among artisans and artists, executives and slaves, had much to do with the prosperity of Athens under Pericles during what was called the Golden Age of Greece.

In 16 years Athens spent roughly half of what I consider the rather small amount which our Federal Government has contributed to the arts in 7 years. Our country also lags behind European countries in amounts spent per capita on the arts. The relatively modest amount we are proposing to authorize today—\$145 million—is fully justified.

The Greeks knew that the creative potential of each citizen must be given a chance for expression—be it in drama, in dance, in art, in playwriting, in verse, in sculpture, in literature or whatever. They were perhaps wiser than we because they understood this human need. And is it not a fact that works which they created centuries ago still speak to the condition of modern man?

Are we not indebted to the Greeks for the days of Aeschylus, Euripides, Sophocles, Aristophanes? Are we not wiser for the philosophy and for the courageous person of Socrates, the poetry of Homer, the laws of music which Pythagoras the philosopher and mathematician discovered? Are we not richer because the Greeks left us the architecture of the Parthenon—we still copy it—for the sculpture—for the Winged Victory, for the superb Hermes by Praxiteles which still stands on the site of ancient Olympia—where were held the Olympic games which we still follow?

To the critics who rationalize cutting this budget because the material needs of Americans have not been fully met, I counter with the argument that we should think for a minute of where our preoccupation with material things has led us. Are we nearer to peace or understanding between nations? And do not the humanities—the great works of literature, the study of ethics, history and philosophy and the like—have something to say to the present condition of man in this country?

I agree wholeheartedly with witnesses who testified before our committee that "humanistic studies have as vital and unique a contribution to make to the amelioration of problems in our national life as do the sciences."

Said W. H. Masterson, chancellor of the University of Tennessee:

Now more than ever it is imperative that America be put in touch with her ideological roots and that our citizens be encouraged to rediscover those roots by consulting the fund of accumulated human experience available in the humanities.

This is what the National Endowments for the Arts and Humanities are attempting.

I agree with Dr. Ronald Berman, chairman of the National Endowment for the Humanities, who said in testimony before the committee that by the study of the great books of literature such as, say, John Milton, Shakespeare, and others, we are challenged by moral imperatives which demand that we conduct our private and public lives in the best way we know how.

Let me list a very few of the endeavors of the humanities endowment and what they are doing to acquaint the American people with their ideological roots. These include State-based programs, film-TV programs, museum grants, national humanities series, great issues in the American experience, college and school curricula, fellowships for America's future, research and editing, bicentennial conferences, State guides and histories.

This country over the years has made a commitment to the sciences. In 1958 after the Russian Sputnik went up we undertook a crash program to upgrade the sciences in the Nation's classrooms. Our multi-billion dollar space programs alone are proof of the excellence of American science and technology. We continue to fund the National Science Foundation programs at roughly \$600 million a year. We spend \$17 billion for scientific research and development.

The humanities have not fared so well, perhaps because we have failed to make the connection of how very valuable and relevant are the studies of the great works of history, philosophy, political science, literature on contemporary life, and to bring to bear insights from those works on the issues which so perplex us.

One of the most exciting programs is humanities endowment's State-based programs which will soon be in all 50 States to bring together groups of people in the various disciplines—from adult education, from academic humanists and from institutional leaders, from colleges and universities, historical societies, libraries, the media and the like—meeting in open forum to discuss the great issues of the Nation as well as State and local issues, and trying to bring the insights of their discipline to bear on these problems.

The budget for the endowment is \$28 million for public programs, \$20 million for education, \$14 million for research, and \$10 million for fellowships. Dr. Berman said he is proudest of the development of the public programs. Dr. Berman told our committee:

Our interest is not esoteric, but to bring our knowledge resources to bear on the conduct of national life, the rational setting of national goals . . . to enhance the national capacity for anticipating the understanding problems by applying value judgments rooted in history, philosophy, ethics and other fields of humanistic learning.

Berman is also proud of the newspaper lecture series, to be run in 125 newspapers across the country, with an endowment grant, which will be a series of 20 lectures on American history from the best intellects of the country, and for which college credit can be obtained, if desired. This is part of the public programs budget.

A series of Humanities films dealing with man's history is currently being shown weekly on public television stations; the endowment subsidized the Civilization series of Lord Kenneth Clark and was primarily responsible for the National Gallery of Art receiving the recent Russian exhibit of post impressionist art.

There was fine bipartisan work on the committee this year in working toward a goal of writing into the authorizations

for fiscal 1974 the amount which the President has requested be spent in that year—\$145 million for both endowments, or \$72.5 million for each. It is my hope that the House will vote for full funding in order that the States—each of your States—will continue to be able to expand the programs which are now being made available to our people. It is an error for critics to say these programs are for an elite; they are not, and I shall list just a few examples:

MUSEUM PROGRAMS

Our Nation's museums, over 5,000 of them, are in weak condition because of the pressures of our population growth and increased use of their services. We, in Congress, have added to the museums' pleasant misery with our education legislation which has called on them to take cognizance of the need of disadvantaged youngsters—both inner city and rural. Touring companies of youngsters have poured in upon them, but the educational systems offer little to recompense the museums for the burdens we in Congress are partially responsible for creating. The endowments spend a substantial sum for museums—anticipated expenditures in fiscal 1974 are \$5 million, and this money is badly needed.

Under the gifted leadership of Miss Nancy Hanks, the chairman of the National Endowment for the Arts, the renaissance of the arts which already had begun has been stimulated further by Federal support. The ballet was close to death before it was rescued by the endowment. Our citizens are taking a renewed interest not only in national touring companies of famed groups such as the New York City Ballet and the American Ballet Theatre, but in their own home-grown ballet groups. In fiscal 1973, \$2.6 million will be spent for dance. Under the State/Federal program, each State in fiscal 1973 will receive about \$127,000. Under H.R. 3926, each will receive a minimum of \$200,000, and may receive more—on a matching dollar-for-dollar basis—by going back to the endowment for funding programs of excellence.

I might say that for each Federal dollar spent in each State, an average of \$4 has been raised for these programs. That is quite an accomplishment for NEA.

Robert Hooks, the black television actor, testified before our committee that the endowment provided the needed funding so that he could begin The Black Repertory Company in New York and another theatre group in Washington, D.C. The legitimate theatre had ignored him because of discrimination, he said, before NEA came along with help.

Repertory theatre groups, because of NEA, have brought fine plays into areas of the country which have heretofore not had the privilege of seeing live legitimate theatre. This was the case with the Guthrie Theatre.

Since 1968 the endowment has invested \$276,766, in Idaho in the State's cultural institutions, and has been responsible for making possible such projects as the Oinkara Basque Dance Tours, the Boise Philharmonic Children's Concerts and telecasts, Idaho Falls Symphony Elementary String program, Idaho Antique Festival Theatres tours, University of Idaho

Troupers Theatre, Arts for Idaho's Senior Citizens, Lewis Clark Children's Theatre, and the Coeur d'Alene PTA Council summer arts program.

This has meant a great deal in the small State of Idaho, and the increase in funding which will guarantee each State \$200,000 will be productive in making more States—particularly the less populated States—attractive places in which to live.

Our State Commission on the Arts and Humanities sponsored a tour in February by the National Theatre of the Deaf, a highly skilled ensemble which performs for the hearing as well as the deaf.

The arts can comfort and enrich life for the aged, the sick and the institutionalized, the handicapped and for citizens who are not sharing in our total society. And the arts endowment helps make this possible.

For example, the arts endowment supported open dress rehearsals of the Milwaukee Symphony Orchestra for senior citizens in that Wisconsin city; it provided a travel and study fellowship for a blind musician from Louisiana to work with the great jazz artist Cannonball Adderley; it provided help to the North Carolina Symphony Society for 10 free public concerts in institutions such as the North Carolina Prison, Fort Bragg, the School for the Blind, the Cerebral Palsy Hospital, et cetera.

The arts endowment has supported the work of Hospital Audiences, Inc., in New York State for several years and now is helping the project expand nationally. Hospital Audiences, in a 2-year history, has reached about 250,000 individuals in nearly 700 hospitals, drug treatment programs, prisons, agencies for the retarded, and physically handicapped.

Following is a listing of the themes of various States and the problems which they are addressing:

STATES PARTICIPATING IN THE NEH STATE-BASED PROGRAM AS OF JANUARY 1973; OPERATIONAL STATE COMMITTEE; AND THEMES

STATE, COMMITTEE TITLE, AND THEME

Alaska: Alaska Humanities Forum, "Passage to Community."

Florida: Florida Citizens' Committee for the Humanities, "Population Density and the Future of Florida."

Georgia: Georgia Committee for the Humanities, "Georgia in Transition: Race, Land Use, and Liberty."

Indiana: Indiana Committee for the Humanities, "Government and the Family."

Iowa: Iowa Board for Public Programs in the Humanities, "Awareness of Human Needs on the Eve of American Century III."

Kansas: Kansas Committee for the Humanities, "Human Values in a Changing Kansas."

Louisiana: Louisiana Committee for the Humanities, "The Cultures of Louisiana: Issues—Values—Conflicts."

Maine: Maine Humanities Committee, "Man on the Maine Frontier."

Minnesota: Minnesota Humanities Commission, "Regionalism, Regional Government, and the Individual."

Mississippi: Mississippi Committee for the Humanities, "Education: New Horizons for Mississippians."

Missouri: Missouri State Committee, "What Happened to the American Dream."

Montana: Montana Committee for the Humanities, "The Distribution of Political Power in Montana."

Nevada: Nevada Humanities Committee, "The Role of Law in Society."

North Carolina: North Carolina Committee for Continuing Education in the Humanities, "Traditions in Transition: The Impact of Urbanization on North Carolina Communities."

Ohio: The Ohio Committee for Public Programs in the Humanities, "Justice, Law and Public Opinion."

Oklahoma: Oklahoma Humanities Task Force, "Are American Traditions of Justice Adequate for Today's Problems?"

Oregon: Joint Committee for the Humanities in Oregon, "Man and the Land: Humanistic Perspectives on the Uses of Space."

South Carolina: South Carolina Committee for the Humanities, "South Carolinians in Transition: Industrial, Urban and Cultural Challenges."

South Dakota: South Dakota Committee for the Humanities, "Indian and Non-Indian: Cultural Contributions for a Better South Dakota."

Washington: Washington Commission for the Humanities, "Education: Changing Perspectives."

Wisconsin: Wisconsin Humanities Committee, "The Dimensions of Social Alienation in Wisconsin."

Wyoming: Wyoming Committee for the Humanities, "Century III: Equality."

Total States with operational programs: 22.

It provides a program of cultural enrichment and rehabilitation.

The National Council on the Aging is being helped by the arts endowment to continue its function because of its strong involvement in the arts for the senior citizen.

The National Guild of Community Music Schools has been helped by the arts endowment every year since 1967 and youngsters from disadvantaged areas in cities throughout the United States have been able to study music free or for a very small fee. There are 42 schools in the guild, more than half in or near poverty areas, and better than 70 percent of the students are from these disadvantaged sections. The guild is devoted to the idea that the best possible musical training should be available for any child in the community at a price parents can afford. Who are some of the outstanding performers who began their musical lives in settlement music schools? There are many, but Benny Goodman, Leslie Parnas, Grace Bumbry, and Harry Belafonte tell the story best.

In New Jersey, the State Council sponsored a project which took theatre and dance workshops into prisons. This project made use of the "Theatre for the Forgotten," a New York-based activity which for years has been taking professional theatre productions to the incarcerated. It, too, is helped by the National Endowment for the Arts.

In New Mexico, the Arts Commission in 1971 helped fund an arts workshop in the Santa Fe State Penitentiary to teach fundamentals of drawing, painting, composition, and framing to inmates who were interested in learning. The project went so well that a young artist, James Harrill, recognizing the latent talent of some of the participants, volunteered his services in 1972 to help teach the prisoners.

Some of the artists in the "Project Newgate" entered the National Annual Exhibit for Incarcerated Artists in

South Carolina and won top awards. Two of the artist-inmates have been paroled. One of them earned an art scholarship to the University of New Mexico and the other is working part-time and going to college. The art training in this instance has given both new purpose to these young men's lives and vocational opportunity.

Our senior citizens can play an important role in the preservation of our traditions and culture and can be given a sense of their own worth and a purpose in life when they are involved in such projects. For example, through the Arts Endowment we find activities such as these:

In Amherst, N.Y., a senior citizen painting class, photo workshop and organ workshop encouraged senior citizens to explore their memories and skills. A live audience of 1,000 attended the resulting exhibit and an estimated 10,000 saw the local TV show.

In Washington State, the Seattle Symphony Orchestra performed for 3,000 senior citizens in a series of six Sunday matinees.

In Hawaii, at the State Senior Center, classes in rondalla, a kind of balalaika band, were set up and a concert drew more than 1,600 people.

At Hoosick, N.Y., the Senior Center and the Central School worked together on a project called "Tapes Tell Traditions" in which about 25 senior citizens told stories of the history and folklore of the area with technical and creative collaboration from about 30 young people.

These endowment moneys are not for the elite; they are people programs and should be supported.

There has been criticism that the increases—roughly \$30 million for each endowment—will go for Bicentennial programs. I should like to quote Miss Nancy Hanks on Bicentennial efforts:

We cannot stress too strongly the Council's commitment to the potential for making a long-range contribution to the Nation's cultural life, for avoiding razzle-dazzle one-shot activities, for bringing the highest level of quality and citizen involvement possible to all Americans—quality and involvement which will continue long after the 1976 festivities have ended;

In sum, this is not "earmarked" money; there is no "special kitty" sitting somewhere outside of the Endowment's on-going commitment to quality and availability of the arts;

Thus, the states will share in this programming as the Endowment responds to applications, within guidelines, from artists, state and regional arts agencies, and cultural groups all over the country.

There will be no special "earmarking" within the Endowment that would force any applicant into dreaming up Bicentennial programs;

All applications which reflect a Bicentennial relationship will be treated in exactly the same manner as those which do not, i.e. they will be reviewed by the appropriate professional staff, the appropriate Panel, and by the National Council; and

By way of examples: the Endowment's on-going programs in improvement of Federal Design; in national research in architecture and environmental arts; in commissioning; in touring; in preservation work (museums and film); pilot programs for choral groups, for design of innovative cultural facilities,

for posters by outstanding American painters and sculptors for our great opera, dance, theatre, orchestras—all of these, as the Bicentennial celebration approaches, are highly appropriate means of saving and enriching and expanding the nation's cultural life.

One of the finest programs in the endowment, in my opinion, is the expenditure of \$2.5 million for the expansion arts program in 34 States, mostly working with inner city and rural youth who have not had opportunities for creative outlets. Expansion arts is mostly training programs for the young.

Miss Jimilu Mason, one of Washington's gifted sculptresses, whose work is on display in the Capital and the National Portrait Gallery, spoke to the point of the need for creativity when she told the committee in written testimony:

We rightfully look upon our top musicians, orchestras, theatres, dance companies, writers, painters, sculptors, potters, weavers, as our national treasure; and they are indeed just that. But just as important a national treasure is that natural creative yearning each of us is born with, and if it isn't given an outlet, it finds one in destruction.

Miss Mason, I believe, hits on an important bit of human psychology. When we deny our youth an outlet for their creativity, do they in fact turn destructive—destructive of self, and destructive of the society which denies them opportunity for creativity? Is graffiti destructive? Is school vandalism destructive? Are dropouts self-destructive? What if the creative instincts of these youngsters were captured and allowed form in the schools.

The Endowment's Artists in Schools program is attempting in some 2,700 schools to do this. More funding is needed and the increase in budget will allow the program to expand this year.

Mr. Chairman, I would like to comment further on one of the most imaginative and creative projects designed to bring art to the people being sponsored by the National Endowment on the Arts—the Artrain. This outstanding project is now touring the Rocky Mountain Region. The train arrived in New Mexico on January 9, and it is spending about 1 month in each of the eight Rocky Mountain States: February in Arizona; March in Colorado; April in Utah; May in Idaho; moving on to Montana in June; Wyoming in July; and finally Nevada in August. The communities where the train stops have generally been chosen for their remote geographical locations and lack of cultural opportunities.

The success of the Artrain phenomenon is something to behold. We have a little competitive game going on among the communities in our region—each one tries to outdo the previous town in terms of attendance figures. Mesa, Ariz., set a record—with 2,400 visitors on 1 day. Now I am proud to state that Idaho Falls has topped that—with 2,500 in a half-day session. And bear in mind that Idaho Falls is a modest-sized community of just over 35,000 inhabitants.

While the exhibits and films in some of the cars of Artrain remain the same as those used in Michigan, the third car is now devoted entirely to works collected from museums in the Western States. An attempt was made to include works

from each of the eight participating States. Fred Bartlett, former curator of the Colorado Springs Fine Arts Center and member of the Colorado Council on the Arts and Humanities, assembled the exhibition, and the works range from Picasso to Peter Hurd.

The studio area in car four has offered a wonderful opportunity to showcase the rich heritage of arts and crafts from the many cultures of our area. Here local and resident artists work in various media. Visitors are invited to ask questions and view, firsthand, the creative process.

Local artists have also joined the Artrain exhibition, working in painting, sculpture, pottery, macrame, crocheting of beads—and in Craig, Colo., we had a demonstration of Navajo jewelry making by Harvey Begay.

Artrain has been a powerful force in creating interest in the arts in each community it visits. It is also generating new community effort which remains after the train has left. For example, a permanent arts council has been formed by members of the Artrain Committee and donors to the Artrain project in Prescott, Ariz. Mesa, Ariz., is now making plans for a civic arts center. A high school in Fruita, Colo., now plans to hold an annual spring arts festival.

Artrain is an especially valuable asset to local schools. Generally, an education committee from the local community works within its own and surrounding school districts. It shows movies, slides, and an Artrain comic book to arouse interest and understanding of Artrain's purpose and contents.

The enthusiasm of people in the Rocky Mountain region for this project is reflected in a letter to the editor of the Albuquerque Journal, written by Mrs. Julianne S. Sheehan. She and her husband had traveled from Albuquerque to Belen, N. Mex., to see Artrain. In her letter she said:

This was a wonderful opportunity for school children in small towns to be exposed to such excellent art. I certainly hope in the future we will have additional exhibits like the Artrain. This was a very worthy use of the taxpayers' money and it is regrettable that this exhibit could not have gone to many more towns in New Mexico.

I know that I speak for the citizens of Idaho when I express my own thanks and congratulations to the national endowment for their assistance with Artrain, and I would hope that increased funding levels will help to bring Artrain, and projects like Artrain, to all citizens.

I should also note that the people of Idaho, with help from the national endowment, have been working hard in other ways as well, to expand cultural horizons in our part of the country. Idaho is an active member of the Federation of Rocky Mountain States, a regional coordinating body which has sponsored a variety of endowment-assisted arts projects in addition to Artrain. Through this body, the eight State Arts Agencies are sponsoring regional tours by professional companies such as the Utah Symphony, the Ballet West Company, the Montana Repertory Theater, and the young audiences program, all of which have brought cultural en-

richment to the cities and towns of Idaho, as well as other States. The Utah Symphony is a fine example of a professional company carrying high quality artistic performances into the most isolated communities, including Indian reservations.

Within Idaho, Boise State College has conducted its own Outreach Drama Theater Summer Tour, with help from the national endowment. The College of Southern Idaho Lyceum Committee has been helped by the endowment to sponsor a tour of the National Theater for the Deaf in the Twin Falls area.

Like many other States, we are delighted with our programs of poetry and dance in the schools, funded by the endowment and sponsored by the Idaho State Arts Council. Finally, I should mention that the services of the Boise Art Gallery have been strengthened through endowment grants for installation of climate controls, visiting museum fellowships, and the opportunity for local museum personnel to visit and study the collections and techniques of major eastern museums.

I have heard critics claim the national endowment benefits only the big cultural centers on the east and west coasts. Let me state emphatically that the programs of the national endowment have given badly needed encouragement and new life to our efforts to enhance cultural opportunities in the sparsely populated Rocky Mountain region. We do not begrudge any of the endowment funds which are also assisting the arts in major eastern centers, because we share the pride of all Americans in the world-famous arts institutions which exist there. We would not want to see increased help for States such as Idaho at the expense of weakening these great national treasures.

But we join in the growing judgment of Americans from all walks of life that cultural development and enrichment of human life rate a higher priority—across the board. The National Endowment for the Arts has proven itself a very effective agent of response to this growing concern of our people. We can have no excuse for failing to assure the continued development and support of this fine program.

Mr. CHAIRMAN, by any standard of measurement the National Endowment on the Arts and Humanities, during its rather short life, has compiled an outstanding record of success. The programs deserve to continue and to grow. I urge my colleagues to give these efforts an enthusiastic vote of confidence by approving, without any reduction in authorized levels, the bill before us today.

Mr. BRADEMAS. Mr. Chairman, I move that the Committee do now rise.

Mr. QUIE. Mr. Chairman, will the gentleman withhold his motion?

Mr. BRADEMAS. I shall be happy to withhold the motion at the request of the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Chairman, I rise in support of H.R. 3926 to amend the National Foundation on the Arts and the Humanities Act of 1965. Congress has

over the past 7½ years helped contribute to a better quality of life for all Americans through our support of legislation for the arts. Today, we have another opportunity to help achieve a more fulfilling life for Americans throughout this Nation by voting in favor of this legislation.

I have no intention of delivering a panegyric on art as a justification for the expenditures involved. I know that many of my fellow colleagues have serious and sincere opposition to the bill. Some question the value of our endeavor in this area in any event, and particularly during a time when we are called upon to exercise great fiscal restraint.

Last evening, in listening to the sounds that fill the night—including the air conditioner—it occurred to me that the song of a bird has no monetary value, no cost-benefit ratio, and perhaps no moral purpose, but its influence is humanizing.

The same must be said for art and the humanities, for they reach the highest form of expression, of history and prophecy. And I would respectfully suggest that we do not measure the success of a society or a civilization in terms of its gross national product, but in the quality and the character of the men and women it produces. The arts and humanities give us inspiration and the impetus to reach for the ideal. And, given the times in which we live, there can be no greater need.

To be sure, there is legitimate debate on the amount of funding to be expended. At the same time, however, I believe we must give full recognition to the essential role played by the arts in any worthwhile civilization. This requires some financial commitment on the part of the Federal Government, for we have too long relied on State, local, or private support of this area of national importance.

As the trustees of the taxpayers' dollar, we are called upon to rest our investment decisions on something more solid than our inspirational needs.

First, we should ask is there any documented educational value? Second, does the public really want more Federal aid in the area of the arts and humanities?

The Carnegie Commission on Higher Education recently issued a report on "The Purposes and Performance of Higher Education in the United States: Approaching the Year 2000." The first priority in their recommendation is that "More broad learning experiences should be made available to students, and more opportunities for creative activity should be provided as through independent study and the creative arts." The Commission further urged that:

Federal research funds should be substantially increased for the social sciences, humanities, and creative arts.

A survey of the New York State public was just released by the American Council for the Arts in Education and the New York State Council on the Arts. The survey was conducted by Louis Harris, Inc., and is considered a statistically sound base for a national survey. The study shows that the public strongly favors children developing skills and participating in the arts on all levels. A notable

theme in the survey is "the great importance most people place on making culture readily accessible to children." Of those surveyed 52 percent said that they would like to see their children pursue careers in the arts—57 percent of nonwhites wanted arts careers for their youngsters.

The public also wants more arts courses offered as part of the core curriculum and taught for credit just like math or science or English, not merely given on an after-school basis. Majorities ranging from 54 to 78 percent felt that credit should be given for such courses as creative writing, painting, and sculpture, playing a musical instrument, voice and singing, and photography and filmmaking.

A little over a year ago a Gallup poll surveyed the interests of college and university students in the arts. The sample is representative of 7 million students. The survey showed that more than one-third of American higher education students are considering a career—as direct participant, administrator or teacher—in the arts. Which is to say that working in some aspect of the arts is their choice for their full-time, lifelong occupation. And dramatically, 76.2 percent said that the arts should play a more important part in the daily lives of Americans.

The National Endowment for the Arts over its brief history has not only been aware of the importance of arts in education, but has fostered and supported quality programs in this area.

I would like to highlight briefly three of these programs that the Arts Endowment is supporting:

Artists-in-Schools program: A highly successful on-going program jointly planned and funded with the Office of Education places professional artists in elementary and secondary schools in all 50 States in the country. It is not designed to train professional artists. Rather, its purposes are to increase children's powers of perception, their ability to express themselves and communicate creatively, through using tools and skills they might otherwise not develop. In the poetry component alone, there were some 1,200 poets in the schools during the 1972-73 school year. Altogether in the 1972-73 school year, around 2,700 schools had artists in residence. But this figure represents only 3 percent of the Nation's schools, and more needs to be done.

Artists, Photographers, Critics and Craftsmen in Residence program: This program enables art schools, colleges, and community centers to hire distinguished visitors, generally for short-term stays, to instruct and influence by work and example. Under this program, even the small-town community has benefited as evidenced by a program set up in 1972 at the Skowhegan School of Painting and Sculpture in my State.

Orchestral program: Many of the orchestras receiving grants under this program perform before and work with students in schools, colleges, and universities. In fact, 63 percent of the endowment grants in this program are for youth activities. In my own State of Maine, the Portland Symphony Orchestra toured to northern Maine this past

year under an endowment grant. The orchestra performed for high schools in Lewiston and Presque Isle; and also at the Machias and Presque Isle campuses of the University of Maine.

Alternative education forms: This program is similar to the artists-in-schools program, but the setting is different—outside of the schools rather than within. Grants are basically made to community cultural centers such as Harlen School of the Arts, in New York City, Workshops for Careers in the Arts in Washington, D.C., Inner City Cultural Center in Los Angeles, and Dynamic Museum in East St. Louis, Ill. The potential here is immeasurable.

Poets in developing colleges program: This program places professional writers in English departments of developing colleges. The program began primarily in black colleges and is now on a pilot basis in several community colleges.

These program highlights are just examples of the kinds of efforts being presently pursued by the endowment in the area of arts in education.

The importance of these programs and the need for their continuation and expansion is more than evident. We have an opportunity today to not only assist the endowment to continue and expand these programs, but also to respond to the demand of the people of this Nation—young and old—to contribute to a change in our society that is not merely for more, but for the better. We must have bread. But we must have symphonies too.

Mr. PRICE of Illinois. Mr. Chairman, today we are called upon to act on H.R. 3926, the National Foundation on the Arts and Humanities Amendments of 1973. This legislation would provide \$145 million as the 1974 budget for the National Foundation on the Arts and Humanities, with budgets for 1975 and 1976 to be decided as Congress deems fitting.

The National Foundation on the Arts and Humanities, along with its two co-operating branches, the National Endowment for the Arts and the National Endowment for the Humanities were created in 1965 to provide Federal support and encouragement for the progress and spread of the arts and humanities in the United States.

From its inception this program has been a success. With each succeeding year, appropriations have grown as the Foundation responded to congressional requests to share the wealth of this country's talent with all of its citizens. Special programs in art, music, film, dance, and the theater have been formed by the Foundation, providing a showcase for gifted young Americans who might otherwise have never had the chance to realize their potential in the arts.

In addition, the Foundation has established the means of allowing more Americans to become acquainted with the arts, perhaps for the first time. Those who had never seen a play or heard an opera—whether because of remoteness or socioeconomic factors—have been given the opportunity to experience the arts and humanities through Foundation programs.

Mr. Chairman, the United States has long been known as a scientific, technolo-

logical nation. A highly developed civilization demands excellence in all branches of human endeavor—in scholarly and artistic pursuits as well as technological. The National Foundation on the Arts and Humanities has proved itself a worthwhile program for my district, as well as every other district in the Nation. I support its continued endowment and the passage of this bill wholeheartedly.

Mr. QUIE. Mr. Chairman, I yield myself such time as I may consume for the purpose of asking the gentleman from Indiana a question.

By rising tonight, we will still retain time for general debate tomorrow; is that correct?

Mr. BRADEMAS. That is the understanding of the gentleman from Indiana, that we reserve the remainder of our time by rising now.

Mr. Chairman, I renew my motion.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. What is the motion?

Mr. BRADEMAS. Mr. Chairman, I move that the committee do now rise.

Mr. GROSS. And general debate has not been concluded and will be concluded tomorrow?

Mr. BRADEMAS. The gentleman is correct.

The CHAIRMAN. The question is on the motion offered by the gentleman from Indiana.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. YOUNG of Texas, 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. 3926) to extend the National Foundation on the Arts and the Humanities Act, had come to no resolution thereon.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks and include extraneous matter on the bill under consideration, H.R. 3926.

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

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. GOLDWATER. Mr. Speaker, on rollcall No. 219 I was unavoidably detained. Had I been present I would have voted "no", and I ask that the record so show.

PERSONAL EXPLANATION

Mr. PARRIS. Mr. Speaker, on Friday, June 8, I was unable to be present on the floor when the votes were taken on the conference report on H.R. 2246, to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; and on

H.R. 7670, to authorize appropriations for fiscal year 1974 for certain maritime programs of the Department of Commerce.

Had I been present, I would have voted for both H.R. 7670 and the conference report on H.R. 2246.

TRIBUTE TO MAJ. JIM TURNAGE

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

Mr. WAGGONNER. Mr. Speaker, I make tribute today to the memories of Maj. Jim Turnage and Mrs. Turnage's son, Kevin, who were killed February 6 in a tragic automobile accident. Major Turnage, despite the demands of a very distinguished military career, consistently found time to devote to another organization he believed in, Boy Scouting. He was regarded as an outstanding leader of and exemplar for youth, helping to mold good character in hundreds of boys with whom he was involved in Scouting activities.

Major Turnage's association with Scouting spanned more than a quarter of a century. As a Boy Scouter himself, he attained the rank of Eagle in 1953 and was a member of the Order of the Arrow. While earning a B.S. degree in sociology from Centenary College in Shreveport, La., he was an assistant scoutmaster working with underprivileged youngsters and also was president of the Alpha Phi Omega Fraternity, all members of which hold Eagle rank.

Although his subsequent military assignments took him throughout the world, he continued his efforts in Scouting. He worked with Scout troops from coast to coast in the United States and also in Germany, Italy, and Thailand. At the time of his death, he was serving as scoutmaster of troop 253 in Indian Head, Md.

Because of the life and interest that Major Turnage so devoted to Scouting, Mrs. Turnage has established the Jim Turnage and Son Memorial Fund in their honor. Many contributions have already been received from all over the world. Funds will be used to enable needy boys to participate in Scouting who otherwise would not be able to do so.

To touch the life of another person is the most satisfying work one may experience. Yet strange as it may seem, such is also a gift we give unto ourselves. By striving to enrich the lives of others, our own lives become enriched; and Jim Turnage was a very, very rich man. The true spirit of Scouting that Major Turnage lived will always remain with those Scouts and Scouters he so ably trained. He could wish no greater tribute. In the loss of Jim and Kevin, I extend my heartfelt condolences to Mrs. Irene Turnage and to Jim's parents, Mr. and Mrs. Carson J. Turnage, Sr., who reside in Shreveport, La., in my congressional district. Mrs. Turnage has written of Jim that "we need more dedicated people like this in the world to help children of all walks of life." I sincerely agree.

BUGGING B'NAI B'RITH

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

Mr. PODELL. Mr. Speaker, we have heard many stories in the last few days about the "dirty tricks" operations in this administration. Each day we learn of some new covert operation that was conducted by the Committee to Re-Elect the President, or of some new secret White House memorandum that would propose Government activities in violation of our most cherished rights.

So when we hear of another such episode, we are so surfeited with past disclosures of clandestine operations and doubledealings, that we merely shrug it off and say, "What else can you expect from them?" But we should not let the latest disclosure of CIA shenanigans go unnoticed.

The New York Daily News reported on Sunday, June 11, that it had learned of the CIA's activity in spying on the B'nai B'rith. For starters, this is clearly illegal. The CIA is by law forbidden to engage in domestic surveillance activities. Additionally, it defies comprehension to try and understand why, of all prominent national organizations, the CIA would choose to spy on the B'nai B'rith.

B'nai B'rith has had over a century of involvement in civic affairs in this country. This 500,000 member fraternal organization has always been renowned for its charitable activities, and for the crusading work done by the B'nai B'rith Anti-Defamation League in combating discrimination against all minorities.

However, the seemingly perpetual state of crisis in the Middle East has created a sense of paranoia in this Nation, especially since it has become known just how dependent we are on Arab-produced oil products. Thus, it may be that the B'nai B'rith was chosen as a target for CIA surveillance because, as a Jewish organization, it would logically have close ties with the State of Israel. Thus, the CIA would have an easier job in carrying on surveillance activities on Israeli policies.

The implications of this are appalling. We all remember the news stories circulating a short while ago about the bugging of the Israeli Embassy. Surveillance of the B'nai B'rith falls into a similar pattern. How many other fraternal or welfare associations with ethnic identities or ties with groups in other nations are under CIA surveillance? To what lengths is the CIA going in the name of "national security?" How many times has this agency, not to mention the other national security organizations, violated the law?

The time has come to pull the reins in on the CIA. From their role in the Watergate scandal, to this most recent disclosure of surveillance activity, the leaders of this agency have demonstrated that they have violated their authority in the most high-handed, callous manner. We can no longer permit this to continue. If it means the total restructuring of all domestic and foreign intelligence

gathering activities by this Government, then so be it, if that is the only way we can preserve our constitutional rights.

It is not merely the surveillance of the B'nai B'rith itself that is so outrageous, although that is certainly enough. It is the callous disregard of the laws of this Nation by the CIA which the B'nai B'rith incident demonstrates. I demand an immediate end to these activities which clearly violate the law of the land, and an immediate accounting by those officials responsible for these activities.

STUDENT LOAN DELINQUENTS

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

Mr. DEVINE. Mr. Speaker, for the last year, or so, I have been watching the collection operation of the Student Loan program by the Office of Education. In the fiscal year of 1971 the Federal taxpayers spent \$2.4 million to collect student loans. Congress gave them an additional million dollars in 1972 to collect some \$30 million in default loans. This created 55 new positions making it a total of 170.

Unfortunately, the Office of Education has not learned how to collect money from delinquent students. The number of students who failed to pay their loans is increasing so fast that some pessimists feel the entire program is ready to collapse.

In a report dated February 23, 1973, from the Comptroller General's Office, there are presently \$31,354,860 in default payments with 38,000 individuals involved. The Office of Education, in fiscal year 72 collected \$300,000. In their Boston regional office, for example, with 179 defaulted loans they collected on 9 for a total of \$257. At this rate how long will it take them to collect \$31 million. Mr. Speaker, to spend \$3½ million for return of \$300,000 is not good business even for the U.S. Government.

Today, I am introducing legislation that would permit the Secretary of Health, Education, and Welfare to contract with professional, commercial claims collection services to collect loans as it is obvious the Office of Education does not have the expertise to accomplish the job that needs to be done, and so that other students may participate in the Guaranteed Loan program.

The Guaranteed Loan program is one of the innovative and practical developments of our time. The time to keep it on the track is now, this year; next year it may be too late.

A loan from whatever source is a contract entered into in good faith on both sides. A borrower who deliberately violates his contract is just not only cheating the U.S. Government, but is also cheating society and himself.

Other young people are clamoring for assistance that they may continue their education and \$31 million would go a long way toward assuring them of sufficient funds to increase their knowledge and in turn, the welfare of our Nation.

THE TIME IS NOW FOR A PRICE FREEZE TO COOL INFLATION

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

Mr. DINGELL. Mr. Speaker, the Nation is currently going through the worst peacetime inflation in our history. Although the President now has the power to impose a freeze on prices and wages—the entire administration appears to be paralyzed in the face of this crisis.

Congress on April 30, 1973 passed the 1-year extension of the Economic Stabilization Act which gives the President the power to order economic controls.

A recent Gallup poll indicated that the American people recognize the high cost of living as the No. 1 issue facing the Nation. One cannot look at the economic indicators or pick up a paper these days without finding oneself knee deep in economic chaos regarding the price of gold, the balance of payments, the stock market decline, consumer confidence, and the rise in interest rates and unemployment.

Meanwhile, the administration continues to claim that inflation is cooling, that prices will level off, that unemployment will decrease and that the stock market will rebound.

Any doubts left in anyone's minds, including the minds of Nixon's economists, I would think, should have been shattered when the wholesale price index was released last Friday, June 8, showing an increase of 2.1 percent in May for an annual rate of 24 percent. This coupled with the consumer price index advance at a rate of 9.2 percent during the first three months of this year calls for immediate action to get inflation under control.

Mr. Speaker, I recommend, in view of the inaction by President Nixon, that the Congress impose a 90-day across the board freeze on all prices, rents, and consumer interest rates and direct the President to use this time period to develop and implement a long-term program to control inflation.

It is clear to everyone that voluntary controls will not work. They are an administration sham at the expense of the common working man and woman. It is also clear that this administration not only is unwilling to act, but has made no announcement of such intention to act to try to straighten out this economic mess. Therefore, the only alternative is for the Congress to act, and act now.

Wages and salaries should not be frozen, however, the present 5.5 percent guideline for wage increases would be continued.

The salaries of working men and women have borne the brunt of the administration's inflation control program, while prices and corporate profits have skyrocketed at a record rate. The average hourly earnings of blue collar workers—over 50 million workers—increased by 5.4 percent. Prices increased over 6 percent—in other words, the actual buying power of the average working family is less today than it was a year ago.

At the same time corporate profits are skyrocketing, a full 23 percent ahead of the first quarter of 1972.

The wage increases and labor contracts negotiated in the first quarter of this year averaged only 5.3 percent, below the 5.5 percent phase III standard.

It is simply unfair to ask the American workers to remain behind in the race against inflation.

Let me outline a few of the facts which led me to the conclusion that a price freeze should be implemented immediately:

The Consumer Price Index shows prices advancing at a rate of 9.2 percent during the last 3 months, almost four times the administration's stated inflation control goal.

The average family grocery bill is now \$208 above that of last year.

The median price of a new home is up more than \$3,500 over a year ago.

The wholesale price index increased by 2.1 percent in May or at an annual rate of over 24 percent.

Farm product prices, after dipping in April, rose strongly again in May. This index has climbed by 39.4 percent in the last year.

These figures are ominous for the consumer in the coming months.

Unemployment is still at 5 percent with no prospect of getting back to full employment while more than 4.4 million Americans are jobless and another 2 million Americans are forced to work part time. Yet the Nixon administration proposes to close down the public employment program and other job training programs.

The average hourly earnings of blue collar workers—over 50 million workers—increased 5.4 percent. Prices increased over 6 percent—actual buying power for the average working family is less today than it was a year ago, however, the compensation of top executives increased by an average of 13.5 percent in 1972.

Corporate profits are skyrocketing—a full 23 percent ahead of the first quarter of 1972.

The balance-of-payments deficit, up to \$10.2 billion, is \$1.6 billion more than the last quarter of 1972.

The dollar has been devalued two times since 1969. Each time, devaluation has cost the American people with the dollar today worth only 77 cents compared to the base year of 1967.

After the 1971 devaluation, the trade deficit tripled from \$2.6 billion to \$6.8 billion.

The price of gold on the London market has gone well over \$110 an ounce or approximately three times the official exchange rate.

The stock market has plummeted from over 1,000 to the 800's indicating investor uncertainty and uneasiness about the stabilization program.

Interest rates are increasing and the Nation is threatened by a credit crunch, tight monetary policy, and rising interest rates—the prime rate went up from 7½ to 7½ percent, the sixth such one-quarter increase so far this year.

The Federal Reserve Board increased its official discount rate to 6½ percent, the highest since 1921.

Mr. Speaker, I will also point out, and as our colleagues know, another measure

of the irresponsible fiscal policy of the White House is that since 1969 they have accumulated a \$78 billion budget deficit—more than one-fourth of the total debt of the United States has been added since 1969.

Pierre Renfret, once the Nixon administration's most highly touted economic adviser, calls the present economic policies a joke. And, he claims it is "one of the funniest economic games played upon the American people."

This is a cruel game to play on the American people. The President has the power now to impose a freeze on prices and he should do it now.

The American people should no longer be asked to shoulder the burden of runaway inflation, especially those who suffer the most—the elderly and the poor. But, it also is seriously eroding the common man's checking and savings account.

Mr. Speaker, as we all know, the Nixon administration is having more than a little trouble being candid with itself these days. Their candor with themselves and the American people over the state of the economy is one noted example.

Most economists outside the administration are predicting a recession and rising unemployment. However, one is to be cheered by none other than the old administration hatchet man, SPIRO AGNEW, who is now fronting for the President—while he is preoccupied with other matters. I read an AGNEW interview in the Washington Post on Sunday and nearly gagged. He reassured the American people, who are suffering from the worst peacetime inflation in our history, that "the commentary right now about the economy I do not think justifies what you might call a dismal view." In other words, it is the press' fault, not the administration's economic policies that are causing economic chaos at home and abroad.

Last year, the real income of the average working family declined because of inflation—yet corporate profits are hitting near record levels—a full 23 percent ahead of the first quarter of 1972.

Here is another example of Agnewomics:

The comparisons between wages and profits really aren't fairly made. On the one hand, you have profits coming out of the growth of the business, accelerating at a high rate, and on the other hand you have wages of the individual not changing that quickly because there are more and more individuals to distribute the increased total of wages among.

I challenge AGNEW to come to my district and explain to the workers in their plants why corporate profits can skyrocket, but wages in real terms can decline—and that this is equitable and in the public interest.

Mr. Speaker, I include Monday's Washington Post editorial "The next Wage and Price Controls" and Edwin L. Dale's article in the Sunday New York Times "A Phase That Can't Be Cut Off" to be printed in the RECORD.

The articles follow:

THE NEXT WAGE AND PRICE CONTROLS

President Nixon has recently been suggesting that he may indeed take action shortly to hold down inflation. As a practical matter,

the only action worth taking in the present circumstances is a short freeze followed by comprehensive controls roughly along the lines of the late lamented Phase II. There has been talk of keeping the freeze very short—30 days, perhaps, instead of the 90 days of the 1971 freeze. That would permit the administration to freeze only prices, without getting into the horrendous legal and administrative snarls that arise when scheduled wage increases are cancelled. That idea makes a good deal of sense.

But the nature of the next round of controls has to depend upon a candid and accurate diagnosis of our present economic troubles. Freezing prices and wages is easy. The dangerous part of the exercise is the thaw, when the economy moves toward flexible controls designed for the long haul. That is the point at which the President needs to explain to the country just what has gone wrong, and what has to be done to cure it. One of the curiosities of inflation is that the cure cannot work unless most people are persuaded that it will work. There is more than mathematics to economic policy.

The questions in most people's minds are the simple ones: Why are controls now necessary again, only five months after the administration lifted them? Why has the administration's plan turned out entirely differently from its expectations? If the effect of controls in 1971 and 1972 is only to leave us with a much more severe inflation in 1973, what can we hope from further controls in the future?

In retrospect, it is very clear that the administration misused the opportunity that it created with the 1971 freeze and the following Phase II. In early 1971 we were in a recession. Unemployment was high. At the same time, prices were rising ominously. Unfortunately, the economic remedies that reduce unemployment tend to raise inflation rates, and vice versa. With an election coming, the administration felt itself to be under great political pressure. The White House decided to apply controls to hold down prices and wages artificially while it applied enormously powerful pressures to expand the economy at drastic speed and to create jobs faster than the adult population was growing. First came massive tax cuts, then expansion of benefits such as Social Security which have high impact on personal spending. Interest rates were held down as the budget deficits soared. Rep. Wilbur Mills (D-Ark.), chairman of the House Ways and Means Committee, put the matter accurately when he said, ". . . we acted as if those controls permitted us to indulge ourselves in a fiscal and monetary orgy . . . I do not care what brand of economics you prefer, you cannot have the supply of money go up by almost 10 per cent in nine months without getting an upward rush in prices afterwards . . . We wasted on a fiscal-monetary policy binge the respite which wage and price controls could have given us."

The unemployment rate dropped from 6.1 per cent in August, 1971, when the President put the freeze into effect, to 5.2 per cent in November, 1972. That decline undoubtedly contributed to the results of the election. The President's precise intentions for the post-election period are not known, but the outline seems fairly clear. Many economists believe that controls can only postpone price increases. By dropping Phase II last January, the administration apparently expected to let the pent-up flood of these postponed price increases work their way through the economy in a sudden bulge. It would be painful but it would be short and there was nearly two years until the next election. The White House would rely on its new reapproach with the labor leaders to damp down a wage spiral. Meanwhile, to turn off the inflationary pressure at its source, the President invoked severe and rigid spending limits, moving the federal budget toward

balance as fast as his economists dared. Those limits were then defended in a vehement and abusive campaign by the administration against the spendthrifts in Congress.

What went wrong with this strategy? Most obviously, the eruption of the Watergate scandals distracted the administration at a crucial time. But there were other surprises for the White House. The administration, like everyone else, underestimated the extent and effect of the devaluation of the dollar. The first devaluation was planned but the second was not. Since then, there has been in effect a third devaluation as other currencies' values float upward. That has raised the prices not only of all that we buy abroad, but many of the goods, notably agricultural products, that we sell abroad.

Above all, no one had fully reckoned the psychological effects of ending the controls. Many businessmen, it now appears, not only raised prices to compensate for the past but kept right on raising them in anticipation of renewed controls in the future. As the price indices began moving upward in response, the talk of a new freeze began to frighten still more businessmen into still more anticipatory increases.

The first lesson of this melancholy experience is that controls are not omnipotent. They are not a magic spell that permits a government to follow foolish and reckless policies with impunity. Our European friends, incidentally, could have told us that. They have been using controls actively, off and on, ever since World War II and they have had considerably more trouble with inflation over the years than we have. Even under parliamentary governments, with their great flexibility in calling elections, it has proved very expensive to try to make the business cycle conform to the politicians' calendar.

The second lesson is that a large and rich nation cannot afford to make economic policy simply by reacting wildly to one immediate threat. Policy has to move to a larger target than the date of the next election. Mr. Nixon's policy of 1971-72 was successful in ending the recession, but his vast budget deficits then are of course the principal cause of the present inflation. A similar reaction now to the inflation could conceivably drop the country back into a new recession. There are other uninviting prospects. It is quite possible to have a roaring inflation and rising unemployment simultaneously. The next control system will have to be more than an overreaction to an immediate peril. Controls are no more than one part of an economic program that needs to address not only the inflation that is today's concern, but the recession and the erosion of standards of living that might well be tomorrow's.

A PHASE THAT CAN'T BE CUT OFF

(By Edwin L. Dale, Jr.)

WASHINGTON.—President Nixon was confronted last week with new and convincing evidence of the worst peacetime inflation in the American economy since World War II, and, in agreement with several polls of public opinion, called it "the nation's number one problem." The President conferred several times with his economic advisers, but the week ended with present policies intact and no assurance of change in the immediate future.

There was a great deal of bad news to consider:

Worst of all, the wholesale price index, a major measure of inflation, continued to rise at a rapid rate. The increase of 2.1 per cent in May alone was bad enough. Even worse was the figure for the closely watched index of industrial commodities, which rose by 1.1 per cent, and which in the last three months has increased at an annual rate of 15.9 per cent, the worst since the Korean War. And farm product prices, after dipping in April, rose strongly again in May. This index has climbed by 39.4 per cent in the last

year. All of this will inevitably affect consumer prices, though by exactly how much is impossible to say.

Some interest rates, led by the "prime" rate charged by banks to big business borrowers, rose further. The prime rate went up from 7 1/4 to 7 1/2 per cent, the sixth such quarter point increase so far this year. The increase reflected the huge demand for money in the economy, a counterpart of the inflationary boom. At the end of the week, the Federal Reserve Board followed the rise in private interest rates with an increase in its official discount rate to 6 1/2 per cent, the highest since 1921.

The newly "floating" dollar declined further in the European and New York currency markets early in the week, accompanied by another spurt in the price of gold. Though both trends were reversed later in the week, the dollar dipped again on Friday and finished the week well below its value of only a month ago against the major foreign currencies.

About the only encouraging news was what appeared to be a relatively moderate wage settlement in the important electrical industry. The General Electric Company and two unions agreed on a contract with a relatively small wage increase plus a cost of living "escalator." The maximum increase over three years will be 22 per cent, and possibly considerably less.

Mr. Nixon faced a painful dilemma. With public opinion seemingly in favor of much tougher controls, Senate Democrats voted unanimously in caucus for a new price and wage freeze and are threatening to attach a provision for a mandatory freeze to a handy piece of legislation.

The President has the power now to impose a freeze—and he was aware it would be popular—but his own instincts and the great bulk of his economic advice were against such a move as bad economics at a time of booming demand and near-capacity production. At the time of the first freeze, in 1971, the economy was sluggish.

The extent of the current inflation has surprised almost everybody—the Administration and economists of various shades of opinion. And there is anything but unanimity over what to do about it, despite the rising clamor from members of Congress in both parties for tougher controls.

The trouble with controls, at least according to experience, is that they do not work well when demand is high and the nation's factories and farms are already producing as much as they can. Sometimes higher prices are charged surreptitiously, as sellers find willing buyers, or there are black markets, or goods simply disappear from the shelves.

What is now clear is that the economy was overly stimulated by the Government last year in an effort to spur the slow recovery from the 1970 recession. There was a massive budget deficit and the Federal Reserve Board permitted a rapid expansion of money and credit. Production and employment responded as desired. But now the price is being paid in the form of an exceptionally virulent inflation.

It is not clear how much of this extraordinary inflation of the past four months can be attributed to the shift from Phase 2 to the less mandatory Phase 3 of price and wage controls. Many of the prices that have risen the most, including a wide variety of farm products and such other items as lumber, were never really controlled even under Phase 2, and thus the change is not a factor. Prices for these products have risen for the classic reasons of booming demand and an inability of producers quickly to increase supply. Some others, including a number of metals like copper and zinc, are traded in world markets and their price increase reflects booming conditions in nearly all the industrial countries.

Controls were most effective for manufac-

tured products, and particularly those produced by large companies. These prices have not risen nearly as much as those of the virtually uncontrollable raw materials, agricultural and nonagricultural.

But many economists believe there is indirect evidence in the wholesale price index of increases in manufactured products well above the "self-administering" guidelines of Phase 3, which basically permit price increases only when justified by higher costs of labor, materials and the like. The Administration is collecting documentation on specific price increases and its eventual "action" may well be not a freeze but a series of dramatic, company-by-company price rollbacks, which are permitted under Phase 3.

The Administration's basic plan for solving the problem has been simply to slow the boom without toppling the economy into recession. The budget will be close to balance in the new fiscal year, starting next month; the growth in Federal spending has been restrained, and the Federal Reserve has a much less easy monetary policy. And there are a few straws in the wind, among them a dip in the index of "leading indicators" of the economy, that the desired slowdown may be coming.

A broad, the new floating exchange rate system was undergoing its first severe test. American inflation was one reason for the new decline in the dollar—higher prices make it more difficult for the United States to achieve the needed improvement in the balance of trade and hence the overall balance of international payments—but the psychological impact of Watergate and its implications for the stability of the American Government was probably the major influence in the new flurry.

In any case, George P. Shultz, Secretary of the Treasury, and Arthur F. Burns, Chairman of the Federal Reserve Board, firmly decided to let the float work without Government intervention, despite French demands that the United States act to support the dollar's international exchange rate.

Melvin R. Laird, newly appointed as the President's chief domestic adviser, told reporters: "Those people that are speculating against the dollar are making a grave error that I think they will live to regret." He could be right. The dollar was higher at the end of the week than at the beginning.

Meanwhile, the Democrats in Congress were understandably making what political hay they could out of the solution, and Republicans were increasingly embarrassed.

Senator William Proxmire, Democrat of Wisconsin, the author of the freeze proposal approved in the Democratic caucus, said the Administration's "paralysis" in light of the latest figures "is impossible to understand, justify or defend."

"The issue," he said, "is not only massive price increases. The issue is whether the President and the Government can function to meet this crisis."

GENERAL LEAVE

MR. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks, and to insert into the RECORD extraneous matter, on the subject of my special order today.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SOVIETS OPPRESSION OF UKRAINIANS

THE SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Michigan (Mr. DINGELL) is recognized for 30 minutes.

Mr. DINGELL. Mr. Speaker, recently on May 27, 1973, my friend and colleague, the gentleman from Michigan (Mr. HUBER) and I attended a mass rally of citizens of Ukrainian descent in Detroit's Cobo Hall. The purpose of the mass rally was to commemorate the 40th anniversary of the man-made famine in the Ukraine in 1932 and 1933.

Mr. Speaker, that famine, induced deliberately by the Communist Party and the Communist government of the Soviet, cost in excess of 7 million lives of citizens of the Ukraine. On behalf of those present and on behalf of right-thinking men everywhere, I insert at this point in the RECORD the resolution adopted there:

RESOLUTIONS, ACCEPTED AT THE MASS RALLY ON MAY 27, 1973, COBO HALL, DETROIT, MICH.

We, Ukrainians, the citizens of Metropolitan Detroit, having gathered today, May 27, 1973 at this mass rally to commemorate the 40th anniversary of the man-made famine in Ukraine 1932-1933, do state:

This man-made famine was not an accident of nature but diligently planned genocide that cost Ukraine seven million people.

We are gathered here today for a mournful manifestation and protest against communist inhumanity.

We condemn most urgently the forced occupation of Ukraine and the biological destruction of the Ukrainian nation by the communist Russian regime of the USSR.

We condemn the Soviet regime's policy of forced and persistent Russification of Ukraine and persecution of Ukrainian intellectuals.

Therefore, we, Ukrainians, the citizens of Metropolitan Detroit, do ask the President of the U.S.A. to speak out in behalf of the unjustly repressed people in Ukraine.

We do appeal to the United Nations to send a special commission to investigate the destruction of basic human rights and freedoms in Ukraine.

In the era of disappearing colonial imperialism we beseech the UN to act on the last and largest of these the USSR and divide it into free and independent nations.

PRESIDUM OF THE MASS RALLY.

DETROIT, May 27, 1973.

Mr. Speaker, I also insert at this point in the CONGRESSIONAL RECORD the summary and highlights of the speech presented by Prof. Mychajlo Smyk, who was the chairman of this event:

The summary and highlights of the speech follow:

THE SUMMARY AND HIGHLIGHTS OF THE SPEECH PRESENTED BY PROF. MYCHAJLO SMYK, CHAIRMAN

In the spring of 1933 an American correspondent William Chamberlain traveled through Ukraine. In spite of severe restrictions, imposed on foreigners, he managed to visit several villages, located between Kiev and Bila Tserkva.

On the way to one of the villages he saw a leaning roadside Cross. The Image of the Crucified Savior was gone, only the Crown of Thorns remained; it struck him as the most appropriate Symbol of the Suffering Ukraine in the year 1933.

Regretfully, this Symbol was and still is the bitter Fate of Ukraine since historical events bound Ukraine to Moscow.

Russia's colonial policy robbing Ukraine of natural resources and systematic Genocide remained consistent through the centuries. It became even harsher when Russian Imperialism took on the garb of communist ideology.

The war of 1919-21 between the Russian-Soviet Forces and Ukrainian National Republic was fought solely for the reason of possessing the Ukraine-Russia's "bread basket" and treasury of raw materials.

Leon Trotsky, the Supreme Commander of Soviet Forces in 1919, wrote: "It is imperative for us to return Ukraine to Russia . . . in lieu of the necessity for the Soviet Government to transport wheat out. Any means to achieve this goal are justifiable."

Lenin himself was in complete agreement with this line of action. After the occupation of Ukraine the resistance of the population prevented Russia from using the Ukrainian resources freely. Consequently, Russia had to use its own people to impose communism on Ukraine.

The struggle was long and hard, culminating in the First massive Famine of 1921, which was a prelude of the organized Famine of 1933.

To regard the Great Famine of 1933 as a separate occurrence would be a grave mistake. It was a pinnacle in the Russian effort either to subjugate or to eliminate Ukrainians.

Neither, ought one believe that the social experiment of collectivization and de-kulakization (kulak-rich farmer) of the peasants were the only reasons for the Soviet made Famine and the loss of 7 million lives.

The process of collectivization went on in Russia-proper also, but with less intensity and brutality than in Ukraine.

In 1929 8.6% of farmers in Ukraine were members of collective farms, as compared to only 7% in Russia.

In 1930 in Ukraine 65% were in collective farms, in Russia only 59%.

By 1932 in Ukraine 70% of the farmers were in collective farms, but in Russia only 59%.

Since the Ukrainian Declaration of Independence in 1918, Ukraine experienced a great Renaissance of National consciousness. The period between 1918 and 1929 was marked by an explosion of Ukrainian Art, Music and Literature—the Era of Ukrainianization.

These events prodded Moscow to initiate a wave of Terror against the Ukrainian Nation. According to Stalin, peasantry was "the backbone of any nationalistic movement", it suffered the first blow.

Hard working, honest farmers were thrown out of their homesteads, or exiled to Siberia. Their land, cattle were incorporated in the collective farms. Thus, 1929 marked the first step toward planned Genocide of the Ukrainian Nation. By 1932-33 trucks, trains, storage bins were full of grain, ready to be shipped to Moscow, but the citizens of "Europe's bread basket"—Ukraine were starving and dying for the Glory of the Soviet, but still Imperialistic Russia.

One fifth of the Ukrainian population, primarily peasants, was murdered; 80% of the intellectuals; writers, painters, musicians and scholars were also annihilated.

Even the Communist Party of Ukraine was purged, 46% of Party members and 49% of the Communist Youth were expelled, jailed, exiled or executed.

By 1933 Moscow intensified the process of Russification in Ukraine: the schools, press and governmental institutions were the prime target.

Even today, 40 years later Russia's policy toward Ukraine had not changed. The process of Russification had been intensified; Ukrainians are being moved beyond the borders of Ukraine: libraries and churches of great historical value are being destroyed; Ukrainian intellectuals and dissenters are either jailed and sentenced to long terms or are being sent to mental institutions. Today, in memory of countless millions in common graves we bow our heads in silent tribute to their resistance and remember that the vil-

lany has not ended and our struggle against our eternal enemy Moscow goes on!

Mr. Speaker, this is an event of great sorrow. It points out the fact that the Soviet Government intends not only to continue its efforts toward domination of the world, but it also points out to right-thinking men everywhere what happens when a nation loses its freedom, as did the Ukraine, when it becomes Communist, and it points out the lack of concern and the great callousness of those responsible and the hardship of the people. It points out the full ability and the determination of the Soviet Government to use any measure to suppress liberty and to achieve its ends.

Mr. Speaker, the Ukraine was for a brief period following World War I a free and independent nation. It lost that liberty and the price of that liberty has been the suppression of all the freedoms of the peoples in the Ukraine and the loss of self-determination by those peoples. It has also been the hardships inflicted, the starvations, the forcible deportations, the loss of life, and, of course, the great Soviet-induced famine of 1932-33, which cost so many lives of so many innocent people.

Mr. HUBER. Mr. Speaker, it was my privilege on May 27 to address the Ukrainian Community in Michigan in Detroit as these Americans of Ukrainian descent met to commemorate the 40th anniversary of the virtual genocide of their nation at the hands of the Communist regime.

The world should long remember that Soviet leaders ordered the inhumane liquidation of the Ukrainian peasantry—some 7,000,000 men, women, and children who were deliberately starved in the winter of 1932 and the spring of 1933.

The Communist Russian Government, by the early 1930's had reached two conclusions. The Ukrainian peasantry must be destroyed because they believed in private property and ownership and opposed enforced farm collectives, and the U.S.S.R. had to transform itself into an industrial state in the shortest possible time.

In the fall and winter of 1932, the Kremlin masters began their drive to achieve both purposes. They collected the bumper crop of wheat raised by the Ukrainians and shipped it abroad, using the income to buy the machinery they wanted. The Ukrainian peasants, left without food, flocked to such cities as Kiev, Kharkov, and Odessa, where they died, quite literally by the millions.

To cap off this act of cruelty, the U.S.S.R. would not permit other countries, including the United States, to furnish aid to the starving millions in the Ukraine.

The Ukrainian descendants in Michigan tell me that the U.S.S.R. has not changed a great deal since 1933. The Kremlin today is savagely russifying the three Baltic countries of Estonia, Latvia, and Lithuania and such non-Russian nations as Byelorussia, Georgia, Armenia, Azerbaijan, and Turkestan, and we all are aware of treatment of Jews by the Russian leaders and the hurdles they

have been placing in the paths of those wishing to emigrate to Israel.

TRIAL AND ERROR—STILL ANOTHER ECONOMIC REMEDY COMING FORTH FROM THE NIXON ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 40 minutes.

Mr. PATMAN. Mr. Speaker, slowly the message has crept into the White House that the people want something done about runaway inflation.

The White House spokesmen now indicate that the President—after months of amazing silence—is contemplating some type of action under the Economic Stabilization Act. This action may be announced as early as tonight if the reports are correct.

History will look on the past 5 months as an amazing period of inaction by the Chief Executive in the face of mounting economic troubles. Only President Herbert Hoover's inaction during the great depression can match the paralysis which has gripped the White House since the disastrous phase 3 was announced.

Over the past 5 months, the figures have been universally bad and they have been available to the President and his economic advisers. Now with the disaster facing the Nation's economy, the President reluctantly indicates he may act.

Mr. Speaker, this is the same President who unleashed his lobbyists—right from his White House staff—to beat back a strong economic controls measure approved by the House Banking and Currency Committee. This bill was beaten down in the House on April 16 and the White House lobbyists sat in the gallery and openly chortled about their success in defeating the measure.

At that time, I stated that the American people would soon realize the serious mistake that the House of Representatives made in defeating the committee's bill.

In May, the first full month after the defeat of the bill on the floor—wholesale prices rose at an annual rate of 24 percent. Since the defeat of the legislation on the House floor, the prime interest rate has risen from 6½ percent to 7½ percent. The discount rate charged by the Federal Reserve banks has risen from 5½ to 6½ percent over this same period.

Mortgage interest rates have spurted since the defeat of the bill on the floor and today, an 8-percent mortgage plus points is not uncommon.

Mr. Speaker, all of us hope that the President—after this long period of hesitation—will come up with a new program that will straighten out the economy and bring about relief from high prices and high interest rates. But the mistakes that this administration has made on the economy since 1969 are monumental and repeatedly the moves have been made reluctantly—repeatedly “too little, too late.”

With this background of mistakes, it

will be difficult for the administration to inspire the confidence of the American people in their ability to handle any new program of economic controls.

We can only hope that the shock waves of recent weeks will have brought the administration to a realization that deeds and action are better than public relations window-dressing embellished with periodic Presidential appearances on national television.

Mr. Speaker, the President's performance under the Economic Stabilization Act has been strange indeed. The Act originated in the House Banking and Currency Committee in June of 1970. Almost immediately the White House launched a bitter attack on the committee for even suggesting the legislation.

Despite these attacks, the Congress did pass the Economic Stabilization Act as part of a broader bill extending the Defense Production Act. In signing this Act on August 15, 1970, the President denounced the controls section and stated that he would never use the authority contained therein.

For 1 solid year, the economy drifted, and finally—with prices moving up at a rapid rate, the President reversed himself and announced that he would use the Economic Stabilization Act. This was on August 15, 1971—a full year after the Congress had sent him the measure.

If the President had used this act in a timely fashion after the Congress passed it in 1970, we would not have the economic troubles which we face today. The President imposed the freeze too late and it hurt the effectiveness of the whole stabilization effort.

The President then compounded his earlier errors by suddenly abandoning mandatory controls on January 11, 1973, and announcing the toothless phase 3 under which prices and interest rates have skyrocketed.

Once again, Mr. Speaker, this is not a record which inspires confidence in any new program to be administered by the same tired old team.

IN HONOR OF MIA'S FLAG PRESENTATION

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

Mr. DICKINSON. Mr. Speaker, as we all know tomorrow is the one day of the year we specifically set aside to pay honor to Old Glory, our Nation's flag.

Since the birth of this Republic we have had many banners—some with varying numbers of stripes; others with unique star patterns—but all have had a common thread in the dedication of men and women who have served in the Armed Forces to protect the red, white, and blue.

This year Flag Day will be exceptionally special—our former prisoners of war are home, free at last to breathe deeply the air of liberty in the land they love so deeply that they gave months and years of their young lives in its service.

You saw and heard how much seeing that Star Spangled Banner meant to

these men when they disembarked in the Philippines. You saw one returnee wave his handcrafted version of Old Glory when he set foot on free soil. Their flags will fly on Flag Day.

But, from the former captives own homecoming words, we all know that these returned heroes will look at those flags and give a thought to their 1,300 comrades who are still unaccounted for—the missing in action. They will think of the thousands we know were killed in the Vietnam war. Yes, they will think of these fallen heroes, as we should also.

With thoughts of these men and the children they left behind, No Greater Love, the project for young Americans of which I am proud to be a National Advisory Council member, will hold a press conference tomorrow here on Capitol Hill in the Rayburn Building. The purpose: To announce that this organization, which was begun by U.S. athletes to help the POW's children over the rough, lonely road while their dads were abused guests of Hanoi, will continue its work on behalf of the children of our missing and killed in action.

Just as the POW's children received gifts and special attention from the men and women of the sports world, so now will these children.

The autographed photos of Brooks Robinson, Wes Unseld, Larry Brown, Al Kaline, Joe Namath, Johnny Unitas, Ted Williams, Don Schollander, the autographed footballs from entire teams, the pennants and baseballs and invitations to sports events will still be sent out on Christmas and birthdays from No Greater Love to the special youngsters.

Appropriately, on Flag Day, 3 days before Father's Day, one of the former POW's will present an American flag that has flown here at the Capitol to the son of one of the MIA's. Subsequently, other children will receive one of these flags on his father's birthday. And there will be other considerations given these youths as they go through the years—or until, we pray, their fathers are found alive, and reunited with their families.

I would like to see as many of you at the presentation ceremony as possible, along with former POW's and the sports personalities. The ceremony will be held at 10 a.m. in room 2212 of the Rayburn House Office Building. Let us join together in this program. Let us support it to the fullest measure. Is this too much to ask on behalf of these youngsters who have given so much of their happiness for the Nation? I think not.

EXPANDING PRIVATE OWNERSHIP

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

Mr. FRENZEL. Mr. Speaker, on March 27, 1973, Senators FANNIN, HANSEN, and DOMINICK introduced S. 1370, a bill to amend the Internal Revenue Code of 1954 to facilitate acquisition of ownership of private enterprises by the employees of such enterprises. Senator FANNIN's excellent statement about his bill

appears on pages 9635 and 9636 of the CONGRESSIONAL RECORD of that date.

Yesterday I introduced an identical bill, H.R. 8590, in the House. The bill's intention is to expand capital ownership in the United States—to broaden the base of capitalism by making it easier for employees to own "a piece of the action."

The bill would amend the Internal Revenue Code to stimulate the growth of employee stock ownership plans. It would provide incentives for corporations to finance and expand through employee trusts.

Successful employee trusts do exist, and their number is growing. A typical plan has the trust borrowing money to buy equities of the employer corporation. The corporation uses tax-deductible dollars to pay off the trust in amounts adequate to amortize the debt. The corporation gets its expansion capital and the employees, usually members of the trust in proportion to annual wages, become the owners of the new stock issued by the employees' corporation.

Without the incentives in this bill, the corporation would borrow money on its own and expand its business. Its capital stock position would not be changed. The ownership would remain the same, and the present owners would be the sole beneficiaries of expansion.

Obviously, not all corporations would be interested in employee stockownership plans. Those corporations who are interested will begin what I believe will be a rapid expansion in the numbers of people owning shares in American industry.

In my judgment, an expansion of the people's capitalism from the current status in which less than 10 percent of our population owns shares of American enterprise would begin the revitalization of the free enterprise system. I can think of few things that Congress can do to preserve and enhance the free enterprise system than to provide incentives to spread its benefits over a greater proportion of our people.

Specifically, this legislation proposes the following changes.

First. Provides that a qualified employee benefit trust shall have the tax characteristic of a charitable organization for purposes of income, estate, and gift taxes.

Second. Provides a tax deduction to corporations for the amount of dividends which they pay on stock held by qualified profit sharing or stock bonus plan trusts, provided that the dividends are promptly paid over to the employees covered by the plan.

Third. Provides for an increase from 15 to 30 percent in the percentage limitation on the maximum annual tax-deductible contribution that can be made to a qualified employee benefit trust.

Fourth. Provides an additional tax deduction for a corporation making a contribution to a qualified profit sharing or stock bonus trust where the trust pays off indebtedness incurred to purchase stock of the corporation. The amount of the special deduction would be 50 percent of the principal amount of the indebtedness paid by the trust during the taxable year of the corporation.

Generally, it would broaden the base

of capitalism, stimulate increased productivity, broadly distribute new income and purchasing power, and give large numbers of working people in this country a whole new interest in our free system.

IMPOUNDMENT-BY-CONTINUING RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 15 minutes.

Mr. BELL. Mr. Speaker, the rapid approach of the next fiscal year presents a crisis requiring immediate action by this body. The crisis stems from the precedent established by the administration of spending policies which blatantly disregard the terms of the continuing resolution covering the Departments of Labor and HEW. It is a precedent which would wipe out several hundred million dollars of ongoing education programs as of July 1.

In other words, Mr. Speaker, our decisions concerning the next continuing resolution will determine whether we are going to adhere to our constitutional responsibility to legislate or surrender that power completely to the executive branch. Our situation is rather like the owner of the cow pasture who fails to object to trespassers—before he knows it, he has granted a legal right-of-way.

Mr. Speaker, it is not my purpose today to get into the entire legalistic debate over impoundment. But this element of the impoundment controversy, this method of impoundment-by-continuing resolution, demands an immediate decision. And if we fail to make that decision here on Capitol Hill, it will be made automatically on the first day of fiscal year 1974.

The report accompanying the last continuing resolution stated that the level of appropriations for Labor-HEW programs would be determined by reference to the lower of the House or Senate versions of H.R. 15417. This could not have been made more clear. Colloquy both in this House and in the other body explicitly reiterated the level of funding provided by the resolution. I quote:

Mr. PERKINS. As I understand, under the general rule one determines the amount appropriated by reference to the two versions of the first Labor-HEW Appropriations Bill for fiscal year 1973. One does not refer to either the fiscal year 1972 appropriation or the fiscal year 1973 budget estimate . . .

Mr. MAHON. The continuing resolution provides that the executive branch will proceed under the lowest version of the bill which passed the House and Senate in June of last year . . .

And in the other body, this colloquy took place:

Mr. MONDALE. As I understand it, reference is to be made only to the House and Senate bills of last June and no reference is to be made to either the appropriations for fiscal 1972 or to the administration's budget request for fiscal 1973.

Mr. McCLELLAN. The Senator is correct. The controlling factor is the lower of the two amounts—the amount of the House item and the amount of the Senate item in the appropriation.

Despite the clarity of all of the language involved here, Mr. Speaker, the administration is nonetheless spending by reference not to the continuing resolution but by reference to the budget request for fiscal 1973. In a letter responding to an inquiry from me on this point, the Secretary of Health, Education, and Welfare stated:

The Department is in fact maintaining its level of expenditure wherever possible at the rate established in the President's revised 1973 budget request as submitted to Congress on January 29, 1973.

A similar letter from Labor Secretary Peter J. Brennan stated:

The Department of Labor's actual operating level for fiscal year 1973 is the President's budget request for FY 1973, as revised by the Budget Document submitted to the Congress in January of this year.

Earlier this year my inquiries about this level of spending prompted replies to the effect that the continuing resolution had been "interpreted" as containing a third applicable reference point: The 1973 budget request. Since no reasonable person could possibly read into the resolution this third reference point that simply was not there, the administration changed its reason to one amounting to straightforward impoundment. Reading into the resolution language which is not there—or simply impounding the funds—are merely two different paths leading to the same use of the budget request—a use never intended by the Congress.

Our failure to insist on adherence to the terms of the continuing resolution has permitted the administration to establish a precedent during fiscal 1973 that would be devastating if followed during fiscal year 1974. For example, the administration's proposed plan for education revenue sharing would fold 32 programs into a new spending authority. Part of this consolidation plan, however, calls for the complete elimination of certain other education programs presently being funded. The 1974 budget document not unexpectedly reflects the administration's assumption that the Congress would approve not only the revenue-sharing plan but also the termination of these other programs—and thus the budget contains zero funding for these programs. But, Mr. Speaker, the House has not yet acted on the proposed legislative package.

It is my understanding, furthermore, that certain education programs which would be zero funded under the 1974 budget request would in fact be funded under the subcommittee draft of the 1974 Labor-HEW appropriations bill. On the authorizing side of the argument, the tenor of the Education and Labor Committee is in the same vein—proposals to terminate program authority are meeting with little support among my committee colleagues. Thus, we have a situation where both the authorizing and appropriating processes would continue these programs beyond July. But all of these efforts will be mere wheel spinning if the continuing resolution does not explicitly mandate the continued funding of these programs pending the final decisions of Congress.

A "continuing" resolution should be just that, Mr. Speaker. It should preserve the status quo while the Congress has the opportunity to make the decisions they are constitutionally required to make. To the extent that a fiscal 1974 continuing resolution permits the administration to terminate programs altogether, it is permitting the administration to legislate by reference—reference to a budget document reflecting profound changes in existing programs—a budget document whose contents can be changed by a stroke of the pen.

I fully recognize that the budget document is and has been a standard reference point under continuing resolutions in the past when neither House has acted on appropriations. But that has not been the case this year nor, presumably, will it be the case on July 1. But the critical point is that the use of the budget document would not continue these programs; it would eliminate them.

As of today, school officials all over this Nation are in the untenable position of not knowing whether to fire employees whose jobs depend on some of these programs. I urge as strongly as possible that the Appropriation Committee prepare a continuing resolution that mandates explicitly, leaving no room for interpretation of any kind, the continuation of all programs scheduled for termination under the budget request until the Congress has the opportunity to decide their future—or lack thereof—in an orderly fashion.

I have today sent the following letter to the chairman of the Appropriations Committee:

HOUSE OF REPRESENTATIVES,
Washington, D.C.

Hon. GEORGE H. MAHON,
Chairman, House Committee on Appropriations, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed for your review is a speech prepared for the floor in which I express my deep concern about the status of various HEW programs, especially some education programs, under the terms of the continuing resolution that undoubtedly will be needed next month.

Assuming that the House will have acted on the Labor-HEW appropriations bill by that time, my understanding is that the continuing resolution would ordinarily provide for the continuation of the programs at the lower of the House-passed appropriation bill or the current rate. While not particularly desirable, this level of operation would at least be tolerable. What concerns me is the danger that the administration would interpret its authority under the 1974 continuing resolution the same way that it has under the 1973 resolution, i.e. that despite the language of the resolution it will spend at the level of the budget request. Translated into practical terms, this would mean the complete unilateral termination of on-going programs as of July 1.

Both your committee and my committee are presently considering the future of these very programs. It would be intolerable in my view if the Congress were to permit a situation wherein the executive branch can end-run our deliberative process and wind up virtually legislating by reference to the budget request.

I therefore want to join with the many school officials who have already contacted your committee to urge as strongly as possible that the continuing resolution contain language mandating, not merely permitting, the continuation of these various programs

until such time as the Congress can make its final decisions concerning them.

With appreciation for your attention to this urgent request, I am

Cordially,

ALPHONZO BELL,
Member of Congress.

DOES ERA ILLUSTRATE "REPRESENTATION GAP"?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, slightly more than a year ago the U.S. Senate overwhelmingly approved the so-called equal rights amendment guaranteeing full equality of rights under the law regardless of sex. Only eight votes in the entire Senate were cast against it. Since the ERA had been approved by a similarly lopsided margin, with only 24 negative votes, by this House in October of 1971, the Senate action dispatched the proposed amendment to the several States, where, it was confidently expected, it would be promptly ratified. My good friend, the distinguished Senator from Texas, JOHN TOWER, said as he prepared to vote for the measure:

When the results are in, I have little doubt that this amendment will be ratified, most probably in record time.

If one had judged solely by the verdict of the Congress in its vote on the measure, it would have been difficult to disagree with Mr. TOWER's formulation. Yet what has happened since then illustrates what I have often referred to as a "representation gap."

What has, however, been the fate of the ERA in the State legislatures which must say the final word on amending the Constitution? At first it appeared that the equal rights amendment would indeed be ratified in record time. Within 16 days after receiving the amendment, 11 States had ratified it without really debating the measure very extensively or soberly considering its consequences. But then something happened. The average American woman began to realize that something not very desirable was going on, she began to feel vaguely that there was something much more to this amendment than originally met the eye, that it was in fact what the Senator from North Carolina, Mr. ERVIN, had termed:

The most drastic proposal for amendment of the Constitution ever recommended or supported in the history of this Nation.

And they began to organize politically to fight the equal rights amendment at the last constitutional barricade, in the State legislatures. At first their task might have seemed hopeless. Both Houses of Congress had passed it by overwhelming margins. The President of the United States had indicated his support for it. The highest echelons of the Republican and Democratic parties supported it. It had the backing of many large and influential women's groups and other political organizations. The major communications media were all for it. And it had already been ratified by a number of States by the time the amend-

ment's opponents began to rally organized opposition to it.

Yet, what has been the result? In the space of only about half a year, the seemingly unstoppable momentum of the ERA has been halted and, if anything, reversed. True, some 30 States have ratified the amendment but only two since the beginning of the year, and 19 have refused to ratify, with action by one still pending. Moreover, of the 30 which have ratified, one—Nebraska—has voted to rescind its action, and nine others, realizing that they acted too hastily to begin with, are considering rescission.

We have still 6 years to go for the ratification process, and the pro-ERA forces are resourceful, energetic, and determined. Even after the steady series of reverses which the ERA has now suffered in the States, one cannot safely predict that it will never be added to the Constitution. The New York Times on May 24, published an extensive report on the organizational efforts now being made by pro-ERA groups to secure ratification within the next 2 years.

Mrs. Phyllis Schlafly, the most prominent spokesman for the anti-ERA coalition, has called the amendment a "terminal case." Let us trust she is correct in that assessment. In any case, the chances are now good that it will fail and if it should win through it will almost certainly be by a narrow margin and not at all in the way it passed both Houses of Congress here in Washington. And that fact alone should give us food for thought.

Why do the people at the grassroots object to that which seemed so patently acceptable to the Members of this House? For one thing, they realize that it would introduce what Senator ERVIN called "legal chaos," that it would, as he said:

Invalidate thousands of laws which make legal distinctions between men and women, many of which are based upon entirely rational grounds and a recognition of the fact that God did create two sexes.

In other words, the States have come to see that ratification of the amendment would lead to the wholesale dismantling of an entire area of legal doctrine granting women certain privileges and dispensations and which the great majority of American women certainly wish to preserve.

The amendment's backers, for example, explicitly and firmly rejected modifications which would have continued women's exemption from the military draft. As my able colleague from Indiana (Mr. DENNIS) said during the House debate:

It does not make sense to write into the Constitution of the United States a proposition which means that if we ever have to draft men, we have to draft women, and if we ever have to draft fathers, we have to draft mothers.

The lobbyists for ERA claimed this was precisely what American women wanted, and because there was no countervailing voice in these Halls at that time, too many Members of this House, sometimes reluctantly and against their better judgment, voted for the ERA despite this prohibition.

The Senator from Kentucky, Mr.

Cooper, said this in so many words before the vote:

I am doubtful that the amendment is really needed, but I have the belief that the women of this country believe it is needed, and that they want Congress and the State legislatures to express their full equality. I shall vote for the measure.

When the amendment's opponents, especially during the Senate debates, raised serious questions about the radical legal ramifications of the amendment, its prime sponsor, Senator BAYH usually replied soothingly to the effect that of course commonsense would temper the practical application of the far-reaching principle of nondifferentiation on the basis of sex.

But the junior Senator from New York, Mr. BUCKLEY, expressed severe doubts about the willingness or ability of the courts to follow Mr. BAYH's commonsense approach when he said:

I would like to suggest, however, on the basis of our experience with the sometimes extravagant extension of newly defined rights in other fields, that in due course extremist groups will demand, and some Federal regulators and some Federal courts will concede, other interpretations too bizarre to contemplate.

Mr. BUCKLEY was absolutely right. We already have experience on the local level—specifically in the State of Maryland, which has added an equal rights amendment to its State constitution—as to the absurd and extreme legislation which the advocates of sexual equality have hastened to introduce in implementation of the principle of nondiscrimination on the basis of sex. "Bizarre" is indeed an appropriate adjective for many of their proposals.

The States are also justifiably worried about the federalization of the entire matter of legal distinctions between the sexes which would be mandated by the amendment. This is combined with the recognition that a constitutional amendment is a much more radical, sweeping measure than is really needed to eliminate the remnants of unjust discrimination on the basis of sex which still exist. In short, these abuses can best be eliminated by legislation aimed precisely at them, and carried out at the State level. These points were made very well by the only woman in the House of Representatives to vote against the ERA, the Representative from Missouri (Mrs. SULLIVAN) when she said during the debate:

What is the matter with women in any State who permit a State law to remain on the books which is clearly discriminatory? Missouri has no such laws. Our women were instrumental in eliminating them. I suggest the women of other States do likewise.

The State legislatures recognize, I believe, that ratification of the ERA, in addition to introducing "legal chaos," would lead to a very substantial erosion of already greatly weakened local authority. And this is an excellent reason for them to reject the amendment.

It is not my purpose here to detail all the arguments against the ERA. I voted against the amendment without any doubts. The actions of the States since then confirm me in my belief that I was correct in opposing it. But the really in-

teresting question is this: Why, in the matter of the ERA, was the Congress of the United States so massively out of touch with the sentiment of the population as a whole, with the popular will? I think that question is worth dwelling on for a moment.

One major reason for this is that the proponents of ERA organized themselves very effectively and concentrated their resources here on Capitol Hill. Many Congressmen's and Senator's offices were simply besieged at that time by zealots for the feminist cause who would not take "no" for an answer and who insisted that they spoke for nearly all women in accepting the most radical consequences of the principle of nondiscrimination on the basis of sex.

Some offices never heard from a visitor with anything different to say, because the opponents of ERA were not organized at the time and did not realize what was being done to them. The proponents of ERA are the sort of people experienced in putting across their point of view here at the center. They are not nearly so good at it out in the States. We have been exposed to many instances of this sort of operation recently. For example, when some of us are visited by lobbyists from distant places opposing President Nixon's termination of certain domestic programs who tell us of all the benefits the localities derive from those same programs, we occasionally suggest that, if the programs are indeed so beneficial, then the local authorities will be pleased to take over their funding through revenue sharing.

The lobbyists are usually appalled at this suggestion, and one can only surmise that the programs in question often are not considered very essential by local officials and will not in fact be funded. The only hope for funding—or enactment, in the case of the ERA—is through persuasion of the Congress, which is both compact and therefore easily targetable, and also generally unaware of local conditions. We too often take the lobbyists' word for it that the programs in question are beneficial, and do not obtain any independent information from the field. If we had done this in the case of the equal rights amendment, we might well have discovered for ourselves that the zealous lobbyists in our offices did not speak for so very many women after all.

A second reason for the discord between Congress' adoption of the ERA and grassroots sentiment is the one-sided information available to us. Not only were the feminist organizations available to gather material and draft statements for ERA supports in the Congress—a resource which its opponents generally lacked—but the committee hearings, supposed to provide us with information on legislation, were generally one-sided and biased. This was especially true of the Senate hearings, less so of the House hearings.

And this is a problem which national legislators of conservative persuasion must face on a whole range of issues. Congressional committees and their staffs, as we well know, are under the control generally of people who sincerely believe in the steady extension of Federal

intervention into all areas of the national life. Consequently, committee reports often read like briefs on behalf of whatever legislation a given committee is reporting out, and those opposed to the legislation are given precious little material with which to work.

In this connection I would urge that we seriously consider a proposal made recently by the junior Senator from New York, Mr. BUCKLEY, in an article published on February 2 of this year in *National Review*. He wrote then:

It might be desirable to require that every committee report outline as objectively as possible the principal arguments for and against each new legislative proposal, even when the bill is in fact unanimously supported by the entire committee.

I should think that such a modest and reasonable requirement as this could significantly improve the quality of the legislative process in the Congress—such a thing as merely requiring a serious outline of the chief arguments both for and against proposed legislation.

I should add that in order to obtain the arguments on both sides, committees ought to invite witnesses both for and against any proposed piece of legislation. If no witnesses do appear on one side or the other, the committee staff must be able to show that it has made a serious and good-faith effort to discover and invite such witnesses, but that this effort was unsuccessful. This would necessitate very little effort on our part, probably, but it could certainly reflect most beneficially on the quality of the legislation we do pass.

If the committee system with its staffing cannot or will not provide us with balanced and objective information on proposed legislation, and if we feel—as we too often do—that we are inadequately informed on a bill, then we ought to make it a rule of thumb to vote "nay" rather than "yea" when we are uncertain. Proposals once rejected can always be reintroduced—as, by the way, the ERA was for many decades—but a program once initiated is exceedingly difficult to terminate no matter how much harm it does.

We have this year had vivid examples of this with congressional reaction to the President's desire to end certain useless and sometimes even damaging programs. Once begun, Government programs acquire a momentum of their own. It is this ever-accelerating momentum which has brought us the monetary inflation and excessive governmental interference in our lives from which we now suffer.

The striking difference between the fate of the equal rights amendment in the Congress of the United States and in the several States should give us cause for reflection. So far the dedication of what Senator ERVIN called that "exceedingly small band of stout-hearted Senators" who opposed ERA—and the small group of Members of this House—has been vindicated.

But there is great reason for concern when we who were in such a small minority in a legislature supposed to represent the popular will can turn out to have represented a very major current indeed in our political life at the local

level. It shows that something is not quite right in the political process in Washington. I have tried to isolate certain reasons for this "representation gap" in my remarks today. I have offered them seriously. I hope they will be seriously considered.

RENT CONTROL AND THE NEEDS OF PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, today I am reintroducing with 14 cosponsors an important measure for the 37 percent of Americans who rent their dwellings. My measure would roll back and stabilize rents at the levels of January 10, 1973, until June 30, 1974, the date the current moratorium on Federal housing funds—imposed by the Nixon administration—is set to expire. Landlords would be permitted to raise rents only to cover any increase in taxes or because of "necessary capital improvements" to the housing unit.

We have all heard reports that the President will shortly announce some new form of economic controls but we have, unfortunately all come to realize that Nixonomics will not do anything to help the working people of America. We have also come to know that Nixon will not consider the particular problem of soaring rents. The low- and middle-income people of the Nation are buckling under the skyrocketing cost of living. Their plight cries out for immediate relief. Along with the price of food, the cost of rent is a major component of the burden these people—especially—in our major cities—are currently bearing. This bill would substantially alleviate this burden.

Another provision of my bill indicates that if a State or locality has its own rent control laws, the Federal law would apply when it would result in a lower unit rental. In New York City, the measure would prevent the unbridled increases currently permitted under the State vacancy decontrol law and would have the effect of nullifying recent rent increases in tens of thousands of units there.

I would like at this time to include the text of my bill and the 14 cosponsors: HERMAN BADILLO; FRANK BRASCO; JOHN CONYERS; AUGUSTUS HAWKINS; HENRY HELSTOSKI; PATSY MINK; PARREN MITCHELL; WON PAT; BERTRAM PODELL; CHARLES RANGEL; ROBERT ROE; BENJAMIN ROSENTHAL; FORTNEY (PETE) STARK; CHARLES H. WILSON of California.

H.R. 8621

A bill to provide for equitable rents under the economic stabilization program
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (h) of section 203 of the Economic Stabilization Act of 1970 is amended to read as follows:

"(h) (1) Notwithstanding any other provision of this Act, the President is authorized and directed to stabilize rents at levels prevailing on January 10, 1973. Thereafter, the President shall only allow rents to increase by the actual amount of any increase

in any tax, fee, or service charge levied by a State or local government and any necessary capital improvement after the beginning of the preceding period of occupancy (and not previously charged to any lessee) and allocable to that residence.

"(2) The President may roll back rents to levels lower than those prevailing on January 10, 1973, to carry out the purposes of this Act.

"(3) This subsection shall preempt the applicability of the provisions of State and local rent control laws with respect to a rental unit only to the extent that such laws operate to permit to be charged for such unit a rent in excess of that permitted by this subsection."

NO PHANTOM JETS FOR SAUDI ARABIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida, Mr. LEHMAN, is recognized for 5 minutes.

Mr. LEHMAN. Mr. Speaker, the U.S. Government is about to approve the sale of high-performance F-4 Phantom jets to Saudi Arabia.

We have been providing weapons to Saudi Arabia such as the F-5 Freedom Fighter and the Hawk ground-to-air missile since 1956. These weapons have been justified as being primarily defensive in nature.

But the Phantom is an offensive plane which poses a grave threat to Israel's security.

Saudi Arabia, a feudal dictatorship, considers itself to be engaged in a holy war against the democratic state of Israel.

Former King Saud once said that the Arabs should be willing to sacrifice 10 million men to destroy Israel. King Faisal has been equally threatening.

Saudi Arabia still bars Jews from entering the country. It strongly objects to Israel's presence in Jerusalem. It has always challenged Israel's right of free passage through the Straits of Tiran. Its frontier is just a few miles from Eilat and Israel's oil pipeline.

Providing Phantoms to Saudi Arabia will definitely threaten the stability of the Middle East. With Phantoms based at Tabuk where they could reach any target in Israel and return to base, the current balance-of-power, so essential to the maintenance of the present ceasefire, would be clearly jeopardized.

The United States insists that these planes would be used only for defense and could not be transferred to another Arab state.

While Saudi Arabia may promise not to transfer these Phantoms to Egypt or any other country, no one really believes that such an agreement can truly be enforced.

Back in the 1950's, the United States armed Iraq until a radical group overthrew the government, inherited the weapons, expelled the Americans, and gave their full support to Russia and Egypt.

In 1966, our Government assured Israel that Jordan would not use its new American tanks against Israel. When war came, the assurance proved worthless as the Arabs sent their American tanks across the Jordan River to attack Israel.

Today, Egypt is busily engaged in building up its arsenal for the next war which it insists must soon begin. Despite solemn promises of non-transferability, French Mirages have been sent to Egypt from Libya, British Hunter jets are reported to be on their way from Iraq. British Lightning jets may be coming to Egyptian bases from Saudi Arabia.

In light of these reports, some of which have been confirmed by our own intelligence services, I do not see how we can claim to act responsibly in the Middle East if we intend to provide the Arabs with American warplanes so that they can renew their attack against Israel.

Let us consider what this new American action would do to the long-range prospects for peace.

The Arabs will never make peace with Israel if they think she is weak and can be destroyed. Our new arms deal with Saudi Arabia and perhaps Kuwait may total \$1.5 billion.

To this must be added a \$600 million training agreement with the British and an unknown arms deal being worked out with the French.

If all of these arms agreements tilt the balance of strength in favor of the Arabs, what hope can there be for a negotiated peace?

Some have made the argument that by providing new warplanes to Saudi Arabia we will assure ourselves of a continued flow of Arab oil.

Let us all remember that America settled this question of submission to Arab blackmail back in 1801 when we stopped paying tribute to the states of Barbary. I cannot believe that anyone wishes us to return to such a policy.

Let us also remember that the American people have long been proud of our relationship with the courageous nation of Israel. They recognize Israel as a strong country which has the will to defend its freedom.

The American people do not want to see their Government arming the enemies of Israel.

The American people do not want us to sell American Phantom jets to Saudi Arabia.

AMERICA IS HEADED FOR ANOTHER SERIOUS CRISIS

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 10 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, America is headed for another serious crisis. I am reading daily in the newspaper, hearing constantly on the radio, watching on television, and being briefed by my constituents of the forthcoming serious impact that is being thrust upon us by the so-called fuel shortage. I have been prompted to take a serious in-depth look at just what we can expect, and what I am finding out is not exactly what I am hearing or reading. There are Americans being seriously affected by the crisis. However, it does not appear to be any of the so-called major oil companies who are telling us that enough fuel is not available to meet our Nation's needs.

It is not the large retail outlets in our major metropolitan centers. No, Mr. Speaker, it is again that same group of forgotten Americans of all nationalities, races, and creeds, those who pay taxes, are the first to come to the defense of our Nation, support their local government and schools. Yes: The so-called middle Americans. Included in this group are farmers, service station dealers, oil distributors, small building contractors and others who depend upon an orderly supply of petroleum products to operate their businesses. I am concerned about these people. When I learn of one of my constituents who has invested his life savings in a retail gasoline outlet, and who was doing a thriving business, is being threatened with losing everything that he has, I am disgusted.

But, Mr. Speaker, when the same company that cut him off comes in and wants to buy his accounts, I am disgusted. When I hear that 85 farmers being supplied by a small oil distributor are unable to secure gasoline because it is not readily available, I take great interest in their problem. When I become aware of the serious farm fuel supply problem that is upon us, I also get apprehensive about all Americans who are touched the hardest by the instability this brings about in our economy. Mr. Speaker, I watched on the Today Show this morning, a sad story relating to the rural community of Cedartown in my sister State of Georgia. Ten of 14 independent service stations operated by local taxpaying citizens, owned by a native son, were forced to close their doors and withdraw service to their customers because no fuel was available. We often hear that from one small acorn, a mighty oak grows. Mr. Speaker, today we are seeing the mighty oaks crush the acorn. Is this the reward for a job well done? I say "no." I say it is selfishness.

The Congress spends many hours of deliberation dealing with the problem of the small businessman. We have an agency of the Government established to handle their problems with officers in every State of the Union. We debate almost daily on the impact of inflation upon our people, rising food cost, rising medical care costs and other inflated purchases that these people must make. We are about to completely upset the apple cart, because if this Congress does not act to assist the farmer, the small businessman and others, the products which the farmers produce, the markets that are supplied by the small businessman, and the services offered by others in middle America will become ever more scarce.

Mr. Speaker, we can ill afford to neglect any longer this problem. Under consideration in the Interstate and Foreign Commerce Committee now is Senate bill 1570 introduced by my good friend, the distinguished Senator JACKSON from Washington and approved overwhelmingly by the Senate. This bill gives the President the authorization to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the National Distribution System which jeopardizes the public health, safety, and welfare of

our people. We need to get on with the business of acting on this bill and I hope that my colleagues on the committee are working diligently to report it to us at the earliest possible time. While we await their action, I want to encourage each of my friends in the House to do everything possible to secure prompt action from our friends in the petroleum industry to meet the needs of our people.

PAROLE BILL HEARING SCHEDULED

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

Mr. KASTENMEIER. Mr. Speaker, Subcommittee No. 3 of the Committee on the Judiciary announces 2 days of public hearings on H.R. 1598, the Parole Reorganization Act of 1973. The hearings will be held on Thursday, June 21 and Thursday, June 28, 1973, in room 2226, Rayburn House Office Building at 10 a.m.

Witnesses will include:

Hon. Maurice H. Sigler, Chairman, U.S. Board of Parole.

Hon. Antonin Scalia, Chairman, Administrative Conference of the United States.

Hon. Norman A. Carlson, Director, Federal Bureau of Prisons.

THE FOURTH DISTRICT OF PENNSYLVANIA VIEWS THE ECONOMY

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

Mr. EILBERG. Mr. Speaker, for months now the country has been agonizing over the state of the economy. Prices on basic commodities, especially food, have risen disastrously.

While economists, Members of Congress, consumers' organizations and private citizens have called for action, the White House has been silent except for statements that everything is going to be all right in a few months. Unfortunately, each of these announcements push the big day farther into the future.

Now it is apparent that even the President has realized that something is wrong. Rumors have been circulating that his advisors are planning phase 4 and this morning it was announced that Mr. Nixon will go on television tonight to tell the Nation about his new economic game plan.

It is my hope that he has decided to take the bold steps necessary to check inflation which will restore confidence in our Nation's economy both at home and abroad. This is also the hope of the people of my district in Philadelphia.

Last week, I sent a questionnaire to the more than 160,000 homes in the district. This morning my staff tabulated the first returns and they show a clear dissatisfaction with phase 3 and a demand for tight controls on wages and prices, including food.

Ninety-three percent of those who have replied so far believe phase 3 is a failure and 86 percent want "comprehensive wage and price controls."

I wish to emphasize that these returns come from all areas of my district and the answers to other questions indicate that these are the feelings of both liberals and conservatives.

Mr. Speaker, the people realize that strong action must be taken and they are willing to make sacrifices now if they can be sure that these sacrifices will be shared equally and that the future rewards will also reach every level of society.

It is my hope that the President has reached the same conclusion.

At this time I enter into the RECORD the first tabulation of my poll.

[In percent]

	Yes	No	Undecided
(a) Do you believe the President's phase III "voluntary control" economic policy is working?	1	93	6
(b) Would you favor a return to comprehensive wage and price controls?	86	7	7
(c) If price controls are put into effect again, should they include food prices?	94	5	1
(d) Have the increases in food prices caused a change in the kind or amounts of food you buy?	89	10	1
	More	Less	Same
(e) Are you buying more or less:			
Meat	0	87	13
Poultry	43	31	26
Fresh fruits and vegetables	15	59	26
Canned and frozen foods	27	26	47

SELF-REALIZATION—A GOAL FOR US ALL

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

Mr. BURKE of Massachusetts. Mr. Speaker, on May 28, I had the honor and privilege of attending the annual Honors Convivium of Quincy Junior College in Quincy, Mass. Quincy Junior College is the only municipally sponsored public institution of higher learning in the South Shore area, and will soon be unique within the Commonwealth of Massachusetts. The college serves 2,325 students, and will soon extend its services to cover five more towns on the south shore.

The purpose of this banquet was two-fold. First, well-deserved recognition was accorded to Mrs. Maude Johnson, a tireless and dedicated woman whose constant efforts and hard work have served the Quincy community. The division of continuing education has established a scholarship in her name to be used to assist students enrolled in the evening programs. This way, the college and the students will always be mindful of Mrs. Johnson's tireless work on their behalf. Second, the banquet was, of course, to give well-deserved recognition to those students who have maintained records of high academic excellence.

Keeping in mind these two purposes, Joseph P. Cunniff of Quincy delivered an appropriate address to those who were gathered at the Red Coach Grill in Hingham that night. In his talk, he tried to put across some of the values and ideals that he holds dear, tying in the

concepts of truth, religion, education, and philosophy with self-realization. I found his speech to be most enlightening and thought-provoking. For these reasons, Mr. Speaker, I would like to submit it to you, so that others may share in it, and find, perhaps, some substantial "food for thought."

The speech follows:

Dr. Creedon, Dr. Pierce, Congressman BURKE, Mayor HANNON, Members of the QJC Board, Faculty, and the students we are honoring tonight.

I feel this was an excellent dinner—why shouldn't it be it was free. Now let us sit back and relax and ponder food of a different nature—food for thought. Earlier this week I was pondering and reflecting upon some thoughts I would like to share with you; thoughts which I hope you will ponder as you go through your college life and into the world of work. I say share because they have touched the very basis of my own life. If you listen carefully and piece them together they form a word—I call it mnemonics.

My mother who is dead a few years and who also was an immigrant to this country made a statement to me when I was in high school and has left quite an impression on me all these years. . . . That I would never be secure in this life, but as long as I live I would always have need of spiritual arms. That I will be in the midst of enemies, and that I will be assaulted on all sides. How true it is . . . living in this divided, pluralistic society we sometimes have to search through the wreckage for the traditional values. Yes, we are a shook up generation living in an anxious age. We are living in an era with the unenviable distinction of the first time in history it is possible to destroy civilization and wipe out the human race perhaps within a few weeks. And just a few years ago we were talking about the achievements of science and technology that was the thing. We were filling our homes with new gadgets designed to make work easier and pleasanter. And then suddenly we read in the newspapers the rumblings of a hostile power grown to stature in less than a generation, a power we really saved from annihilation threatening us with a shout of "we will bury you."

These anxieties and tensions which grip so many of us are heightened by the feelings of frustration of our inability to take any strong action to relieve our fears. Then frantically (Yes, desperately) we reach out for the truth (eternal truth) more certain now that while science and technology can destroy us, they lack the power to save us. Then the fault lies not in the product but in the user. Scientific achievements in the past 60 years have surpassed the preceding 500 years. However, man's moral advance has lagged far behind and from what we can see and read . . . is faltering fast. Edwin H. Markham said:

"We are all blind until we see that in the human plan nothing is worth the making if it does not make the man."

"Why build glorious cities if the man un-built goes; in vain we build the world unless the builder also grows."

Folks, in this disillusioned, shaken, jittery and anxious world of ours we seem to be reaching and searching for ideas which make us free. You really only have to lift your eyes, heart and mind to the one who holds this universe in his hands. If you have your religion hold on to it don't be a stranger in paradise.

Speaking of social pressures as I did a moment ago—to me there is no discipline as important as economics. To me it far outranks everything—if there is one idea you must grasp now to understand how societies function, it is the idea of interdependence of segments of life on the whole society. When

Mayor White of Boston (or for our purpose here, Mayor Hannon) says the problems of our country are in the cities. How true it is again. The American city although almost last in the hierarchy of the intergovernmental structure that rules our nation does maintain an operational primacy in dispensing our common resources, and I hope for the common good. And those who are working to resolve the problems of unemployment, transportation, poverty, taxes, social isolation, educational deficiencies, racism and crime. . . . They have to be commended. We have skyscrapers tangled beside skid rows: We have humans crowded together, and we have the innocent children who come too, daily, with brutality of an institutional nature as well as of a personal nature. You know we are in a system of administrative arrangements and social conveniences. We have crowds of people each trying to carve out some happiness and all we find is confusion, strangers and in a type of world we seem to have never made.

Our economy doesn't run itself—why, it doesn't even come close to it. Perhaps your principal reason to study economics was to understand that the laws of economics must be obeyed—primarily that governments should not interfere with the operation of an economy. Anyone who thinks like that courts disaster, furthermore.

You are part of the government—speak out and base them on your value judgments. Help us stick together for so many are confused and without roots, so many are searching for meaning and yet lack security. Help them you can thru economics.

The future is dark, the present burdensome, only the past is dead and that bears contemplation. All too many of the educational ideas of the past have survived and are found today in our modern mind. Some are outdated, some useful, some through derision fall into oblivion. The ones that survive are added to our knowledge known as science, and to that of the valid reasoning known as philosophy. Some years ago the Quincy schools were interested and I hope still interested in a system of values. While I hope each of us has a system of values it took a course in philosophy to develop mine and make it more meaningful. Surprising enough it was in the very early '60s that I took it with Dr. Creedon. While exploring philosophers, you draw out ideas which can help you and be put to use to help others.

I became very interested in the philosophy of Thomas Jefferson. His aims on education and nationalism. What our leading statesmen have thought throughout all of the history of this country is as true today; a free people can remain free only when they know well the great principles and causes upon which their happiness depends. Of course, I have other favorite philosophers from Thomas A' Kempis to John Dewey. Develop your philosophy and stick with it.

My next two reflective thoughts concern education and teaching. Let me start with a quote from Alfred North Whitehead because I think it appropriate . . . "our minds are finite, and yet even in these circumstances of finitude we are surrounded by possibilities that are infinite, and the purpose of human life is to grasp as much as we can out of that infinitude." Then the problem of education, the same as with life, becomes that of establishing for the individual the most effectual relationship with the environment that surrounds us. Right now our country yes, our world is involved in a crisis such as history has never witnessed. It's in values in the things men live by. When you start thinking about education—think in terms of objectives—self-realization, human relationship, economic efficiency, and civic responsibility. It can be correctly resolved in the home, the fam-

ily, the school, the church, the business world because we hope education and teaching help to equip men to become fit to live in a free society. Each and everyone is a teacher of a sort. We pass on to others information we have learned. We are in a way theorists. Some of the problems that confront you as teachers, parents, administrators, legislators, counselors, students to be developed are:

Is it education for the benefit of society conformity; is it selective education as imitation or memory, education for men, applied learning.

vs

Or for the individual; or for original thinking; or universal education; judgment or creative thinking, women as well as men, learning from books for its own sake.

I hope we have started you towards a goal—keep at your education and teaching.

How? Organize yourself as a business with the profit motive in mind. Structure yourself like a table of organization. Sounds like a principles of management course. Industrial organization is a means by which human resources, assets, money and time are coordinated into efficient productions for products and services. For your own product development—have you selected. The field you are going to specialize in might be highly competitive purchasing—have you bought from your professors, the materials, the parts, the supplies, the tools to equip you in life?

Manufacturing—make your own product, put your own distinctive imprint on it, your hallmark, and then carefully market it, sell it, promote it and service it. Now I don't want you to go about parading yourself as a business unit, but you must organize and administrate yourself—take the initiative. You can succeed. How?

There is always a better way and it can be found. In industry, methods improvement is to find a better way. Those seeking to improve methods question the product, the process, the job, you do likewise, well, every thinking person is continually brought face to face with the need to discriminate between what is true and what is false, what is probable and what is doubtful or impossible. These decisions rest on a combination of knowledge, faith, common sense and intelligent guessing. In one way or another we decide whether the road to Quincy Square is icy and I should take the MBTA; and whether the threatened layoff at General Dynamics will take place after all. Any adult has acquired techniques for verifying these reports and rumors.

I hope at a QJC we have taught you to use this reflective thinking to search for the truth in civic and economic matters. By seeing and foreseeing and weighing the consequences of alternative actions. When you as an individual come to a forked road in your life—you must take one turn or another; you think reflectively about it, you explore the consequences of going in this direction and then weigh the consequences of going the other. You don't think reflectively when you imitate some so-called authority or stubbornly choose one way without giving consideration to the other. What you really did was researched it thoroughly.

You know I have been talking for about 20 minutes and perhaps you are saying, "Boy, am I confused." I started out by telling you things that affected me personally. I tried to transfer them to you by reviewing important ideas, told you to organize them like a business, improve them, sift them, discard them and then say "What's it all about Alfie." Yes, the highlights spell a word, a word which I hope you can remember and develop in your life accordingly. It's a word you honored guests can go out of here and place in your repertoire, religion, economics, philosophy, education, organization, initiative, research, evaluation. Amen.

THREE MILLION SEVEN HUNDRED AND TWENTY THOUSAND POUNDS OF MANMADE DEBRIS REMOVED FROM NORTH BRANCH OF THE CHICAGO RIVER

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

Mr. ANNUNZIO. Mr. Speaker, many concerned citizens of the 11th Congressional District of Illinois, which I am proud to represent, joined together during the past year in a cleanup of the North Branch of the Chicago River. With the help of U.S. Army Corps of Engineers, the final phase of this project was completed last week, and I congratulate these public-spirited citizens.

This is a victory for those on the Northwest Side of Chicago who have been directly involved in trying to clean up this stream, to control erosion, to reduce pollution, and especially to improve recreational usage of the North Branch.

Among those who initiated and were directly involved in the success of this commendable achievement were Mrs. Carol Miller, 5504 West Hutchinson, chairman of Project SOAR—Save Our American Resources—Mr. Ralph C. Frese, chairman of the North Branch Coalition; Mr. James Parker, president of the Parkview Civic Association; Mrs. Eleanor Nemcek, president of UNICA—United Independent Community Associations—the Boy Scouts and Girl Scouts in the area; and all of the citizens who have given of their time and effort to insure that the second most polluted river in Illinois, the Chicago River, will one day be among the cleanest.

Mr. Speaker, the type of debris removed from this water resource is only further proof of the role each and every citizen must play in order to maintain a clean environment. No less than 3,720,000 pounds of manmade rubbish were dredged from the river.

This amounts to 10 loads per mile or approximately 124 50-yard trailer loads of debris. Random loads were weighed and indicated an average of 15 tons per load. Recyclable material was at a minimum; only large willow and poplar logs and some downed trunks. This would constitute less than 400 cubic yards. Total yardage hauled from the job was 6,200 cubic yards. The average cubic yard weighed 600 pounds, for a total of 3,720,000 pounds of debris.

As to the type of debris removed, we estimate 1,000 shopping carts and 125 to 150 picnic tables. The largest single item was a complete automobile. In addition to the above, the following items were also removed:

A complete telephone pole with four cross arms, 12 wheelbarrows, two motorcycles, 30 bicycles and numerous wagons, three or four pay telephones, a full barrel of beer, parking meters, a traffic light signal with pole, a cattle tank, air conditioners, and television sets, road and traffic signs, railroad ties and plates, construction debris, concrete forms and numerous mortar tubs, tires, auto fenders and two-thirds of a disassembled Chevrolet station wagon.

Steel fencing and snow fences, the flag

from the seventh hole of a golf course, a sofa, chairs, beds, bed springs, refrigerators, hot water tanks, gas stoves, washers and driers, one metric ruler, barrels, drums, oil tanks, and two barrel racks, one hub from a wagon wheel (antique), bottles and cans, one steel desk, one rifle and two B-B guns, lawn mowers, fertilizer spreaders and a snow blower, two rowboats, one military bayonet and sheath, dead animals.

margin of safety is going to be smaller than ever.

Inventory shortages of some 19 million barrels of No. 2 fuel oil are expected as the cold weather begins next autumn.

With any severe cold weather next winter this can be disastrous and houses will be without oil.

It is, therefore, imperative that the Government make plans and decisions now to ease the predicted home heating fuel shortage in the Northeast next winter.

I have urged the chairman of the President's Oil Policy Committee, Deputy Treasury Secretary William E. Simon, to implement mandatory petroleum controls to assure equitable distribution of fuels in short supply. I have sponsored legislation to accomplish this purpose, H.R. 7870, similar to the Emergency Petroleum Allocation Act passed by the Senate last week.

Also, the Oil Policy Committee must allow New England to increase its imports of No. 2 home heating fuel from 50,000 barrels a day to a minimum of 150,000 barrels per day, free of import fees of 20 cents per barrel.

New England needs increased imports and needs them on a regular basis.

Hard cold winter weather and heating oil shortages only create crisis situations. Oil importers and distributors then have to rush to the Oil Import Appeals Board to go through the annual rituals of appeals, pleas, and crash decisions for additional import allocations.

This is not a very stable way to assure adequate winter heating oil for the northeast region.

Mr. Speaker, a severe heating oil supply crisis can be averted next winter. Prompt action must be taken by the Government to prevent a shortage of home heating oil throughout New England and the Northeast.

Not all of the burden falls upon the Government, however.

To conserve on petroleum products, motorists this summer must drive slower to save gasoline. The experts say a gallon per week savings on the part of every motorist may put an end to the gasoline shortage.

If refineries can cut down on the processing of gasoline this summer, adequate home heating fuel supplies can be produced for the frigid winter ahead.

PENDING FUEL SHORTAGE IN AIRLINE INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 15 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, all of us are aware of the recent problems related to fuel availability and pricing. The production of gasoline is a major concern of refineries. One industry, the airline industry, could face shortages of turbine fuels and the carriers probably will have to consider allocating available fuel supplies.

I am pleased to see that the Civil Aeronautics Board "bit the bullet" on this subject.

This past May 23, Vice Chairman Whit-

ACTION ON OIL IMPERATIVE NOW—FAILURE TO DO SO NOW WILL BRING A COLD AND BLEAK FALL AND WINTER TO NEW ENGLAND AND OTHER AREAS OF THE UNITED STATES

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

Mr. BOLAND. Mr. Speaker, the President's Oil Policy Committee this week is holding public hearings for the purpose of gathering evidence as to whether the administration's current voluntary petroleum allocation program is working, should be improved, or should be replaced with a mandatory allocation system which I support.

Unless we go to a mandatory allocation system immediately, the gasoline shortages motorists are experiencing this summer will be nowhere near as disconcerting as the home heating fuel shortage New Englanders will have to endure next winter.

The experts have testified that there is no petroleum crisis—just temporary shortages of gasoline in selected areas. The gasoline supplies are tight because refineries had not geared up for extra production, but output is rising and new refineries will be under construction, they say.

These answers will not get us through the gasoline shortages for motorists this summer.

But, what is more important, it almost assures a most dangerous and severe shortage of No. 2 home heating fuel in New England and the northeast region next winter.

Refineries this summer are attempting to maximize gasoline production in a period when they would normally be building up stockpiles of winter heating fuel.

Prompt action must be taken by the Government to prevent a heating oil shortage in the Northeast next winter which would pose a severe threat to the health and safety of millions of families.

No. 2 home heating oil is vital to New England.

Seventy-one percent of our homes and businesses and 74 percent of the population depend on this fuel for heat.

The supply system which brings this fuel to more than 9 million people of the region is massive and intricate. Advance plans must be laid out if the system is to operate effectively and intelligently. Last minute "crisis" decisions are of little help.

Next winter home heating fuel demands in New England will be at record levels and supply extremely tight. The

ney Gilliland, in his usual articulate manner, outlined the CAB's views on this subject. The occasion was the spring quarterly regional meeting of the Association of Local Transport Airlines held in San Francisco. The ALTA quarterly meeting drew together the top officials of the local service carrier industry and leading representatives of financial institutions and aircraft manufacturers.

I insert Vice Chairman Gilliland's presentation in the RECORD at this point:

REMARKS OF WHITNEY GILLILLAND, VICE CHAIRMAN, CIVIL AERONAUTICS BOARD

It is a joy to again attend an Annual Meeting of ALTA. My first was about 13 years ago in Philadelphia. At that time I predicted that a meeting in the City of brotherly love, beyond a doubt, would be a "dependable omen for General Adams and your Association." That worked out well. Accordingly I will try another which is that this meeting in the City of discovery of gold portends a great flow of it into your airline coffers.

Each time has or has had its peculiar concerns for the future of air transportation. The first occurred in a climate of deep anxiety for safety. The Electra had recently been introduced and there had been two bad accidents. Nevertheless, the Electra turned out to be a very fine aircraft, and after some modifications a very safe one, and the anxiety to be transitory. This meeting occurs in a time of real and increasing concern as to the continuing adequacy of the airline fuel supply. It now appears that the need for this concern may be much less transitory.

It has been the good fortune of the Civil Aeronautics Board to have had among its Members two erudite prophets and wise men who came to us from the great State of Washington. The first of these was General Joe Adams who we long ago learned to honor and to admire. The second is Bob Timm who we are now in turn learning to honor and to admire. Now both of these gentlemen are enthusiastic articulators and propounders of doctrine to which I can adhere.

On that occasion at Philadelphia 13 years ago I undertook to preach the gospel according to General Joe and I thought it was mighty good gospel. On this occasion I shall undertake to preach it, at least in part, according to Chairman Timm and I think it is good gospel likewise. It may be, however, that I will, from time to time, interject a few expressions with reference to petroleum, or others, which I have not had opportunity to discuss with him, and for which he should not be held accountable, at least unless he wants to. For purposes of simplicity therefore, let us say that whenever I wax unduly pessimistic, sour, arbitrary, revolutionary, mistaken or unreasonable, I am to be regarded as speaking only for myself.

Although Bob Timm has been Chairman but a few months he has already authored some significant chapters and verses. I will select my text from the Washington Aero Club speech of date April 24, 1973, wherein he spoke thusly:

"In order for the American consumer to have a sustained and economically viable air transportation system, it will be imperative that the air carriers achieve and maintain on a continuing basis the 12 percent return on investment which the Board prescribed in the recent Domestic Passenger Fare Investigation. The American consumer must have air transportation not just in 1973, but in 1980, 1990, and 2000. Only a healthy industry can provide the consumer with the quality and quantity of service he requires."

Now ladies and gentlemen, that is, as I view it, mighty superior doctrine, and doctrine which I wholeheartedly endorse.

He then projected methodology in several specific matters, with all of which you are

concerned. With regard to the particularly intimate one of service to small communities he said:

"Unfortunately, as certificated fleets have grown in numbers and size, some of the markets of the Nation have not. Realistically, in order to give the consumers in these markets the service they need, it will be necessary to continue a program of Federal support. . . ."

Chairman Timm continued—

"Even with this support, however, some communities will no longer be able to provide the traffic for continued certificated service."

He then went on to identify potential remedies for such situations in substance as follows:—

"When this occurs, every effort must be made to provide the communities with substitute service using, as support, for example the system of joint fares. There are other considerations which are in the mill at this time, including the possibility of substitute route protection . . . and . . . the possibility of flowing through subsidy to a substitute carrier, a practice with some Board precedent"

That is likewise sound doctrine to which I can subscribe. It not only reflects a sophisticated understanding of the problem which it addresses, but inherently recognizes and seeks to perpetuate the enormous contribution the members of this Association have made and are making to the development of the air transportation system of this country.

Among the other strong points made by Chairman Timm there are two which I wish to specifically mention. One referred to excessive capacity and the other to the danger of fuel shortage. He very properly associated these two, i.e., excessive capacity and the danger of fuel shortage for they are in essence very closely related, and in this connection announced the imminent issuance of Board Order 73-4-98. That Order, extending as it does a hand of welcome to the consideration of capacity reduction agreements, is probably one of the most significant policy documents of recent years. Concerning capacity the Order speaks in part as follows:

" . . . the Board is convinced that the industry should earn, on a consistent basis, an adequate rate of return in order to be in a position to maintain and improve, on the long term, a transportation system that will meet the growing and changing needs of the American people. All parties agree that while many factors have contributed to the industry's failure to achieve an adequate rate of return, the principal single cause has been the cost of operating excess capacity. Until capacity can be brought into a rational relationship with demand, industry profits will not reach required levels."

Now from time to time there have been some other worthy prophets and wise men at the Board. One of them is that superb lawyer, Welch Pogue, who served as General Counsel of the Board and then as Chairman during a very formative period and greatly influenced the course of development. Indeed we have two very fine ones now who recently demonstrated such propensities in connection with Board Order 73-4-98. These are G. Joseph Minetti and Robert T. Murphy. To that Order, Member Minetti appended a concurrence, joined by Member Murphy, and stated in part:

" . . . I cannot ignore the growing signs that a severe fuel shortage may be impending. Such a shortage could take on the same emergency character as the carrier earnings crisis which led me originally, albeit with great reluctance, to countenance the departure from competitive norms involved in capacity reduction discussions and agreements between carriers. Accordingly, I do not feel that under present circumstances it would be a responsible act to refuse to permit carriers (and other interested parties) to

devise and present to the Board any type of plan—including but not restricted to capacity limitation agreements—which might prove effective in dealing with an acute fuel shortage if one should develop."

That is likewise sound doctrine and very closely related to the economic compulsions which are of the essence of the Timm doctrine, and have more and more propelled the Board toward a tolerant attitude concerning restrictive agreements.

This newly developing state of affairs was likewise taken into account and given weight in the text of Board Order 73-4-98 announced by Chairman Timm and to which the concurrence is appended. It has its origins in the fact that U.S. consumption of petroleum products has outdistanced U.S. production and we are rapidly becoming heavily dependent upon imports, and imports for that matter from nations which have little present need for revenue. Thus there is a seller's market and to an uncomfortable extent subject to the influence of international political considerations, some of them turbulent. It appears to be aggravated, at least temporarily, by inadequate refining capacity.

This state of affairs would be worrisome enough if consumption were to remain constant at the present rate. It is very much more worrisome in the light of predictions of increase in consumption so great that the world may in the next twelve years use up more petroleum than in all previous years since Adam. That is, the world may consume it if enough petroleum proves to be available to supply it, or unless some very firm and purposeful steps are taken to reverse the trend.

There was little reason to take note as to the amplitude of the oil supply throughout most of the years of the world's history, for horses used very little of it. Furthermore, a new crop of fuel could be planted every spring. Unfortunately that can't be done with fuel for aircraft, and we have been a very long time in taking sufficient account of just what that difference could mean.

We have already had instances of temporary interruption in air transportation due to shortages. The Board has taken steps to help this situation but the threat has scarcely subsided. Similar and even more immediate hazards have been manifest in surface transportation, public and private, agriculture, the construction industries, and elsewhere.

The state of affairs is serious enough, as I view it, to be certain to produce changes in air transportation. Just what the changes will be and how great they will be is less certain. Undoubtedly there will be an effect on fuel costs. Undoubtedly such effect on fuel costs will have an impact on fares and charges. Undoubtedly as fuel takes on increasing proportion as a share of costs the changes will influence aircraft utilization, acquisition, and eventually design. Depending upon the extent of that proportion the influence could be very great. Indeed it seems that the very nature of the route structure may be affected. Are we now to have a reversal in the course of growth of the air transportation industry?

The answer to that question depends upon the ability to adjust. I am possessed of enough foreboding to believe that if very disagreeable consequences, whether soon or late, are to be avoided, both Board and industry must assert stricter disciplines than they have in the past. Other governmental units, local, State and national must do likewise and it is not unreasonable to expect, as the President has proposed, that the public should assert some self discipline of its own, for it is much in its interests to do so.

The overwhelming need now in air transportation is the complete elimination of waste and the achievement of the very greatest possible efficiency. In short, the need is

to maximize the ratios between revenue ton miles and fuel consumption, and to strive for the attainment of very high load factors. Viewed in this context all such matters as pollution, noise, airport congestion, departure and arrival times, frequencies, speed, single-plane services, nonstop services, promotional, discount and off-peak fares, competition, charters, the role of the scheduled carriers with regard to charters, demand schedule service, mergers including potential mergers between route and supplemental carriers, and many other matters assume new proportions, new relative significance and new relationships to each other. This does not necessarily mean that future services cannot be good, or that the industry cannot continue to grow.

Greater emphasis on aircraft utilization might be expected to cause some inconveniences to passengers and shippers. Any such inconveniences appear minor if considered in the context of the threat to the system. The Board has not yet adequately recognized this state of affairs, or so it seems to me, but hopefully it may do so. The public has already taken in stride inconveniences attendant upon routine reductions in frequencies following the substitution of larger for smaller aircraft.

In the past the Board has, at various times, labored the industry for the acquisition of new and improved equipment for, it has been said, and despite the superior economics of the new equipment, that it results in excessive capacity. That is not necessarily the case for it is frequently used in substitution for older, less economical equipment.

A much more apparent reason for excessive capacity is properly attributable to past actions of the Board itself. This cause is the propensity of the Board to make excessive duplicative awards in licensing cases. Despite protestations of some properly motivated but unduly credulous antitrust sloganists, there is no escape from the fact that it costs more and requires more fuel to operate two flights than it does one. This is true whether the two flights are operated by competitors or by a single carrier. It will frequently continue to be true although one flight provides greater total capacity than two which it replaces. Fortunately the Board has moderated its policy in this regard and may be expected, I am confident, to continue such moderation in the foreseeable future.

The Board's Order 73-4-98 is a firm step in the elimination of fuel waste. That Order shows that in the first twelve months of operation under the existing agreement between TWA, American, and United approximately 10,000 departures have been eliminated in transcontinental markets and 2,700 more Chicago-San Francisco. This resulted in savings of upwards of 120,000,000 gallons of fuel, or more than 1.5 percent of the total domestic trunk consumption for 1971. A United Air Lines petition to the Board, seeking authority for intercarrier talks on possible uniform flight times, asserts that a reduction in Chicago-Los Angeles DC-8 speed from 544 to 530 miles per hour would save 1,000 pounds of fuel; yet the time penalty is said to be but 4 minutes.

Estimates I have made from TWA figures indicate that if domestic system load factors similar to those prevalent in the mid-1940's could be attained, revenue ton-mile fuel savings in excess of 30 percent could result. That is a very respectable percentage and compares with the recent percentage rate of petroleum imports. Such savings, if reasonably matched by other users of petroleum, and supplemented by implementation of the President's plan for expansion of domestic production, would put a very different aspect on the prospective adequacy of fuel supply. A purpose of this kind is already

very evident in the planning of American automobile manufacturers, and in other areas.

An important boost to air carrier load factors may result from implementation of methods such as the projected demand schedule service referred to by Chairman Timm in a statement to the Senate Commerce Committee on May 15. Under this plan customers are required to make reservations three months or more prior to departure date together with nonrefundable deposits. After reservations have been closed a schedule pattern designed to consolidate traffic demand for that particular date is developed. The passengers are notified accordingly, and then pay the balance of their fares. It strikes me that if such methods should be supplemented by revision of the statute which now effectively blocks mergers between scheduled and supplemental carriers, and strait jackets the services of both, very long steps would have been taken toward maximum economy. Under such a regime, attention could be directed to low-cost transportation for everybody, not just tourists.

Some very worthy persons charged with responsibility in air transportation matters have expressed the view that the impact of a fuel shortage could be particularly acute in the case of the regional carriers. The view is based on the proposition that such carriers are normally short haul, and users have, although inconvenient, alternate forms of transportation available, namely the private automobile. Thus it is said that they may be more susceptible to major reductions in traffic than long-haul trunk carriers.

I do not, however, agree with this view, at least entirely, for it seems to me that the impact of any fuel shortage is likely to fall more heavily upon operators of private automobiles than upon air transport. This is true because the operators of private automobiles have no crew, station, nor promotional costs to meet, and accordingly the cost of fuel is a much greater share of total costs than is the case with commercial aircraft. Accordingly, as fuel costs go up such persons may be inclined to more and more opt for the airlines, and that may be so even though available departure times, frequencies or air travel elapsed times may become less favorable than at the present. Given that assumption it seems to me the air carriers may be able to maintain reasonably constant fare levels and increase the traffic flows without waste of fuel. A similar result could be expected if fuel shortage should be reflected in rationing rather than in price.

One very strong facet of Chairman Timm's proposals concerning service to small communities is the substantial potential for fuel savings. A Beech 99, for example, will carry 15 passengers over a stage length of 100 miles and consume about 40 gallons of fuel. A CV-580, on the other hand, requires approximately 190 gallons of fuel to carry the same passenger load over the same distance. Thus, service in short-haul markets of consistently low-density nature can be provided with substantially less aviation fuel.

If the present threat to the fuel supply should result in a reversal of the course of improvement in man's methods of moving himself and his goods about it will be the first time, at least since he swung down out of the trees, that that particular kind of change has occurred. That such a possibility exists now can scarcely be doubted and much care is certainly called for. But man is a resourceful creature and in the course of his advancement has many times demonstrated his ability to adjust to newly apparent circumstances. Man is also a responsible creature and given a little thought he is quite likely to conclude that it will be best for him to save for tomorrow.

COURT AFFIRMS RIGHT OF CONGRESSWOMAN HOLTZMAN TO CHALLENGE CAMBODIA WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, I would like to draw the attention of my colleagues to an important decision which was issued today in my law suit challenging the Nixon administration's military involvement in Cambodia.

Federal Judge Orin G. Judd denied the Government's motion to dismiss this case. In so doing he upheld the right of a Member of Congress to bring a suit of this nature and found that the suit did not raise a political question. Judge Judd ruled that the Government must reach the merits of the case and prove the constitutionality of its actions in Cambodia by June 25.

I would particularly like to call the attention of my colleagues to the following language used by the court in deciding the right of a Member of Congress to sue:

Plaintiff *qua* Congresswoman does not merely suffer in some indefinite way in common with people generally. She is a member of a specific and narrowly defined group—the House of Representatives. As a Congresswoman, plaintiff is called upon to appropriate funds for military operations, raise an army, and declare war. Additionally, plaintiff has a continuing responsibility to insure the checks and balances of our democracy through the use of impeachment.

This is a landmark decision. It acknowledges the constitutional right of a Member of Congress to challenge the Executive when it attempts to usurp congressional powers. This ruling makes it clear that courts will not back away from preserving our system of checks and balances.

As a result of this decision the President can no longer unilaterally commence a war without having to answer to the courts as well as to the Congress—and ultimately to the people of the United States. This decision is especially timely because of the many attempts by the executive branch to encroach on congressional prerogatives:

[In the U.S. District Court, Eastern District of New York, June 13, 1973]

MEMORANDUM AND ORDER

Elizabeth Holtzman, individually and in her capacity as a Member of the United States House of Representatives, plaintiff, against Elliot L. Richardson, individually and as Secretary of Defense and Robert C. Seamans, Jr., individually and as Secretary of the Air Force, Defendants.

Judd, J.

Plaintiff, a member of the United States House of Representatives from a Brooklyn district, seeks a determination that the President of the United States and the military personnel under his direction and control may not engage in intensive combat operations in Cambodia and elsewhere in Indochina in the absence of congressional authorization.

MOTIONS

1. Plaintiff has moved for summary judgment declaring that the defendants may not order American military forces to combat in

Cambodia and granting appropriate injunctive relief.

2. Plaintiff has also moved to serve an amended and supplemental complaint adding as plaintiffs three Air Force officers stationed in Guam, none of whom are residents of the Eastern District of New York.

3. Congressman Parren J. Mitchell of the Seventh Congressional District of Maryland, together with seven other Congressmen from districts not within the Eastern District of New York, have moved for leave to file a brief as *amicus curiae*.

4. Defendants have moved to dismiss the complaint for failure to state a valid claim for relief because (a) plaintiff lacks standing; (b) the court lacks jurisdiction over the subject matter; and (c) the complaint involves non-justiciable political questions on which relief cannot be granted. Defendants also assert that the motion for summary judgment is premature.

No motion has yet been made to implement the statement that the complaint is brought on behalf of all similarly situated Congressmen. It is not yet necessary to determine whether the case may properly be treated as a class action.

FACTS

The complaint was filed on April 17, 1973. Plaintiff asserted among other things that her right to an undiluted vote upon the declaration of hostilities was impaired by presidential action in engaging in extensive combat in Cambodia without congressional authorization. She pointed out that a ceasefire had been negotiated in Vietnam, all American servicemen had been withdrawn, and all American prisoners of war had been released; and she asserted that no congressional authorization exists for committing American forces to combat in Cambodia.

An order to show cause why the court should not declare continued military activities on Cambodia to be unlawful was signed April 19 by Judge Dooling, to whom the case had been assigned as a related case. Before the return date of the motion, Judge Dooling determined that the case was not in fact related to prior matters before him, and directed that it be reassigned under this court's random assignment plan. On the return date of the order to show cause on April 26, 1973, the matter was adjourned at defendant's request until May 18, with answering papers to be served by May 16.

The motion for summary judgment and injunctive relief was served and filed on May 8, 1973; accompanied by a statement of allegedly undisputed facts pursuant to Rule 9(g) of this court's Civil Rules. In particular, plaintiff asserted that the United States is currently engaged in large-scale combat air operations in Cambodia involving hundreds of war planes based in Thailand and Guam, and that United States war planes dropped 39,500 tons of explosives on Cambodia during March 1973 and flew 180 combat missions daily during the first three weeks of April. Plaintiff further asserts as undisputed material facts that the last American serviceman was withdrawn from Vietnam on March 28, 1973 and the last American prisoner of war was repatriated on April 1, 1973, and that although no Congressional authorization exists for the commitment of American forces for combat in Cambodia, the Executive has informed Congress that it is prepared to continue its military activities whether or not the Congress appropriates funds for the Cambodian combat operations.

Defendants' response asserts that there are still over 1,300 missing in action in the Vietnam hostilities who have not yet been accounted for. Defendants also assert by affidavit of the Chief of the Civil Division of the United States Attorney's office that "there may well be dispute as to assertions made in plaintiff's Rule 3(g) statement." They re-

quest time to submit papers addressed to the merits.

The plaintiffs who are proposed to be added assert that they are being compelled to comply with unlawful orders, and to risk their lives in unauthorized bombing missions over Cambodia.

The brief of the Protestant, Catholic and Jewish religious groups, which appear as *amicus*, assert that the existence of Congressional authorization to make war is justifiable, and point out that participation in Cambodian hostilities may conflict with the Agreement on Ending the War and Restoring Peace in Vietnam.

DISCUSSION

It is necessary to deal first with the question of the timing of the motions, then with the issue of plaintiff's standing and other jurisdictional questions, and finally with the particular motions of the several parties.

TIMING

The government relies on the provision of F.R.Civ.P. 12(a) that the United States or an officer or agency thereof has sixty days "after service upon the United States Attorney of the pleading" within which to answer a complaint.

Rule 56, however, provides that a party may move for summary judgment "at any time after the expiration of 20 days from the commencement of the action." Plaintiff's motion for summary judgment was served 21 days after the complaint was filed.

The difference between the two rules is significant. The time is computed in different ways. Since an action is commenced under F.R.Civ.P. 3 by the filing of a complaint, regardless of the time when it is served, the measure of time in Rule 56 is unrelated to the time in Rule 12. Moreover, Rule 56 does not provide for a longer time before a motion can be made against a government agency than one against a private party.

Judge Charles B. Clark, a distinguished authority on procedure, criticized the original federal rule for not permitting the filing of a motion for summary judgment as soon as an action is brought. See his dissent in *United States v. Adler's Creamery, Inc.*, 107 F.2d 987, 992 (2d Cir. 1939). The 1946 amendment, which permitted a motion for summary judgment in advance of answer, should be interpreted in a manner to expedite the disposition of litigation. There is no need to impart into it the 60-day period for government answer that was specified in old Rule 12. A plaintiff moving for summary judgment before answer may be required to face a somewhat higher standard, however. As professor Moore has suggested, a motion before answer should not be granted "unless it is clear that an issue of material fact cannot be presented." 6 *Moore's Federal Practice* (2d ed. 1948, 1972) ¶ 56.07, p. 2092.

There has never been any requirement of any delay in the consideration of a preliminary injunction in an action against a United States officer or agency, except as the court in its discretion may find to be appropriate.

The court therefore rejects the argument that the motion for summary judgment was premature.

DEFENDANTS' MOTION TO DISMISS

Jurisdiction

Defendants' three grounds for this motion to dismiss are all essentially jurisdictional, whether described as relating to standing, subject matter, or political question.

Standing

Under Article III, § 2, Clause 1, of the Constitution, the jurisdiction of federal courts is limited to "cases" and "controversies." Judicial definitions of the elements requisite for "cases" and "controversies" have proved to be elusive.

Unlike case or controversy, terms specifically enumerated in Article III, "standing" is not mentioned in the Constitution. It re-

ceived its first full expression in *Frothingham v. Mellon*, 262 U.S. 447, 43 S.Ct. 597 (1923).

Later, in *Flast v. Cohen*, 392 U.S. 83, 88 S.Ct. 1942 (1968), the Court stated that political questions, advisory opinions, and lack of standing result in there being no justiciable controversy. Whether standing is delineated a component of jurisdiction or of justicability may at first blush seem unimportant, due to the requirement that both issues must be resolved before any determination can be made of the merits of the controversy. *Baker v. Carr*, 369 U.S. 186, 82 S.Ct. 691 (1962); *DaCosta v. Laird*, 471 F.2d 1146 (2d Cir. 1973). However, a complaint may be dismissed for lack of jurisdiction of the subject matter only if the claim is so attenuated and insubstantial as to be absolutely devoid of merit. *Newburyport Water Co. v. Newburyport*, 193 U.S. 561, 24 S.Ct. 553 (1904); *Baker v. Carr, supra*.

Plaintiff has raised a serious constitutional question dealing with the war-making power of Congress enumerated in Article I, § 8 of the Constitution. The seriousness of this question has been recognized repeatedly within this circuit. *Berk v. Laird*, 429 F.2d 302 (2d Cir. 1970); *Orlando v. Laird*, 443 F.2d 1039 (2d Cir. 1971). The delicate balance in the relationship between Congress and the President concerning the power to wage war is a controversy arising under the Constitution and therefore within the jurisdiction of this court. 28 U.S.C. § 1331(a).

Whether a particular party has a sufficient stake in an otherwise justiciable controversy to obtain judicial resolution of it is what has traditionally been referred to as the question of standing to sue. In *Sierra Club v. Morton*, 405 U.S. 727, 732, 92 S.Ct. 1361, 1364 (1972), the Supreme Court held that when a party, such as the plaintiff here, does not rely on any specific statute authorizing invocation of the judicial process.

"The question of standing depends upon whether the party has alleged such a 'personal stake in the outcome of the controversy,' *Baker v. Carr* . . . as to ensure that 'the dispute sought to be adjudicated will be presented in an adversary context and in a form historically viewed as capable of judicial resolution,' *Flast v. Cohen*."

The heart of the question becomes whether the plaintiff has alleged such a personal stake in the outcome of the controversy as to assure the concrete presentation of issues in an adversary context so that a court will be properly guided in determining difficult issues. The controversy involved must be a substantial one admitting of specific relief. *Aetna Life Insurance Co. v. Haworth*, 300 U.S. 227, 57 S.Ct. 461 (1937).

In the present case the court is not being asked to decide ill-defined controversies over constitutional issues. The issue has been focused as sharply as possible. Whether the President's orders directing the bombing of Cambodia constituted a usurpation of Congress' war making power under Article I, § 8 of the Constitution. Nor is this a case in which the court is being asked to decide a hypothetical question or abstract issue. Plaintiff is not asking for a determination whether the President would violate the Constitution by engaging in certain acts, but rather a determination that the present action of the President violates the Constitution. Nor is this a collusive suit where the parties are suspected of sharing the same interests.

Plaintiff *qua* Congresswoman does not merely suffer in some indefinite way in common with people generally. She is a member of a specific and narrowly defined group—the House of Representatives. As a Congresswoman, plaintiff is called upon to appropriate funds for military operations, raise an army, and declare war. Additionally, plaintiff has a continuing responsibility to insure the checks and balances of our democracy through the use of impeachment. When a

plaintiff is a member of a narrowly defined group, which has been more directly affected by the conduct in question than has the general population, the test for standing should be met. Scott, *Standing in the Supreme Court—a Functional Analysis*, 86 Harv. L. Rev. 645 (Feb. 1973).

The question whether a particular person is a proper party to maintain the action does not, by its own force, raise separation of powers problems related to improper judicial interference in areas committed to other branches of the federal government. *Flast v. Cohen, supra*.

Professor Jaffee has stated, in *Standing Again*, 84 Harv. L. Rev. 633, at 634, 635 (1971):

"My own view has been and continues to be that a plaintiff who does not have a 'protected interest,' whether as an individual or as a group, does not have a right to review, but that a court in its discretion may at the suit of such a person review the legal question if it deems such consideration to be in the public interest.

"... I believe... that any citizen can constitutionally be a plaintiff... in a 'public law' suit even though he suffers no injury whatever beyond his concern for the public interest."

In *Mitchell v. Laird*, No. 71-1510 (D.C. Cir. March 20, 1973), thirteen members of the United States House of Representatives filed a complaint against the President, and the Secretaries of State, Defense, Navy, and Air Force, seeking declaratory and injunctive relief against continued warfare in Indochina. In finding that the plaintiffs had standing, the Court relied upon the fact that it would be the duty of plaintiffs to consider impeachment if defendants' actions contravened the Constitution, that plaintiffs have a quite distinct duty to determine whether to make appropriations to support the hostilities, and that plaintiffs might have to take other legislative actions related to such hostilities, such as raising an army or enacting other civil or criminal legislation.

Standing of legislators was also upheld in *Trombetta v. State of Florida*, 353 F. Supp. 575 (M.D. Fla. 1973), ruling that members of the Florida Legislature had standing to seek a declaratory judgment whether the proposed Twenty-seventh (Equal Rights) Amendment to the United States Constitution was repugnant to Articles V and VI of the United States Constitution; and in *Coleman v. Miller*, 307 U.S. 433, 59 S. Ct. 972 (1939), an original proceeding in mandamus by members of the Kansas Legislature against the Secretary of the Senate of Kansas and others to compel the Secretary to erase an endorsement on the Senate resolution ratifying the Child Labor Amendment to the United States Constitution. The *Trombetta* and *Coleman* cases, involving state legislatures, are not completely parallel, but a member of Congress should have an equal right to invoke the jurisdiction of a federal court.

Congresswoman Holtzman is a member of a well defined group that is directly affected by defendants' action. She has presented a sharply focused controversy in an adversary context. Her responsibilities as a Congresswoman give her the means necessary to have standing to contest the policies of defendants that allegedly infringe upon her Article I duties.

The standing of the airmen as added plaintiffs is clear. *Berk v. Laird*, 429 F. 2d 302 (2d Cir. 1970), if they can pass the test of venue, discussed later.

POLITICAL QUESTION

In determining whether there is subject-matter jurisdiction, the court must consider whether the case presents a "political question" outside its jurisdiction, before it can reach the merits of the controversy. This is a facet of the problem of justiciability.

The Second Circuit has shaped its formu-

lation of the political question doctrine from guidance provided by the Supreme Court in cases such as *Baker v. Carr*, 369 U.S. 186, 82 S. Ct. 691 (1962), *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579, 72 S. Ct. 863 (1952); and *Powell v. McCormack*, 395 U.S. 486, 89 S. Ct. 1944 (1969). In *Berk v. Laird, supra*, 429 F.2d at 305, it held that a soldier seeking to enjoin orders in the Vietnam hostilities as lacking constitutional authority had a right to ask a court to determine whether there were "judicially discoverable and manageable standards" for resolving the issue. In *Orlando v. Laird*, 443 F.2d 1039, 1042 (2d Cir. 1971), it held that courts should not review the form of congressional authorization, once it had been determined that there was "any action by the Congress sufficient to authorize or ratify the military activity in question." In *DaCosta v. Laird*, 471 F.2d 1146, 1155 (2d Cir. 1973), it held that judges could not appropriately determine "whether a specific military operation constitutes an 'escalation' of the war or is merely a new tactical approach within a continuing strategic plan."

Defendants rely on this statement but fail to consider the court's further statement (p. 1156) that "We specifically do not pass on the point urged by appellant whether a radical change in the character of war operations—as by an intentional policy of indiscriminate bombing of civilians without any military objective—might be sufficiently measurable judicially to warrant a court's consideration, i.e., might condone a standard which we seek in this record and do not find."

The appeal in that case was from an order denying injunctive relief, after the court had reviewed documentary material submitted by both sides. Here the issue arises on a motion to dismiss the complaint on its face. The motion for summary judgment on the merits is not being considered yet.

The teaching of those cases is that the political question exception to jurisdiction depends on the facts of the particular case, but that the question of the balance of constitutional authority to declare war, as between the executive and legislative branches, is not a political question.

The Second Circuit rule was not repudiated by the Supreme Court's summary affirmance of *Atlee v. Laird*, 347 F. Supp. 689 (1972), aff'd, U.S. —, 93 S. Ct. 1545 (1973). The district court there dealt with a question whether Congress could constitutionally authorize warfare by appropriation bills rather than whether Congress had in fact given approval to the acts of the executive. The district court in *Atlee* referred to the rapid changes in world politics as a reason for not taking jurisdiction, but stated (p. 707):

"This, of course, is one reason justifying a court's taking small steps in sensitive areas, because the judiciary lacks the flexibility found in the political departments, to deal adequately with a constantly changing world scene."

The *Atlee* case dealt with a general challenge to "the constitutionality of the war in South East Asia." 347 F. Supp. at 691. Lack of merit may also have been mingled with procedural issues in the affirmance of the *Atlee* case, since the Supreme Court had previously refused to review cases which upheld the president's authority to use American forces in Vietnam. It had denied *certiorari* in the *Berk*, *Orlando*, and *DaCosta* cases. *Berk v. Laird*, 429 F.2d 302, cert. denied, 404 U.S. 869, 92 S. Ct. 94 (1971); *Orlando v. Laird*, 443 F.2d 1039, cert. denied, 404 U.S. 869, 92 S. Ct. 94 (1971); *DaCosta v. Laird*, 448 F.2d 1368, cert. denied, 405 U.S. 979, 92 S. Ct. 1193 (1972).

The present case, dealing with Cambodian combat operations, involves other issues, for the Senate and the House have spoken separately on Cambodia, and the entire Congress, in approving limited foreign aid to

Cambodia, 22 U.S.C. § 2416(g), expressly stated in 1972 (P.L. 92-226) that such aid "... shall not be construed as a commitment by the United States to Cambodia for its defense."

Judge Dooling said in his opinion in *DaCosta v. Laird* of May 24, 1972, concerning political question:

"The actual conduct of the defined war, when that war is in its lawful progress, is such an area." (Emphasis added).

The present case, attacking only the use of bombers in Cambodia after the Vietnam cease-fire, has a narrower reach than *Atlee* and may present one of the "small steps in sensitive areas" which is within the realm of justiciability under the district court's opinion in *Atlee*.

This is one of the first suits brought after the withdrawal of American troops from Vietnam and the return of prisoners of war. Reluctance to jeopardize the safety of American soldiers or prisoners is no longer a barrier to judicial determination of the constitutionality of a phase of war activity.

Therefore the case does not present a tactical decision in an ongoing war like *DaCosta III, supra*, 471 F.2d 1146 (whether to mine Haiphong harbor). Rather it involves the question whether the authorized Vietnam war has terminated. Courts have often been asked to determine when a war has ended and peace has begun. E.g., *United States v. Curtiss-Wright Corp.*, 299 U.S. 304, 57 S. Ct. 216 (1936); cf., *United States v. Swift*, Crim. No. 72-747-W, District of Massachusetts, Opinion of Wyzanski, J., March 28, 1973.

The political question doctrine does not appear to justify dismissal of this complaint before examination of the merits, on which this court has reached no decision.

ADVISORY OPINION

Plaintiff is not seeking a judicial determination as to her rights upon the happening of some events in the future. Rather, she is seeking a judicial declaration that military operations currently being conducted in Cambodia are in violation of the United States Constitution. This does not come within the rule forbidding advisory opinions, a rule which stems from the risk that comes from passing on abstract questions rather than limiting decisions to concrete cases in which a question is precisely framed by a clash of genuine adversary argument. Wright, *Federal Courts* (2d ed. 1970) pp. 37-38; Berger, *Standing to Sue in Public Actions: Is It a Constitutional Requirement?* 78 Yale L.J. 816, 830-31 (1968).

VENUE

There is no doubt of the proper venue of this action as originally brought by plaintiff, a Brooklyn resident, since express provision in 28 U.S.C. § 1991(c)(4) permits suit against a federal officer or agency in any judicial district where the plaintiff resides. Suit by the airmen might have to be brought in some other district if they were not joined in this action, or if plaintiff Holtzman did not have standing. Their presence as plaintiffs in a suit properly brought by Congresswoman Holtzman, however, does not prevent the venue being proper for all plaintiffs, since only one plaintiff need be a resident of the district. *Natural Resources Defense Council v. Tennessee Valley Authority*, 340 F. Supp. 400 (S.D.N.Y. 1971), *rev'd on other grounds*, 459 F.2d 255 (2d Cir. 1972).

AMOUNT IN CONTROVERSY

In determining the amount in controversy, the court may consider the pecuniary result to either party which a judgment might produce. *Herman v. Narragansett Racing Assoc.*, 414 F.2d 311 (1st Cir. 1969); *Bass v. Rockefeller*, 331 F. Supp. 945 (S.D.N.Y. 1971); Note, *Federal Jurisdictional Amount—Determination of the Matter in Controversy*, 73 Harv. L. Rev. 1369 (1960).

With millions of dollars in expenditures

involved as part of the bombing operation, there is no question that the requirement of \$10,000 or more in controversy is met.

PLAINTIFF'S MOTIONS

Addition of parties is not governed by F.R.Civ.P. 15, concerning amendments of pleadings, but F.R.Civ.P. 21, which states that "parties may be dropped or added by order of the court on motion of any party or on its own initiative at any stage of the action. . . ."

Hurlington Hospital v. Charles Pfizer & Co. 48 F.R.D. 343 (S.D.N.Y. 1969); *Maynard, Mervel & Co. v. Carecioppolo*, 51 F.R.D. 273 (S.D.N.Y. 1970).

It is entirely appropriate and timely to permit the addition of the proposed military plaintiffs.

SUMMARY JUDGMENT

Plaintiff's motion for summary judgment will be held in abeyance pending the receipt of additional papers from the defendants. In view of the length of time the court has had the matter under advisement, during which defendants have had an opportunity to assemble the pertinent facts, they should be prepared to set forth their contentions without much further delay.

It is ordered:

(1) That defendants' motion to dismiss the complaint be denied;

(2) That plaintiff be granted leave to serve an amended and supplemental complaint adding First Lieutenant Arthur Watson, Captain Michael Flugger, and Captain James H. Strain as plaintiffs;

(3) That defendants answer such amended and supplemental complaint within ten days after its service on the United States Attorney;

(4) That Hon. Parren J. Mitchell, Bella S. Abzug, Donald M. Fraser, Herman Badillo, Benjamin I. Rosenthal, Robert W. Kastenmeier, Don Edwards, and Michael J. Harrington, Members of Congress, be granted leave to file briefs in the case as *amici curiae*;

(5) That defendants shall file papers responsive to the motion for summary judgment by June 25, 1973; and

(6) That the matter be set down for argument on that motion at 10:30 a.m. on June 29, 1973.

THE MAKING OF A PARK AT HENRIETTA SZOLD PLACE

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

Mr. KOCH. Mr. Speaker, when one sees the Government bureaucracy that confronts community efforts to get something like a park completed, one cannot help but admire those neighborhood residents who suffer its frustrations and yet refuse to give up. One such case is a community in my congressional district that has been waiting for the completion of a park at Henrietta Szold Place at East 10th Street and Avenue D. This park, which is a little over an acre in size, has been in the making for years and yet still to be completed. The pool has been used for two summers while rubble and debris from its construction lay in the surrounding vacant lot providing a haven for rats and other vermin.

In April 1972 I visited the area with some of the neighboring residents and immediately started to press the three city agencies involved to get the lot cleaned up and paved. Everyone expressed an interest in helping, but no one would take responsibility for get-

ting the job done. While the debris was removed in June by the parks department, the lot could not be landscaped until it was graded and paved by the department of highways. For months the department of highways protested it did not have the equipment necessary to do the job.

I continued to work with the community and our unwillingness to resign in the face of this bureaucratic runaround finally had its positive impact on the city administration. We demonstrated to the city the community's interest in a park and the need for an open space area in this community of many high rise apartments. As a consequence, a \$315,000 plan was developed for the construction of a park around the pool—basketball courts, benches, game tables, sandpits, a play area, comfort stations, and shrubbery; \$165,000 was requested from the Federal Government. Then President Nixon announced his moratorium on community development projects, including the open space program. Was the park's construction to be further delayed? Fortunately, after many phone calls and because of the pressing need for the park, Federal funding came through and the remaining \$150,000 was included in the city's capital budget.

Construction of the park is now scheduled to commence in August.

In the meantime the lot lies vacant, having just been cleaned by Con Edison because one of its contractors mistook this long neglected lot for a dumping ground. When confronted with this error Con Ed agreed to clean up not only its dumpings, but other material that had accumulated on the property.

The landfill and the rubble has been removed and now the community is determined to keep the area clean until the park is constructed. The Szold Place Park Committee has been formed and a final cleanup and park celebration has been scheduled for 1 p.m. on Saturday, June 23. The whole community will be out to assist in cleaning up the vacant lot so that even before the park's construction, the community can more fully enjoy the pool and use the vacant lot as a play area. The efforts of the community will be assisted by a commendable Parks Department program, "Volunteers in Parks"—VIP—in which the community supplies the manpower and VIP, the tools.

The future of Szold park can now be described as promising. It has been given a top priority in the Park Department's construction schedule. Furthermore, through another program recently established by the Department, Parks Partnership, a partnership will be established between the Parks Department and the community to make future decisions on the park's use and maintenance. A senior Parks Department official will be assigned to the park; this individual will be in a position to assist the community in cutting through any bureaucratic restrictions that may hamper solutions to problems in the future. I have joined this partnership and will be giving my assistance to insure the completion of Szold Park and its full and safe use.

May I suggest at this time that if our cities are to survive, more such partnerships between communities and Government agencies will have to be provided. The Federal Government can fund the construction of a park or some other community facility, but in the long run its success depends on how it is maintained and used by the local government and community.

PANAMA CANAL: HEART OF AMERICA'S SECURITY—REVIEWS IN U.S. NAVAL INSTITUTE PROCEEDINGS

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

Mr. WAGGONNER. Mr. Speaker, in recent years, there have been many books published concerning the Panama Canal, many of them predicated upon fallacious assumptions and thus grossly misleading. The first of them to come to grips in realistic manner with the two crucial canal issues of continued U.S. sovereignty over the U.S. Canal Zone and the major modernization of the existing Panama Canal is that by Jon P. Speller, published in 1972 by Robert Speller & Sons, 10 East 23d Street, New York, N.Y. 10010, under the title of "The Panama Canal: Heart of America's Security."

This relatively brief and interesting volume has been extensively and favorably reviewed by engineers and ecologists, clergymen and scientists, editors and librarians as well as by business executives and labor leaders.

The latest review was by Brig. Gen. Herbert D. Vogel, a highly distinguished Army engineer, whose service included extensive Panama Canal experience as Lieutenant Governor of the Canal Zone, the chairmanship of the TVA, and currently as the chairman of the board of consultants for water supply of the Panama Canal. Thus, his views reflect digested knowledge gained from observation and experience in addition to study.

Mr. Speaker, it is significant that this review by a distinguished Army engineer was published in the "U.S. Naval Institute," the highly respected professional magazine of the Navy.

The indicated review by General Vogel, which I quote as part of my remarks, should be of special interest to members of congressional committees now working on the canal problem:

THE PANAMA CANAL

(Reviewed by Brig. Gen. Herbert D. Vogel, U.S. Army (Retired))

The Panama Canal stands as a monument to engineering skill and determination. It speaks of success built upon failure in the face of overwhelming odds, and it demonstrates the forethought and prescience of men who designed for ships of a size not dreamed about in their time. It represents not only the strength and generosity of a great nation in its relationships with the family of nations, but also its assailability.

While no one will deny that the Canal has served its designed purpose with distinction for well over half a century, it is now realized that something more must soon be done to meet the needs of the future. Ships are growing in size, and traffic is increasing in volume. Either new and larger locks must be built and additional sources of water

found for their operation, or a new sea-level canal will be required.

With controversy raging about this, a greater threat to the existing canal has been created by international political arguments. The Republic of Panama has sought for many years, by many means, to gain sovereignty over the ten-mile-wide zone across the Isthmus, through which the canal extends. Treaties of the past, which conveyed sovereignty to the United States, have been increasingly challenged. Loud voices have demanded treaty revisions, and in recent years, talks have centered about an entirely new treaty that would convey great powers to Panama and seriously threaten effective operation of the Canal.

Jon Speller's book provides a timely reference for those who would become better informed about the historical background of the Panama Canal and the dangers surrounding it. It is a book of facts and opinion, an excellent assessment of the current situation, in which the views of those who have long defended the Canal are expressed in their own words. Paramount among these are such stalwarts as Congressman Daniel J. Flood (Dem., Pa.), and Senator Strom Thurmond (Rep., S.C.), but many others of high credibility are quoted at considerable length. Captain Miles P. Duval, U.S. Navy (Retired), long an exponent for development of the existing canal by adding a third set of locks and a terminal lake at the Pacific end, is included in the list of distinguished statesmen, writers, scientists, and engineers whose opinions are expressed.

While 122 pages of the book's total of 164 consist of direct quotes, Mr. Speller has arranged them in logical order and has tied them together with a matrix of his own, in such a way as to make the whole book highly-readable, interesting, and revealing.

HON. JOHN D. DINGELL CONDEMNS APPEALS COURT DECISION ON DETROIT BUSING CASE

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

Mr. DINGELL. Mr. Speaker, the action of the sixth circuit court of appeals Tuesday in Cincinnati in sustaining in part the ruling of Judge Stephen Roth in the Detroit school case is outrageous.

Apparently the sixth circuit did not choose to make itself aware of the action of the Supreme Court in the Richmond, Va., case, a decision which, although not precedent setting, does have direct bearing on the Detroit case.

As everyone knows, in the Richmond case the finding of the court of appeals was that where school districts are set up on a nondiscriminatory basis and where there is no other evidence of discrimination that the court will not require cross district busing to achieve particular racial balance or the redrawing of school district lines to achieve a larger metropolitan area within which busing may be implemented for achievement of particular racial quotas or balance.

Mr. Speaker, this country has established as a matter of just national policy that every child is entitled to equal educational opportunity and that race, creed, or color will not be used to deny educational opportunity or to distinguish between our children insofar as access to schools.

However, cross district busing to achieve racial balance or indeed, en-

forced busing to achieve racial balance, is morally, economically, and socially wrong.

Scarce public funds are dissipated on busing, children undergo hardship and peril while traveling excessive distances to achieve a shared inadequacy of educational opportunity and environmental pollution and resource abuse is accelerated. This means that the child, the parent, the school district, and the Nation are the poorer for the wasteful and unjust practice.

I am satisfied that the matter will be rectified in the Supreme Court; however, I recognize clearly that the need for explicit congressional direction to the courts is urgently needed.

For that reason I intend to redouble my efforts toward enactment of legislation I have introduced in the 93d Congress, H.R. 40, to further the achievement of equal educational opportunities and which states that—

No court, department, or agency of the United States shall . . . order the implementation of a plan that would require the transportation of any student to a school other than the school closest or next closest to his place of residence which provides appropriate grade level and type of education for such student.

I also urge enactment of House Joint Resolution 240, which I have cosponsored and which would achieve a constitutional amendment prohibiting enforcement of busing.

I also note that the Committee on Education and Labor is coming forward with legislation to extend and improve Federal educational legislation. I intend to cooperate with other correct thinking Members of Congress to make a strong effort to amend that education legislation to achieve effective legislative prohibition against enforced cross district busing for the purposes of racial balance.

I call upon all citizens and legislators to join me in these efforts.

THE RESTORATION OF SOCIAL SERVICES TO THE ELDERLY POOR

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

Mr. HEINZ. Mr. Speaker, at the beginning of today's session I gave a brief progress report on a piece of legislation of vital interest to this country's aged, blind, and disabled. I now rise to give a more complete report and to urge the fullest possible support of this measure in order to prevent further disruption to social services programs.

On February 5, I introduced H.R. 3819 and subsequently with cosponsors H.R. 4636, H.R. 5710, H.R. 5711, H.R. 8018, H.R. 8019, and H.R. 8020. These identical bills correct a provision added in conference last fall when the \$2.5 billion ceiling on social services was considered with the Revenue Sharing Act. At the time, there was little attention to some of the apparently minor fine print. The language in question stipulated that 90 percent of the social services funds to be spent under titles I, X, XIV, and XVI

must be applied to those elderly, blind, or disabled who are actual cash recipients of welfare, while limiting to 10 percent what can be applied to former or potential recipients.

In the few short months since this amendment took effect, it is apparent that States and communities are forced to deny a large number of their elderly, blind, and disabled citizens the access to homemaker services, senior citizen centers, counseling, and transportation services which are in some part responsible for the financial and social independence of many of the recipients. What is more, the requirement that 99 percent of the funds be spent on welfare recipients is now resulting in an even higher cost to the American taxpayers by forcing many of the elderly to turn to welfare, and in some cases to expensive institutionalization. In effect, this new provision in the law, which H.R. 3819 will correct, serves as a barrier between many of this country's elderly and the services that allow them to maintain themselves independently. I am pleased to report that H.R. 3819 has received wide support from several important organizations representing the interests of senior citizens, and have included the text of these letters at the end of this statement.

Because many of my colleagues believe that Congress did not intend to close already established ancillary programs to those who, though eligible, refuse to go on welfare, 153 Members of the House have cosponsored companion bills. I have asked that their names appear below.

And today, I am once again reintroducing this legislation, cosponsored by Chairman WILBUR MILLS of the Ways and Means Committee, and Congressman HERMAN SCHNEEBELI, the ranking minority member. I believe this represents a significant deepening and broadening of concern in changing the law as quickly as possible to aid our senior citizens and the handicapped.

In fairness to this country's aged, blind, and disabled, I think we must pass H.R. 3819 and must continue to drive not only to increase support for it but to inform the Senate, which is currently deliberating on the future of social services, of the House's strong interest in eliminating from the law a formula which makes it difficult to provide social services equitably. If we want to influence the Senate we must move as quickly as possible. Several vehicles now pending in the other body could be used to affect this change. Most notably, H.R. 3153, the Technical and Conforming Changes Amendment to the Social Security Act, which passed the House on April 2, 1973, provides the Senate with an opportunity to correct injustice and inequity in social security. In any case, we can urge the Senate to remedy the wrongs in social services by increasing cosponsorship of H.R. 3819.

I urge my colleagues who are similarly minded but are not as yet cosponsors to join with us in cosponsoring this needed measure.

The text of H.R. 3819 is as follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 1130(a)(2) of the Social Security Act is amended—

(1) by striking out "of the amounts paid (under all of such sections)" and inserting in lieu thereof "of the amounts paid under such section 403(a)(3)"; and

(2) by striking out "under State plans approved under titles I, X, XIV, XVI, or part A of title IV" and inserting in lieu thereof "under the State plan approved under part A of title IV".

COSPONSORS OF H.R. 3819, H.R. 4636, H.R. 5710, H.R. 5711, H.R. 8018, H.R. 8019, H.R. 8020, AND OTHER IDENTICAL BILLS INTRODUCED BY MR. HEINZ

Ms. Abzug, Mr. Anderson of Illinois, Mr. Bafalis, Mr. Bell, Mr. Bergland, Mr. Bevill, Mr. Biester, Mr. Bingham, Mr. Blackburn, Mr. Blatnik, Mrs. Boggs.

Mr. Brasco, Mr. Breckinridge, Mr. Broyhill of North Carolina, Mr. Brown of California, Mr. Buchanan, Mr. Burgener, Mrs. Burke of California, Ms. Chisholm, Mr. Del Clawson of California, Mr. Cleveland.

Mr. Cohen, Mr. Conyers, Mr. Cotter, Mr. Coughlin, Mr. Cronin, Mr. Davis of South Carolina, Mr. Dent, Mr. Devine, Mr. Diggs, Mr. Drinan.

Mr. du Pont, Mr. Duncan, Mr. Ellberg, Mr. Esch, Mr. Eshleman, Mr. Fauntroy, Mr. Findley, Mr. Flood, Mr. Forsythe, Mr. Fraser.

Mr. Frenzel, Mr. Frey, Mr. Gaydos, Mr. Ginn, Mr. Gonzalez, Mrs. Grasso, Mrs. Green of Oregon, Mr. Green of Pennsylvania.

Mr. Gude, Mr. Gunter, Mr. Hanley, Mr. Hansen of Idaho, Mr. Harrington, Mr. Hastings, Mr. Hawkins.

Mrs. Heckler of Massachusetts, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hillis, Mr. Hinshaw, Mr. Hogan, Mrs. Holt, Ms. Holtzman, Mr. Horton, Mr. Hosmer.

Mr. Hudnut, Mr. Hunt, Mr. Johnson of Pennsylvania, Mr. Keating, Mr. Kemp, Mr. Koch, Mr. Lehman, Mr. McCloskey, Mr. McCollister, Mr. McDade.

Mr. McKinney, Mr. Madigan, Mr. Mailliard, Mr. Matsunaga, Mr. Meeds, Mr. Metcalfe, Mr. Mills of Arkansas, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moakley.

Mr. Molohan, Mr. Moorhead of Pennsylvania, Mr. Morgan, Mr. Mosher, Mr. Murphy of New York, Mr. Nix, Mr. O'Brien, Mr. Owens, Mr. Pepper, Mr. Podell.

Mr. Poyer, Mr. Pritchard, Mr. Quile, Mr. Railsback, Mr. Rangel, Mr. Rees, Mr. Regula, Mr. Rhodes, Mr. Rinaldo, Mr. Robinson of Virginia.

Mr. Robison of New York, Mr. Rodino, Mr. Rogers, Mr. Roncallo of New York, Mr. Rosenthal, Mr. Roy, Mr. Roybal, Mr. Ruppe, Mr. St Germain, Mr. Sarasin.

Mr. Sarbanes, Mr. Schneebeli, Mrs. Schroeder, Mr. Sebelius, Mr. Seiberling, Mr. Stark, Mr. J. William Stanton, Mr. Steele, Mr. Steelman, Mr. Stephens, Mr. Stokes.

Mr. Stratton, Mr. Stuckey, Mr. Symington, Mr. Talcott, Mr. Thompson of New Jersey, Mr. Thornton of Wisconsin, Mr. Thone, Mr. Thornton, Mr. Tiernan, Mr. Vander Jagt.

Mr. Walsh, Mr. Ware, Mr. Whalen, Mr. Whitehurst, Mr. Williams, Mr. Bob Wilson, Mr. Charles H. Wilson of California, Mr. Wolff.

Mr. Won Pat, Mr. Wydler, Mr. Wyman, Mr. Yatron, Mr. Young of Florida, Mr. Young of Alaska, Mr. Young of Illinois.

There follows the complete text of letters of support for H.R. 3819—and identical bills—from Mr. Nelson H. Cruikshank, president, National Council of Senior Citizens, Inc., Mr. Jack Ossofsky, executive director, National Council on the Aging, Inc., and Mr. Cyril F. Brickfield, legislative counsel, American Association of Retired Persons/National Retired Teachers Association:

NATIONAL COUNCIL OF
SENIOR CITIZENS, INC.,
Washington, D.C., May 22, 1973.

Hon. H. JOHN HEINZ, III,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HEINZ: I urge for the National Council of Senior Citizens your favorable consideration of H.R. 3819, introduced by Congressman H. John Heinz, III.

This legislation eliminates a hastily considered provision to the Social Security Act which threatens to deny vitally needed social services to the elderly.

You will recall that when the \$2.5 billion ceiling on social services was considered with the Revenue Sharing Act last fall, there was a stipulation that 90% of these social services funds must be applied to the elderly, blind and disabled who are actually cash recipients of welfare. The remaining 10% of the funds could be applied to former or potential recipients.

This stipulation reverses a long established Congressional policy of making services available not only to persons on welfare, but to those in danger of becoming dependent. This latter category particularly includes hundreds of thousands of older persons who are managing to get by, in part because of constructive services—homemaker, senior citizens centers, counselling, nutrition services, and transportation services that have been made available to them.

We think it is of high importance that these older individuals with low income but not on welfare, continue to have access to these important services which contribute to their ability to manage independently and to enjoy a significant degree of dignity and security in their older years.

Sincerely,
NELSON H. CRUIKSHANK, President.

THE NATIONAL COUNCIL
ON THE AGING, INC.,
Washington, D.C., May 15, 1973.

DEAR CONGRESSMAN: The National Council on the Aging wishes to alert you to a critical matter of growing concern: the social services provisions for the elderly authorized under Titles I and XVI of the Social Security Act.

While there has been a great deal of publicity and congressional debate surrounding the new regulations for the social services program, there appears to be a lack of understanding about the new law (P.L. 92-512) to which these regulations must conform.

P.L. 92-512 stipulates that at least 90% of the allocated federal matching dollars must be spent on current welfare recipients (in this case, Old Age Assistance recipients) and only up to 10% on past or potential recipients. NCOA finds the stipulation deplorable, as it will virtually eliminate programs designed to prevent dependency and institutionalization of our older people—resulting eventually in a higher cost to the taxpayers. It will also result in means testing the client group which—because of the stigma attached—will keep even the most needy of the elderly away from the provided services.

This tragic dilemma now facing our elderly population is vividly portrayed in the enclosed *Baltimore Sun* article "Good-bye Aide: Good-bye Home." Did Congress intend that this 75 year-old woman, maintaining her independence and dignity through the use of a homemaker, be forced into a dependent state of institutionalization? Did Congress intend that the taxpayers shoulder the costly burden of residential care when inexpensive homemaker care is eliminated as an alternative? We think not.

Congressman Heinz, along with 90 co-sponsors, has introduced a bill (H.R. 3819)

to remedy this cruel, senseless situation. NCOA heartily applauds his effort to exempt the elderly from the 90/10 welfare/non-welfare ratio and asks that you consider joining with Mr. Heinz in this important measure.

Sincerely,

JACK OSOFSKY,
Executive Director.

AMERICAN ASSOCIATION OF RETIRED
PERSONS, NATIONAL RETIRED TEACH-
ERS ASSOCIATION

Washington, D.C., May 17, 1973.

DEAR CONGRESSMAN: The American Association of Retired Persons and the National Retired Teachers Association, with a combined national membership of over five million, one hundred thousand older Americans, are most concerned about the impending reduction of services to older persons under Title I and Title XVI of the Social Security Act.

The primary purpose of social services for the elderly is to prevent dependency and institutionalization by providing the support that can enable older people to remain in their homes. To be efficacious, these services must be provided when they are most needed. And, they are needed not at some arbitrary age, not at the point when the individual's income and resources meet cash assistance eligibility standards, but at that point in time when the individual becomes vulnerable to dependency.

In order to prevent the loss of needed services by thousands of older Americans, our Associations urge Congress to enact legislation which would exempt the elderly from the restrictive 90/10 welfare/non-welfare eligibility ratio imposed by P.L. 92-512.

The American Association of Retired Persons and the National Retired Teachers Association strongly support H.R. 3819, introduced by Congressman John Heinz, as a model for Congressional action. H.R. 3819, which now has 90 cosponsors, would exclude services to the aged, blind and disabled from application of the 90/10 welfare/non-welfare limitation.

We impress upon you the need for corrective legislation to lighten the social services restrictions placed on older Americans, and we urge you to cosponsor and support H.R. 3819.

With best wishes,
Sincerely,

CYRIL F. BRICKFIELD,
Legislative Counsel.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ADAMS, for June 15 to 18, on account of official business.

Mr. EDWARDS of California (at the request of Mr. McFALL), for today and June 14, on account of illness in family.

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. PATMAN, for 40 minutes, today; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. JOHNSON of Colorado) to revise and extend their remarks and include extraneous matter.)

Mr. DICKINSON, for 5 minutes, today.

Mr. FRENZEL, for 5 minutes, today.
Mr. BELL, for 15 minutes, today.
Mr. ASHBROOK, for 30 minutes, today.
Mr. ASHBROOK, for 30 minutes, on June 14.

(The following Members (at the request of Mr. RYAN) to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.
Ms. ABZUG, for 10 minutes, today.
Mr. LEHMAN, for 5 minutes, today.
Mr. DAVIS of South Carolina, for 10 minutes, today.
Mr. KASTENMEIER, for 5 minutes, today.
Mr. EILBERG, for 5 minutes, today.
Mr. BURKE of Massachusetts, for 10 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. BOLAND, for 5 minutes, today.
Mr. ROONEY of Pennsylvania, for 15 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.
Mr. ANNUNZIO, for 5 minutes, on June 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROYHILL of North Carolina to follow the remarks of Mr. SCHNEEBELI during general debate on H.R. 8410 today.

Mr. VANIK to include extraneous material during the debate on H.R. 8410 today.

(The following Members (at the request of Mr. JOHNSON of Colorado) and to include extraneous matter:)

Mr. KEATING.
Mr. STEELE in two instances.
Mr. BROWN of Ohio.
Mr. CARTER.
Mr. HUNDT.
Mr. MINSHALL of Ohio.
Mr. MCKINNEY.
Mr. NELSEN in two instances.
Mr. DERWINSKI in two instances.
Mr. WHALEN in three instances.
Mr. BRAY in three instances.
Mr. SNYDER.
Mr. CRANE in five instances.
Mr. HUBER.
Mr. FRENZEL in three instances.
Mr. PRICE of Texas.
Mr. VANDER JAGT.
Mr. LENT.
Mrs. HOLT.
Mr. GILMAN.
Mr. LUJAN.
Mr. McCLORY.
Mr. MIZELL in five instances.

Mr. ROBISON of New York in two instances.

Mr. HEINZ.
Mr. PARRIS in five instances.

(The following Members (at the request of Mr. RYAN) and to include extraneous matter:)

Mr. ASPIN in 10 instances.
Mr. McSPADDEN in four instances.
Mr. O'NEILL.
Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. RIEGLE.
Mr. RODINO.

Mr. DINGELL in two instances.
Mr. STUDDS.
Mr. PATTEN in two instances.
Mr. GIAMO in 10 instances.
Mr. GREEN of Pennsylvania in three instances.
Mr. FUQUA.
Mr. DONOHUE.
Mr. ROSENTHAL in five instances.
Mr. RONCALIO of Wyoming in five instances.
Mr. ST GERMAIN.
Mr. BROWN of California in 10 instances.
Mr. BURTON.

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. 1938. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1974; to the Committee on Agriculture.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 5610. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; and

H.R. 5293. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

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. 5293. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes; and

H.R. 5610. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes.

ADJOURNMENT

Mr. LEHMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p.m.), the House adjourned until tomorrow, Thursday, June 14, 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:

1028. A letter from the Director, Office of Legislative Affairs, Agency for International Development, Department of State, transmitting a quarterly report on the program-

ing and obligation of contingency funds, covering the period ending March 31, 1973, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

1029. A letter from the Comptroller General of the United States, transmitting a report on the need for further improvement in assisting military personnel in finding adequate housing near bases to which they are assigned; to the Committee on Government Operations.

1030. A letter from the Comptroller General of the United States, transmitting a report that in-flight escape systems for helicopter fatalities; to the Committee on Government Operations should be developed to prevent

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. NATCHER: Committee on Appropriations. H.R. 8658. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974, and for other purposes; (Rept. No. 93-278). 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:

H.R. 8620. A bill to insure the separation of Federal powers and to protect the legislative function by abolishing the Subversive Activities Control Board; to the Committee on Internal Security.

By Ms. ABZUG (for herself, Mr. PODELL, Mr. ROSENTHAL, Mr. CHARLES H. WILSON of California, Mr. BADILLO, Mr. BRASCO, Mr. HELSTOSKI, Mr. STARK, Mr. CONYERS, Mr. RANGEL, Mr. ROE, Mr. WON PAT, Mrs. MINK, Mr. HAWKINS, and Mr. MITCHELL of Maryland):

H.R. 8621. A bill to provide for equitable rents under the economic stabilization program; to the Committee on Banking and Currency.

By Mr. ADDABBO:

H.R. 8622. A bill to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of Illinois (for himself, and Mr. CLEVELAND):

H.R. 8623. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. BREAUX (for himself, Mrs. BURKE of California, Mr. DAN DANIEL, Mr. DOMINICK V. DANIELS, Mr. FASCCELL, Mr. FLOOD, Mr. GINN, Mr. GUDE, Mrs. HANSEN of Washington, Mr. LEGGETT, Mr. McCORMICK, Mr. MOLLOHAN, Mr. MOSHER, Mr. MURPHY of New York, Mr. MURPHY of Illinois, Mr. NIX, Mr. QUIE, Mr. RAILSBACH, Mr. RIEGLE, Mr. RINALDO, Mr. ROBINSON,

of Virginia, Mr. SEIBERLING, Mr. STOKES, and Mr. THOMSON of Wisconsin):

H.R. 8624. A bill to amend title 38 of the United States Code to clarify the circumstances under which the Administrator of Veterans' Affairs may pay for care and treatment rendered to veterans by private hospitals in emergencies; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Mr. WINN, Mr. YOUNG of Georgia, and Mr. YOUNG of Illinois):

H.R. 8625. A bill to amend title 38 of the United States Code to clarify the circumstances under which the Administrator of Veterans' Affairs may pay for care and treatment rendered to veterans by private hospitals in emergencies; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Mrs. BURKE of California, Mr. CULVER, Mr. DANIEL, Mr. DOMINICK V. DANIELS, Mr. FASCELL, Mr. FLOOD, Mr. GINN, Mr. GUDE, Mrs. HANSEN of Washington, Mr. LEGGETT, Mr. McCormack, Mrs. MINK, Mr. MITCHELL of Maryland, Mr. MOLLOHAN, Mr. MOSHER, Mr. MURPHY of New York, Mr. MURPHY of Illinois, Mr. NIX, Mr. QUIE, Mr. RAILSBACK, Mr. RANGEL, Mr. RINALDO, Mrs. SCHROEDER, and Mr. SEIBERLING):

H.R. 8626. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Mr. SISK, Mr. STOKES, Mr. THOMSON of Wisconsin, Mr. WINN, Mr. WOLFF, and Mr. YOUNG of Georgia):

H.R. 8627. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. BROWN of California (for himself and Mr. MCCORMACK):

H.R. 8628. A bill to further energy research and development by establishing a Geothermal Energy Development Corporation; to amend the National Science Foundation Act of 1950 and to authorize and direct the National Science Foundation to fund basic and applied research related to energy and thereby support the objectives of the Geothermal Energy Development Corporation; and for other purposes; to the Committee on Science and Astronautics.

By Mr. BURKE of Massachusetts:

H.R. 8629. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the severance pay received by individuals as a result of the consolidation, reduction, realignment or closure of certain military and naval installations; to the Committee on Ways and Means.

By Mr. DEVINE:

H.R. 8630. A bill to amend section 4 of the Internal Security Act of 1950; to the Committee on Internal Security.

H.R. 8631. A bill to amend the Federal Claims Collection Act of 1966 to permit agencies to contract with commercial claims collection services for the collection of claims of the United States; to the Committee on the Judiciary.

By Mr. EILBERG:

H.R. 8632. A bill to provide that U.S. Flag Day shall be a legal public holiday; to the Committee on the Judiciary.

H.R. 8633. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. ESHLEMAN:

H.R. 8634. A bill to amend section 8(e) of the National Labor Relations Act with

respect to its application to labor agreements relating to construction; to the Committee on Education and Labor.

By Mr. FISH:

H.R. 8635. A bill to amend the Internal Revenue Code of 1954 to provide that the valuation of a decedent's interest in a ranch, farm, or closely held business may at the election of the executor be determined, for estate tax purposes, solely by reference to its value for such use; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 8636. 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. GOODLING (for himself, Mr. SYMMS, Mr. SCHERLE, Mr. TEAGUE of California, Mr. McEWEN, Mr. HUTCHINSON, Mr. BAKER, Mr. NELSEN, Mr. WAMPLER, Mr. ROBINSON of Virginia, Mr. HUNT, Mr. VIGORITO, Mr. DANIEL, Mr. MYERS, Mr. BRAY, Mr. SHUSTER, Mr. MICHEL, Mr. MIZELL, Mr. MAYNE, Mr. DENNIS, and Mr. CARTER):

H.R. 8637. A bill to require public hearings on certain regulations promulgated by the Secretary of Labor; to the Committee on Education and Labor.

By Mr. GOODLING (by request):

H.R. 8638. A bill to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. GUDE:

H.R. 8639. A bill to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HARSHA:

H.R. 8640. A bill to amend title 5 of the United States Code to provide for the immediate retirement of Federal personnel employed in Veterans' Administration neuropsychiatric hospitals or facilities after attaining 50 years of age and completing 20 years of such service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HEINZ (for himself, Mr. MILLS of Arkansas, and Mr. SCHNEEBELI):

H.R. 8641. A bill to amend section 1130 of the Social Security Act to make inapplicable to the aged, blind, and disabled the existing provision limiting to 10 percent the portion of the total amounts paid to a State as grants for social services which may be paid with respect to individuals who are not actually recipients of or applicants for aid or assistance; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. COTTER, Mr. GINN, Mr. HANLEY, Ms. HECKLER of Massachusetts, Ms. HOLT, Mr. SEBELIUS, Mr. McCOLLISTER, Mr. ROBINSON of Virginia, Mr. BAFALIS, and Mr. STEELE):

H.R. 8642. A bill to amend section 1130 of the Social Security Act to make inapplicable to the aged, blind, and disabled the existing provision limiting to 10 percent the portion of the total amounts paid to a State as grants for social services which may be paid with respect to individuals who are not actually recipients of or applicants for aid or assistance; to the Committee on Ways and Means.

By Mr. JONES of Alabama (for himself, and Mr. BEVILL):

H.R. 8643. A bill to amend the Wild and Scenic Rivers Act by designating the West Fork of the Sipsey Fork in the State of Alabama for potential addition to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. KETCHUM:

H.R. 8644. A bill for the relief of Kern County, Calif.; to the Committee on the Judiciary.

By Mr. MILLER (for himself and Mr. HARSHA):

H.R. 8645. A bill to direct the Commandant of the U.S. Coast Guard to develop and issue rules and regulations governing the movement and anchorage of vessels and barges in a portion of the Ohio River; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLS of Arkansas (for himself, Mr. SCHNEEBELI, and Mr. HEINZ):

H.R. 8646. A bill to amend section 1130 of the Social Security Act to make inapplicable to the program of aid to families with dependent children the existing provision limiting to 10 percent the portion of the total amounts paid to a State as grants for social services which may be paid with respect to individuals who are not actually recipients of or applicants for aid or assistance; to the Committee on Ways and Means.

By Mr. MOAKLEY (for himself and Mr. O'NEILL):

H.R. 8647. A bill directing the Secretary of Defense to transfer jurisdiction and control of a portion of the property comprising the Boston Naval Shipyard at Charlestown, Mass., to the Secretary of the Interior; to the Committee on Armed Services.

By Mr. NELSEN:

H.R. 8648. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 50 or less employees from the requirement of paying or depositing certain employment taxes more often than once each quarter; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 8649. A bill to require that burials be permitted in national cemeteries on weekends and holidays; to the Committee on Veterans' Affairs.

By Mr. ROE:

H.R. 8650. A bill to repeal the bread tax on 1973 wheat crop; to the Committee on Agriculture.

By Mr. ROYBAL:

H.R. 8651. A bill to provide relief to certain individuals 60 years of age and over who own or rent their homes, through income tax credits and refunds; to the Committee on Ways and Means.

By Mr. SCHERLE:

H.R. 8652. A bill to provide a 2 cents a gallon tax reduction on gasoline sold for use in highway vehicles where the gasoline contains cereal grain alcohol as a substitute for lead; to the Committee on Ways and Means.

By Mr. WAGGONNER (for himself, Mr. HÉBERT, Mr. PASSMAN, Mr. RARICK, Mr. BREAUX, Mr. LONG of Louisiana, Mrs. BOGGS, and Mr. TREEN):

H.R. 8653. A bill to provide for the conveyance of certain lands of the United States to the State of Louisiana for the use of Louisiana State University; to the Committee on Agriculture.

By Mr. WALDIE:

H.R. 8654. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. CHARLES WILSON of Texas:

H.R. 8655. A bill to establish the Big Thicket National Biological Reserve in Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WYDLER:

H.R. 8656. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. ZWACH:

H.R. 8657. A bill to amend section 107 of the River and Harbor Act of 1970; to the Committee on Public Works.

By Mr. NATCHER:

H.R. 8658. A bill making appropriations for the government of the District of Co-

lumbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974, and for other purposes.

By Mr. ANDERSON of California (for himself, Mr. BROWN of California, Mr. STARK, Mr. EDWARDS of California, Mr. REES, Mr. DANIELSON, Mr. WALDIE, Mr. BELL, Mr. KETCHUM, Mr. ROYBAL, Mr. HINSHAW, Mr. GOLDWATER, Mr. CHARLES H. WILSON of California, Mr. VESEY, Mr. PETTIS, Mr. LEGGETT, Mr. DON H. CLAUSEN, Mr. MOORHEAD of California, and Mr. ROUSSELOT):

H.R. 8659. A bill to provide for a Federal income tax credit for the cost of certain motor vehicle emission controls on 1975 model motor vehicles sold in the State of California; to the Committee on Ways and Means.

By Mr. CLAY:

H.R. 8660. A bill to amend title 5 of the United States Code (relating to Government Organization and employees) to assist Federal employees in meeting their tax obligations under city ordinances; to the Committee on Post Office and Civil Service.

By Mr. MAZZOLI:

H.R. 8661. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. PRICE of Illinois (for himself, Mr. HOLIFIELD, and Mr. HOSMER):

H.R. 8662. A bill to authorize appropria-

tions to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. RONCALIO of Wyoming:

H.R. 8663. A bill to amend section 613(c) (4) (F) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 8664. A bill to make the provisions of the Federal Employees' Compensation Act providing cost-of-living increases applicable to employees of the Federal Civil Works Administration and certain other agencies not now in existence, and for other purposes; to the Committee on Education and Labor.

By Mr. STUDDDS:

H.R. 8665. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HANSEN of Idaho:

H.J. Res. 615. Joint resolution authorizing the President to declare the third week in June of each year as "National Fiddle Week"; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.J. Res. 616. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. HANLEY:

H. Con. Res. 250. Concurrent resolution expressing the sense of Congress that the Holy Crown of Saint Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hun-

garian people through free choice; to the Committee on Foreign Affairs.

By Mr. STUDDDS:

H. Con. Res. 251. Concurrent resolution relating to the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. GIBBONS:

H. Res. 439. Resolution to amend the Rules of the House of Representatives to establish as a standing committee of the House Committee on Energy, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HINSHAW:

H.R. 8666. A bill for the relief of Ola Belle Meredith; to the Committee on the Judiciary.

By Mr. MCKINNEY:

H.R. 8667. A bill for the relief of William J. Walsh; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 8668. A bill for the relief of Giovanni Battista and Caterina Asaro; to the Committee on the Judiciary.

H.R. 8669. A bill for the relief of Carmelo Andolina; to the Committee on the Judiciary.

H.R. 8670. A bill for the relief of Emanuel Licitra; to the Committee on the Judiciary.

H.R. 8671. A bill for the relief of Giuseppe Cappello; to the Committee on the Judiciary.

H.R. 8672. A bill for the relief of Anna D'Angelo; to the Committee on the Judiciary.

By Mr. WALDIE:

H.R. 8673. A bill for the relief of George L. Smith; to the Committee on the Judiciary.

SENATE—Wednesday, June 13, 1973

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

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

Let us pray in the words of the first Psalm:

Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful.

But his delight is in the law of the Lord; and in his law doth he meditate day and night.

And he shall be like a tree planted by the rivers of water, that bringeth forth his fruit in his season; his leaf also shall not wither; and whatsoever he doeth shall prosper.

The ungodly are not so: but are like the chaff which the wind driveth away. Therefore the ungodly shall not stand in the judgment, nor sinners in the congregation of the righteous.

For the Lord knoweth the way of the righteous: but the way of the ungodly shall perish.

O Lord, our God, lead us ever in the way of the righteous man. Amen.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of June 12, 1973, Mr. JACKSON,

from the Committee on Interior and Insular Affairs, reported favorably, with an amendment, on June 12, 1973, the bill (S. 1081) to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment, and submitted a report (No. 93-207) thereon, which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, June 12, 1973, be dispensed with.

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

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred

to the Committee on Agriculture and Forestry. The message is as follows:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1972.

RICHARD NIXON.
THE WHITE HOUSE, June 13, 1973.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 504) to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr.