SENATE—*Thursday, June 28, 1973*

(Legislative day of Monday, June 25, 1973)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by Hon. FRANK E. MOSS, a Senator from the State of Utah.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, ruler of men and nations, in whose will is our peace, send Thy light and Thy truth into our lives this day. Fit us in mind and spirit that we may rise to new heights of service to our Nation and to the world. Gather us to Thyself and bind us to one another that we may concert our best efforts at this time of crisis and of opportunity. Reinforce us by the constant assurance of Thy presence, relieving our weariness, renewing our physical energies, and enlarging our vision. At length give us hearts at peace in the knowledge of work well done.

We pray in His name who came not to be ministered unto but to minister. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 28, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. FRANK E. Moss, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. MOSS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, June 27, 1973, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized for not to exceed 10 minutes.

THE ENERGY CRISIS

Mr. BARTLETT. Mr. President, in this morning's Washington Post there is an article by Hobart Rowen entitled "The Energy Crisis." In one caption he says, "The energy question cuts across all other problems—security, the dollar, trade, everything."

There is lots of talk heard about the energy crisis. There are those who question that it really exists. But I say you only need to go to the nearest filling station or go to the nearest farmer to learn that it exists. But little has been done to help solve the problems of the energy crisis.

This body and the Congress have not yet come up with solutions and in the past several years have unknowingly, I believe, added to some of those problems. My colleagues and I this morning are going to address ourselves to various aspects of the energy problem, and I will discuss one approach that has been mentioned as a solution—more Federal controls.

What has been happening to the U.S. dollar abroad is alarming, even frightening when you consider the consequences.

The first quarter of this year our Nation had a balance-of-payments deficit over $10 billion. There are U.S. dollars aplenty abroad, so many in fact, that many are being cashed in hurriedly. Our domestic inflationary spiral and strangling fuel shortage add to the uneasiness of foreigners that hold U.S. dollars.

The sad, but true, fact is that in the near future we will have to spend more and more dollars abroad for crude oil and other petroleum products. John Winger of the Chase Manhattan Bank estimates that within the next 3 years we will have a $17.5 billion balance-of-payments deficit from imports of petroleum alone. That will be almost 50 percent of our total energy demand. By 1985, John Winger estimates a balance-of-payments deficit from petroleum alone from $30 to $40 million.

The more we spend, the less our dollars will be worth—it is a vicious cycle. We could, in a very few years, become a bankrupt nation.

Unfortunately, many cast the blame for our energy problems on the energy industry only. It is not without blame, but we should recognize that there are many reasons for our problems and certainly not the most insignificant of these has been Federal controls imposed with honorable intention, but sometimes with disastrous results.

Federal regulation of interstate natural gas prices is a classic example. It has depressed the domestic energy industry in many ways. The fuels which have had to compete with the artificially low gas prices have also been depressed to artificially low levels—all this leads to a lack of sufficient profit incentives for development of our indigenous resources.

Another offshoot of depressed prices is the premature plugging of oil and gas wells because of the unfavorable economics of maintaining production.

Controlling the price of natural gas has effectively controlled the market price of all competing fuels—providing cheap energy for the short pull, but providing shortages and inevitably higher prices for the long run. There is no telling how much this particular Federal control is costing the United States today in additional oil import requirements.

The cost to keep our environment clean is great, too—perhaps greater than we can afford.

If the States choose to require the secondary standards of the National Environmental Policy Act, by 1975, 150 million tons of coal would be made unusable with current stack gas emission technology. That means about 1.6 million barrels per day more in imports will be required at an annual cost of about $2.5 billion more in our balance-of-payments deficit. This is assuming our dollar retains its value abroad and the price of foreign crude remains relatively constant. Both seem unlikely.

The auto emission standards that have been imposed by the Environmental Protection Agency also have a high cost. The decrease in fuel economy could cost over half a million barrels per day in imports or $900 million annually by 1975. The EPA itself recommends that the standards be reviewed.

Much needed domestic Alaskan oil has also been held up for environmental considerations and right-of-way difficulties. The 2 million barrels that we could be getting would replace imported oil—saving the country another $3 billion annually in balance-of-payments deficit.

Congress is moving like molasses in correcting the technicality in the Federal Rights-of-Way Act.

Now Congress is considering additional controls which would result in significant costs to our Nation if the architects of the language are not careful.

Tremendous coal reserves could be nullified if arbitrary surface mining limits are set. Coal must be allowed to assume a large part of the energy burden.

Other legislation that must be considered very carefully is the land use bill.

Mr. President, the distinguished Senator from Ohio (Mr. TAFT) had planned to take part in this colloquy this morning, but unfortunately, he could not be here. Therefore, I am pleased to ask unanimous consent to submit his prepared statement and an insertion for the RECORD.

STATEMENT BY SENATOR TAFT

THE ENERGY CRISIS

Already we are seeing signs of the energy crisis hitting home: gas stations that normally are open 24 hours a day are closing

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

early in the evening, an attendant was murdered when his pumps were empty and he was unable to satisfy a customer, and many of us have passed pumps that say "empty."

In the energy crisis, I believe we will face both a short-term and a long-term problem. The short-term crisis is primarily in gasoline and heating oil, which was in short supply last winter, despite the mild weather. Farmers have been desperate for fuel to plow and to dry their crops, local companies have been suggesting that their customers turn down their thermostats, and airports have had to close for short periods for lack of sufficient fuel.

In the long term, however, unless we act now, the dependence of our economy upon fossil fuels will be even more severely felt. A basic feature of the American way of life, the highest possible general standard of living, seems most likely to perpetuate the constant taking of power and use of fossil fuels which we cannot replace.

I have recently cosponsored two bills to help alleviate this situation. First, the Jackson energy research bill, S. 1283, which hopefully might put the United States on the road to self-sufficiency in the energy area by 1983.

Another resolution I have cosponsored requests the President to call a conference of oil-importing nations for two purposes: (1) to establish an international organization of oil-importing countries, and (2) to establish common practices and policies affecting oil pricing, importation and consumption.

The dependence of the United States on Arab oil supplies could become an achilles' heel, from defense and economic viewpoints, if at some point these suppliers decided to withhold their products from us for political reasons. The Arab nations have indicated that they plan to raise the price of oil by at least 10 percent. Several Arab states have also asked other Middle East oil-producing countries to withhold oil supplies from nations aiding Israel. The policy advocated by this resolution would certainly not reduce the demand for the oil, but it might be a step toward a reassertion of international monetary stability and a partial defense against one of the problems that may lie ahead.

Even against this somber background, in the forseeable future, there will always be a need for a natural gas industry. Up to the last year or so, our own supplies have been sufficient for our needs. But this is not the case now and may never again be, especially in light of the 37 percent rise in demand for gas from 1966 to 1973, a period during which annual additions to reserves were for the first time falling below the annual consumption. Because of the large increase in gas demand, with little or no prospect that this new demand can be met by supply over the next decades, out of the remaining resource base of indigenous gas supplies, we are now facing the crisis in natural gas. Our existing energy policy, since the depression, has been to get the energy to the consumer as quickly as possible with little regard for the environment, replacement cost, foreign exchange or national security. All of these factors must be taken into consideration as we ponder where we will have to compromise in order to meet our needs and priorities.

In making such policy decisions relating to the gas industry, several questions have to be answered:

1. Should the Federal Power Commission continue to regulate the field price of natural gas? Should Congress turn gas prices loose? Or should there be some compromise between these two courses?

2. What should be the import policy of the U.S. as it affects gas supply, crude distillates, liquefied natural gas and gas from Canada?

3. Should the use of gas be rationed or controlled by price or other means?

4. What role should the Federal Government play in the production of synthetics particularly needed to restore the balance between demand and supply?

5. What tax policies are justified to encourage supply or control use of natural gas?

6. What environmental and land use policies are sound and proper relating to drilling, extraction, and importation of natural gas?

Let me comment on the first question, the regulation of the field price of natural gas.

The President in his energy message of April 18 of this year urged that our domestic energy production be expanded. He announced that he would submit legislation to amend the Natural Gas Act so that prices paid by interstate pipelines to producers for new supplies of domestic natural gas would be determined by the competitive forces of the market system rather than regulated by the Federal Power Commission. This proposal is designed to stimulate new exploration and development of usable domestic gas resources while maintaining current prices on present interstate supplies and eliminating unfair gains at the expense of the consumer. It would seem that low regulated prices have discouraged development of an amount of resources to meet the ever-increasing demand, and it is certain that proven reserves have fallen by 21 percent since 1966. Another result of the price regulation has been that more than 50 percent of our natural gas is consumed by industrial users and utilities, many of which might otherwise be using coal or oil. Homeowners are being forced to turn to other less desirable fuel to fill their needs. In addition, because prices within producing states are often higher than the interstate prices established by the Federal Power Commission, most newly discovered and newly produced natural gas does not enter interstate pipelines.

Many people seem to feel that if prices at the wellhead are deregulated, the cost will soar to such an extent that we will be forced to rely more on synthetic alternatives, which are at this time priced three times as high as natural gas, and greatly increased importation of gas and crude oil. By 1985, it has been estimated that our outflow of cash for importing crude oil, petroleum and gas could be $30 billion or higher. And even this figure is based on the precarious notion that these products will be sold to us at today's prices, and is based on a demand curve that is conservative. We already know that the OPEC countries intend to raise the prices, and other estimates have increased the import bill to $54 billion and even $70 billion, which could bankrupt America.

The increased field price of natural gas, which will probably result if prices are deregulated, seems likely to result in modest increases at the home for the average consumer, because the pipelines and local distributors will remain regulated, and because the new supplies of natural gas will be only a small percentage of the total supplies of the interstate pipelines for several years into the future. At the current time, the price paid to the producer for gas supplies is approximately 10 to 20 percent of the ultimate price paid by the homeowner in most areas.

FPC Chairman John Nassikas has said recently, however, that the commission has no studies to show a cause-effect relation between deregulation of natural gas at the wellhead and increased supplies. In addition, actual price increases cannot be predicted, and any price increases at this time would be subject to the cost of living council's freeze regulations.

The President's proposed energy legislation provides that the FPC be granted rate jurisdiction over the direct industrial sales of pipelines. This action will allow the FPC to assure that industrial customers, who use natural gas, are paying a fair and equitable share of the costs of obtaining this premium fuel. However, the President's action does not alter state and local authority over intrastate pipelines and natural gas distributors.

The proposed legislation would also allow the competitive forces of the market system, through arms length negotiations between producers and pipelines, to determine the price of new supplies of natural gas. It would permit, as well, the interstate pipelines to compete with the intrastate pipelines for new gas supplies and lead to a more desirable distribution and usage. On balance, the action hopefully may provide consumers more supplies of natural gas at a lower cost than any other alternative.

Another possible approach to the deregulation problem would be the optional pricing procedure that has recently been put into effect. This "pragmatic regulation" of oil and gas prices at the wellhead increased prices from 26 cents per thousand cubic feet (mcf) to 45 cents mcf in one specific case. This takes the pressure off deregulation, but adds an incentive to the industry for exploration.

Another stimulus for exploration by investors is the deduction of intangible drilling expenses and development costs. On April 30, Secretary of the Treasury Shultz announced that in the administration's proposed tax reform bill these deductions from unrelated income would no longer be permitted. The essence of this proposal is that losses resulting from expenditures for intangible drilling and development costs can only be used to offset oil and gas income and not income from other sources. I joined with 35 other Senators in writing to Secretary Shultz to protest this proposal. Prohibition of this deduction would not only be inconsistent with the President's stated objective to encourage more exploration for oil and gas, but it would have a particularly serious impact on the independent producer segment of the industry which historically has accounted for about 75 percent of exploratory wells drilled, and has heavily relied upon outside investors for needed capital. Moreover, the Secretary's proposed tax reform bill of 1973 will probably not be taken up by the Congress before late this year. This particular proposal has already had an immediate adverse impact because it has been proposed to be retroactive to April 30, 1973 and because it must be noted on soliciting material as a so-called "red herring." That means that most investors do not wish to or cannot afford to make commitments until the Congress acts. In the meantime, while the merits of the proposal are being debated, our gas position will needlessly deteriorate.

For example, in my home State of Ohio, the result has been to cut off the supply of outside capital for development of oil and gas wells in the State. Approximately 1,300 wells have been drilled in Ohio in each of the last 4 years. As the natural gas shortage has worsened, the producers have emphasized natural gas exploration in the area. This has resulted in a significant percentage increase in production of natural gas in the State. While the amount may be small when compared with the natural gas imported from other states, it is a vital margin in a time of shortage. And it is reliably estimated that 90 percent of the new drilling in Ohio is financed at least partially by investment from outside the industry itself.

One of the major factors inducing this investment is the present tax treatment of intangible drilling and development costs afforded the investor. Loss of this outside investment could obviously cripple the oil and gas exploration and development in Ohio and elsewhere. Thus the only way to remove the "unfavorable" aspects of this potential investment and to avoid completely cutting off outside investment is for the Secretary of the Treasury to reverse the position he

has taken. In the telegram which I joined in sending to the Secretary, I requested that he revoke the position on the proposal concerning the retroactive effect of any changes which are adopted, so that it would not do harm while the matter was being considered by the Congress.

Much of the rest of the world itself now has energy consumption patterns that are growing at a faster rate than our own. It now appears that the world as a whole will use as much energy from all forms between 1970 and 2000 as it did from the start of mankind until 1970. No single approach will be enough to solve our problem. It will take a combination, including "trade-offs." In fact our efficiency in the use of available energy is expected to deteriorate to the point where in 1960 we wasted or rejected 50.8 percent of our energy and in 1985 we are expected to reject 58.4 percent and continue to make use of only 41.6 percent.

The energy situation is extremely serious and it is a national and a worldwide problem. It has been said that we are in the "twilight" of the fossil fuel age. I believe that gas and oil will be primary fuels for the near future, and that substantial alternatives to gas and oil will not be available within the next ten years to mitigate substantially the energy problem. It appears imperative, therefore, that we achieve improved domestic supplies in order to continue our national security and to offset the balance of payments problems as much as possible.

I ask unanimous consent to have printed in the RECORD the lead article in the July issue of Foreign Affairs magazine. I believe it is an excellent article, and I commend it to Senators for their information and consideration.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PLAN FOR ENERGY INDEPENDENCE

(By Carroll L. Wilson)

I believe the United States is facing a national energy emergency. It arises from our extravagant and wasteful use of energy and from a shift in the sources of fuels. Per capita consumption is three times that of Western Europe, and we may ask ourselves whether our greater use enriches the quality of life by any such margin. Our cars are twice as heavy and use twice as much fuel as European cars which run about the same mileage each year, and the ratio is getting worse because of the sharp drop in fuel economy on recent models of American cars, owing to emission controls and air conditioners. We keep our houses and buildings too hot and use large amounts of fuel in air-conditioning everything. We have not given a thought to fuel conservation and efficiency since the days of rationing in World War II—an era which only 30 percent (those over 45) of the population can remember. These are some of the reasons why with six percent of the world's population the United States uses 33 percent of the world's energy—and why Europe and Japan are unlikely to be sympathetic to our plight as we ask them to share with us their traditional supply sources in the Middle East.

The costs and perils of dependence upon Middle East nations around the Persian Gulf were eloquently stated by James Akins of the State Department in the last issue of this journal.[1] His analysis of the expected scale of payments to Middle East countries and the inability of the largest producer, Saudi Arabia, to absorb or use a significant fraction of these payments for internal purposes underscores the perils of open-ended dependence upon these nations for our oil. The most critical aspects of the national energy emergency are the shift to such dependence and the enormous foreign-exchange drain it must progressively entail by the late 1970's alone. Recent "symbolic" interruptions by some Middle East countries, in protest against U.S. policy toward Israel, may be one hint of what the future holds; the continued hard bargaining on price is another. Although we will have to live through a period of substantial reliance on Middle East oil, it is hardly an acceptable national policy to leave the emerging situation in this highly unsatisfactory state. There are simply too many cumulative problems and dangers involved.

The question, of course, is what *could* we do about it. The time has come to propose solutions. I propose a strategy to overcome this emergency, a program of action to implement such a strategy, the machinery needed for implementation, and an assessment of the global and environmental consequences of the adoption and execution of such a program by the United States. Obviously, the number of variables is immense and only by gross simplification can one define a strategy and program; there should be alternative strategies and plans. But this may be a place to begin.

II

The objectives of my proposal are to achieve, by 1985: first, the independence of the United States from critical reliance on imports of energy in any form—defining critical reliance as anything more than ten percent of our needs; second, energy costs below some target level, in dollars per million British Thermal Units (BTU), which is a common energy pricing unit for all fuels. I suggest as a goal keeping energy costs for premium fuels such as gas or oil below $1.00 per million BTU. This is equivalent to oil at $6.00 per barrel, roughly twice present prices, or to gas at $1.00 per thousand cubic feet, twice present wellhead prices on new contracts. The current cost of coal is very low in relation to its heat content, and the proposed ceiling gives great latitude for its use.

To see how we might reach these goals, let us start by examining the components of energy supply in the United States—past, present and future. Current projections make three key assumptions—that total energy consumption will continue to grow at the rate of 4.5 percent a year that has prevailed in the past decade, that the present pattern of use of particular energy sources will continue, and that nuclear power will be rapidly developed. As we shall see, all three of these assumptions can be challenged. If they were the case, however, the currently projected picture (seen in relation to present and past) would look as follows:

TABLE I.—U.S. ENERGY SOURCES AT STATED PERIODS

[In percent]

	Actual		Projected	
	1960–63	1970–73	1980–83	1985
Oil	44.0	44	44	47
Natural gas	29.0	33	28	20
Coal	23.0	18	17	17
Hydro/geothermal	4.0	4	5	6
Nuclear	.5	1	6	10

As the table shows, the crux of the problem is that oil has had to assume a large and slowly increasing share of the total. Natural gas appears to have reached its peak and will decline as a proportion of total supply even if higher prices produce increased exploration and discovery. Hydro sources can at most hold their place.

There remains, of course, the question whether present geothermal sources can be expanded to a greater degree and whether new "miracle" sources of energy can be found from solar energy, nuclear fusion, hydrogen broken down by nuclear methods, or any other. In all of these there is hope if we look ahead on a 30-year projection—and in the most promising areas there is justification for much greater research and development effort. But if one puts together the theoretical possibilities and the best available sense of what it would take to develop any of these "miracle" sources to major production levels, the honest judgment at this stage must be that they will contribute nothing by 1985 nor be substantially operative before roughly the year 2000, if then. And we simply cannot wait that long.

Rather, then, we have to look to our present sources of energy within the 1985 time frame. Obviously, we must have the maximum possible expansion of domestic oil and natural gas production, but the increases cannot be large in relation to total need. In addition, we should establish synthetic oil industries based on shale and on coal, building some large-scale plants to demonstrate feasibility and costs and to test features that minimize environmental impact. Such developments might yield a few million barrels per day, and we might require refineries to mix such oil with regular crude oil for a fraction of their feedstocks—even if initial prices of synthetic crude oil exceeded the $6.00 per barrel ceiling target for 1985 energy costs.

Looking at all the technological possibilities, however, it is my conclusion that the best sources of energy that can be greatly expanded in this time frame, at reasonable cost and with an impact on resources and on the environment that we can bear, are nuclear fission and the production of gas from coal through gasification—a process which produces from coal a clean, all-purpose and readily transportable gaseous fuel. For this purpose, some of the necessary technology now exists, but some still requires additional development. Gasification itself has been demonstrated, and technologies are already in use that produce low-BTU gas. However, the technological obstacles to producing gas of pipeline quality from coal are still formidable; a massive crash program of parallel pilot and demonstration plants for the four or five processes that now appear possible should permit construction to start in two to three years on production plants that make use of whichever process or processes then look best.

This selection of technological possibilities is the first element in the proposed strategy. The second—at least equally important and urgent is—a program effectively to reduce the rate of growth in our energy consumption. Actually to lower our consumption substantially is not, I believe, acceptable without far too drastic changes in our whole society. But I believe it is feasible, and should be our target, to achieve and maintain a rate of growth in our energy consumption of three percent per year, rather than the present 4.5 percent. In arithmetic terms, instead of our energy consumption in 1985 being 70 percent greater than it is now, it would be "only" 43 percent greater—a large and critical difference without which no action program can, I believe, do the job.

This is still a drastic target. To achieve it requires a recognition and acceptance that we are in a national emergency. Since shortages are upon us, we will have to begin to practice conservation not because of price but because of shortages. Although the first guidelines for voluntary "sharing of shortages equitably" have been issued by the government, we have no rationing machinery except to give priority to domestic heating and to drop other loads if not enough energy is available. There are not even the rudiments of machinery for rationing fuel. The only serious study of an emergency program has been made by the Office of Emergency Preparedness, which has produced two very useful studies indicating measures that

[1] "The Oil Crisis: This Time the Wolf Is Here," *Foreign Affairs*, April 1973.

could be taken if the will existed to diminish significantly our energy demands, thereby reducing our dependence upon imported oil. Yet, before the year is out, shortages of gasoline and heating oil in many parts of the country will make it clear that a national emergency exists and that appropriate steps must be taken.

Some of the necessary measures will involve presently extravagant uses and waste, and some an increase in efficiency. Here it is striking to note how little scientific and technical effort now goes into this latter question; a very modest improvement in our present low fuel efficiency may turn out, over time, to be in itself sufficient to bring us close to the three percent growth rate. But in the meantime we must surely cut back painfully.

III

On the whole we do very well in dealing with national emergencies. Many examples come to mind from World War II when we created the machinery; gave it the necessary authority; provided the money; mobilized the parts of the society, public and private, which were needed to overcome the emergency or meet it; energized the program by a system of contracts; and achieved the target results.

A notable example was our action in dealing with the abrupt cessation of the natural rubber supply. We carried out a crash program to set up a synthetic rubber industry, quickly creating the necessary machinery, authority and money. The results were dramatically successful. Another example was the decision to produce an atomic bomb in time to be usable in World War II. The decision was taken at a time when there were four or five possible routes to securing fissionable material from uranium and only some clues as to how to make a weapon from fissionable material. Special machinery was set up with the needed authority, with superb leadership and organizing capability, and within the tradition of mobilizing the private sector by contract. The Manhattan District then conducted that remarkable program of carrying forward simultaneously four different approaches to producing fissionable material and two simultaneous approaches to making a weapon, while building everything from cities to railroads to huge and completely novel factories, all in the space of less than three years. It worked.

Another example of how we can mobilize resources against an explicit target was the space program. In 1960, for reasons then considered sufficient, we decided that we should put a man on the moon before the end of the decade. To accomplish this, we created a special agency with great authority and lots of money and manned it with extraordinarily capable leadership. The fantastically complex and difficult scientific, technical and logistical problems were overcome, and, indeed, we put the first man on the moon in July 1969.

These are a few examples of how we have acted successfully when we have accepted the existence of a national emergency and taken the necessary actions (through Congress and the President) to provide the authority, the money, the machinery and the leadership to meet and overcome it. It is our national style to be most effective in tackling concrete programs, or working toward specified goals. Sometimes that approach is not appropriate as, for example, in solving the problem of cancer; in this case, however, it is the right one.

What might be the action program aimed at 1985—the Decade Program if you will—if we accepted the existence of a national energy emergency and then took the necessary steps to cope with it through meeting the specific targets suggested?

The first element in any such program must concern the use of oil. To limit our oil imports to ten percent of energy requirements by 1985—using now the target three percent annual growth rate to estimate total 1985 energy consumption—would mean that we would be importing no more than five million barrels of oil per day at that time (compared to the roughly 15 million barrels now projected).[2] In the total energy picture shown in Table I, oil (domestic and imported) would have to drop markedly from its projected 47 percent to a proportion of roughly 30 percent in 1985.

This at once suggests the first component of the action program. Thirty percent is roughly the proportion of our energy that now goes to transportation, especially automotive uses—for which, of course, oil is uniquely suited. It will take work to keep our transportation uses down to this proportion, for they are now expanding faster than total energy consumption and this tendency will be accentuated by lowered efficiency due to tighter emission controls—not to mention the current sales rate of a million passenger cars a month! But if the proportion can be kept down—actually slightly reduced—then it can and should be met from oil, and oil should be withdrawn from other energy uses such as heating. This is a harsh measure but an indispensable one—the keystone of the whole program in fact.

The next component of the action program concerns nuclear power—currently providing one percent of our total energy, and projected in Table I to provide ten percent by 1985. In this respect, Table I reflects technological possibilities with proven techniques, but it does *not* reflect current political realities, nor, in my judgment, the true difficulty of meeting valid safety and environmental objections to the kind of major expansion it would take to achieve the projected figure.

Like others who have followed closely the development of nuclear fission as an energy source for more than 25 years now, I originally and for some time believed that it could, without undue difficulty, become the most important source of energy we have, especially for electricity. But problems have mounted, and delays, restrictions and technical uncertainties have dogged nearly every one of the many steps needed to bring a new nuclear plant into full operation, thus drastically slowing down the nuclear input to our energy system. The determined opposition of states and localities and citizen action groups, plus rising caution by the Atomic Energy Commission, has stretched out to ten years the interval between application for a plant permit and bringing the plant "on line" at an economic power level.

In part, the political forces at work reflect an exaggeration of the problems, or at least a failure to weigh fully the inevitable tradeoffs between energy supply and other factors. But these politically reflected concerns do have a substantial basis, both as to safety and as to unnecessary and unacceptable environmental consequences. Only if we deal with these factors can nuclear fission play the role I believe it must play in our total energy picture by 1985.

On safety, a real uncertainty now exists concerning possible accidents which could have disastrous consequences—especially the failure of liquid cooling systems resulting in a melt-down of the highly radioactive core and release of the gaseous fraction of these radioactive products into the atmosphere. A year of hearings by the AEC has not persuaded the critics that current reactor plans are safe against such accidents, and the problem exists as well in the liquid-metal-cooled breeder reactor designs.

As I see it, the only way to meet these objections and so resolve the current impasse is to put all new plants underground. This is an entirely practicable course of action. Studies indicate that placing nuclear power plants underground would add only a small fraction to their cost. The extensive know-how of the mining industry plus that of the underground gas storage industry could be applied in placing such plants in suitable geological formations 500 or more feet underground near load centers. So located, with suitable locks in the elevator shafts to contain and hold back any pressure of radioactive gas in the event of an accident or a meltdown, these plants could meet the requirements for nuclear safety. Placed in a suitably impermeable geological formation, a meltdown, even if it buried itself below the underground chamber level, would not leak radioactive products into underground water or into the atmosphere.

The second big nuclear production problem today is primarily environmental; it concerns the effects of the water discharge from large reactors in heating up streams and large bodies of water, thus altering the ecology in many harmful ways. Here Europe has pointed the way to the answer—large cooling towers, built on the surface to recycle and cool the hot water discharges with very low net water heating.

Finally, there are problems in the safety and security of handling and transporting plutonium, and in the perpetual storage of radioactive wastes. In these areas, risks cannot be totally eliminated, but they can and should be sharply reduced to an acceptable level by determined action—as we enter an era of massive production, transport and handling of plutonium, which is one of the most toxic substances known.

All in all, the measures required to permit expansion of nuclear-fission plants will not be cheap or easy. But if the necessary steps are taken, nuclear-fission plants should be able to provide roughly ten percent of our total 1985 energy needs at tolerable levels of risk and bearable costs. And experience in this next decade should tell us much about the degree to which we can hope to expand, by the end of the century, our use of nuclear fission, especially through the breeder reactor; in the 1985 time frame, the breeder is not likely to make a significant contribution.

If roughly ten percent is the best we can hope to get from nuclear sources by 1985—the figure used in our original Table I—it follows that there remains a very large shortfall from the proposed reduction in overall oil use. Even if we now assume that total consumption would be less than assumed in Table I, the proportion to be made up is on the order of 15 percent. Indeed, on my own best guess about the amount of domestic natural gas we shall be able to find by 1985, I thould think that natural gas (even with some imports) should not be counted on for more than 15 percent of the total, and perhaps as little as ten percent; perhaps new gas reserves will be found on a large scale, but at the moment much expert opinion doubts this. We would do well to plan prudently on a figure not exceeding ten percent, or a total shortfall of roughly 25 percent of the total to be made up from sources other than oil or gas.

Inevitably, we are drawn to coal—and to greatly expanded coal production and gasification as the third central element in an action program. To whatever extent possible, coal as a solid fuel should be expanded in its own right, especially in electric power plants—using processes to remove the sulfur from stack gas such as the Japanese now employ.

---

[2] Oil would not, of course, be the only energy source imported. As we know, substantial possibilities exist for the importation of natural gas from Canada and of liquefied gas from Algeria, the Soviet Union and perhaps other sources. Without judging the wisdom of expanding any of these sources, their proportion of total energy is not likely to add much to the ten percent of total energy represented, for this program, by imported oil. We would still be within reasonable overall margins of import dependence.

But for every reason — adaptability, transportability and environmental consequences—gas from coal is particularly important.

Available options for processing coal include conversion to low-BTU gas, high-BTU pipeline-quality gas, oil or various combinations. Technical, economic and time criteria should guide the choices made. But the great advantages of pipeline-quality gas for most uses justify major emphasis on this choice. A massive crash program is needed to move present process options forward. Current estimates indicate that the cost of capital investment in new gasification plants should be on the order of $20,000 per ton of daily coal feed to process coal into pipeline-quality gas.

Any program to increase coal mining must face up fully to the problem of environmental impact. The necessary coal must come overwhelmingly from surface mines, predominantly west of the Mississippi. In the past, such strip mining has rightly acquired a bad reputation. Fortunately, a large part of the coal reserves in the West are located on public lands. Therefore, the federal government is in a position to set the conditions for mining operations. I believe it essential that such conditions include provision for restoring the land after the coal is extracted, putting solid waste from the mining process back underground and creating a land surface that must be at least as stable, fertile and valuable as the original. An allowance of $2,000 per acre for such purposes may be a fair approximation of what it would take, and this cost would have to be considered a basic cost of production. Underground mines must control pollution and use several practices which might increase costs up to a dollar per ton. Similarly, coal gasification plants can and must incorporate controls to avoid air and water pollution. Altogether, while the mere existence of the plants means that the countryside can never be quite the same in the future, the problem of environmental impact can at least be reduced to bearable proportions in view of the stakes involved.

Building up our reliance on coal would involve capital costs for mining production as well as for the gasification plants. In 1970 U.S. coal production was about 500 million tons and accounted for roughly 20 percent of our energy needs. To meet 50 percent of total energy needs in 1985 (at the three percent intervening growth rate) would require a production level of two billions tons per year—a quadrupling of the 1970 level and an average growth rate for the next 12 years of 12 percent per year. Investment needed to produce this basic production increase can be roughly estimated at $10 per ton, or $15 billion. If two-thirds of the increase, or one billion tons, went to gasification, the plant investment would be approximately $60 billion, and there would be a major additional investment in gas pipelines. Finally, for the one-third of increased coal output burned directly in power plants (to replace present oil and natural gas supplies), a substantial railway transportation investment would be required, as well as costs of conversion to coal where feasible, and desulfurization of stack gases.

Obviously, such a buildup of coal production and coal gasification is a truly major undertaking, difficult from a technical standpoint and costly and complicated in terms of the mix of private and public effort involved. It is a big job, but no bigger than the Manhattan or Apollo projects—in fact substantially less in proportion to the scale of the American economy in the 1970s and 1980s.

One crucial question remains—the adequacy of reserves. Before embarking on a course designed to make coal our principal source of energy by 1985 and thereafter, we need to assess the scale of our coal reserves and how long they might last. While I have stated my proposal purely in terms of 1985, it is obvious that we would not wish to mount an effort on this scale and then change course quickly thereafter; on the contrary, it is my own belief that we should plan tentatively at this stage to meet not just 50 percent but as much as 75 percent of our energy needs from coal by the year 2000. It is now forecast that natural gas reserves will be gone before 2000 and that global oil reserves will be declining fast (even with less U.S. consumption than now forecast). Thus, coal and nuclear power *could* be our overwhelming energy sources by that time, with coal by then being converted on a large-scale to oil for transportation needs. Oil from shale might also have become a substantial source; present reserves of oil shale are such that we could produce five million barrels of oil a day for more than 300 years before such reserves were exhausted. We need not be quite this futuristic for concrete planning—but we do need to assess reserves on the basis of large assumptions, to be sure of what we are doing in the 1985 time frame.

Happily, the coal reserve picture is reassuring even if all this comes true. The current Bureau of Mines estimate (1970) of U.S. coal reserves is 1,600 billion tons. If coal use now moves up steadily to 50 percent of total energy by 1985 and to 75 percent by 2000 (again allowing for a small but steady annual increase in energy use), then total consumption in the entire period from 1974 to 2000 would be on the order of 70 billion tons, or four and one-half percent of known reserves. Exhaustion of reserves would be roughly 100 years away in 2000, even if the use continued to increase at a steady rate.[3]

In sum, coal reserves are ample to meet the projected needs through the balance of this century and to leave us with supplies to last another century. Through the use of coal on this scale, coupled with the restriction of oil supplies to transportation uses and the regaining of our momentum on nuclear power, we could meet the strategic goals stated at the outset: minimal dependence on overseas supplies and reasonable rises in energy costs—to levels not over two or three times present rates. This is the best action program now available. It would get us through this period and buy crucial time for whatever innovations may develop, while allowing us to continue with expanded coal use if such innovations do not appear on a large scale.

IV

I have outlined this "Decade Program" first in order to define the key elements in our effort between now and 1985. These key elements are essential, they take time to bring about, and we must get started on them at once.

But as we do so we must also reckon that the required changes cannot be brought about immediately. The program needs at least the whole decade to take full effect, and in the meantime—even if we have cut our energy growth rate to three percent—we face extraordinarily serious problems. Hence, in addition to our Decade Program, we must have what might be called an "Emergency Program." This would dovetail as well as possible with the Decade Program but inevitably would not be wholly consistent with it.

Oil remains the crux of our present problem. The standstill on new refinery construction, partly for environmental and related political reasons and partly because of unattractive return on investment, may compel some rationing of gasoline this summer and of fuel oil next winter. And even if new refinery capacity existed today, an adequate supply of crude oil from abroad could not now be landed without at least one new "superport" and also large-scale new tanker construction. As for domestic oil development, the Alaska pipeline is still in abeyance, and off-shore exploration is inhibited by state opposition and disputes with the federal government about royalties. Also significant is the public belief that all offshore operations are as disastrous as the Santa Barbara episode (which disregards the large-scale operations conducted in the Gulf of Mexico and the North Sea for years without major accidents).

The fact is that we cannot avoid a continuing increase, for some years to come, in our imports of oil—especially from the Middle East. In 1973 we shall be importing 3.4 million barrels a day from the Middle East and North Africa, and two million from Latin America. These figures are bound to rise—for some years well above the Decade Program goal of only five million barrels a day of imports by 1985.

Finally, there is a basic policy question that must be faced—whether in common prudence the United States should now have a strategic reserve of crude oil or refined products to protect against interruptions. Crude stocks are currently below 20 days and refined products in the form of working inventories in the distribution system are less than 40 days—essentially minimum working levels with no strategic reserve. Such a reserve is something individual Americans have quietly urged on Europe for years, and in 1968 the members of the European Community accepted the obligation to build up oil stocks equivalent to 65 days' use. Now it has been proposed that this reserve be raised to 90 days. In the case of the United States, the targets need not be defined in terms of such periods of total oil use, but as our imports increase we should at least have a strategic reserve equal to perhaps 90 days of our imports, to cushion the shock of any interruption for political or bargaining reasons. To urge this does not indicate the slightest degree of hostility to the supplying countries; it is what businessmen all over the world prudently do in order to negotiate on a relatively even keel with suppliers.

Solving all of these emergency problems will take both resources and ingenuity. In the case of refineries, I believe inland sites must be found, and new refineries must adopt available technology which produces virtually no air or water pollution. Such refineries exist in Europe; they can be matched here, and not at excessive cost. Similarly, superports must be built with expensive safeguards—their cost would be perhaps as high as $1.5 billion to unload ten million barrels a day, with additional pipeline costs to bring the oil to inland refineries, and conceivably an investment of $15 billion for tankers adequate to haul the ten million barrels a day from the Persian Gulf. It is a daunting prospect—and underscores the vital importance of preventing our maximum import dependence from going beyond roughly the ten million figure at any time, and the importance of reducing dependence as soon as possible to our target ceiling of five million barrels. The painful fact is that some part of total refinery capacity, and as much as half of the planned superport capacity, will become obsolete or surplus as we carry out the shift to coal and the reduction in the proportion of our energy needs supplied by oil imports.[4] When a problem

[3] The actual calculation here is that 17 billion tons of coal would be consumed between now and 1985 and 50 billion in the next 15 years. The latter figure assumes that growth in total energy needs (in terms of BTU content of fuels) would have been reduced to two percent per year, versus the three percent target of the Decade Program and the present 4.5 percent.

[4] It seems likely that substantial strategic reserves of crude and refined products may still be important to protect against the effects of important interruptions.

has been neglected as long as we have ignored or misjudged the energy situation, the short-term requirements may not mesh with the requirements for the medium and longer term—and so it is in this case. We have to fix the roof and build a new house at the same time.

V

In short, it will take a two-fold crash program to master the situation, part directed to a transformation in our energy pattern by 1985, part directed to getting along in the meantime. The dual task involves a series of massive new efforts, some of them within the capacity of private companies, some beyond that capacity, some which will be so clearly uneconomical that private companies would be reluctant or unable to undertake them with their own funds. No one can now say just what the mix of public and private effort will be—but what seems absolutely clear is that a much larger public role will be required than now exists, partly to pull together all the strands of both parts of the program, partly to support private effort, partly to undertake those aspects that cannot be handled by private companies.

I see no alternative to new government machinery at the federal level. Accordingly, I propose a National Energy Authority (NEA) with a ten-year life and with appropriate powers to deal with the national emergency. This will mean authority to override obstacles in regard to land acquisition, siting, environmental impact, and other areas as necessary to carry out the program. This should not relieve the NEA of a very serious obligation to make environmental assessments of its proposed projects and to hold public hearings to develop the best available means to minimize the environmental consequences and risks of the actions it takes, but it would authorize the NEA to proceed with its program and not be stopped by the obstacles which stall so many things today.

Under the NEA it would be essential to create a National Energy Finance Corporation (NEFC) to provide funds for parts of the program which may not be privately financeable, including the superport, a billion-barrel strategic stock and its storage facility, sites for refineries, offshore production units, tankers, coal gasification plants, and gas, oil and coal pipelines. Large amounts of capital are going to be needed. An important obstacle today is that some of these essential investments are not attractive to private capital. In designing the NEA and the NEFC we have many examples such as the TVA and the New York Port Authority, the Reconstruction Finance Corporation and the Export-Import Bank. There are ample precedents for the kinds of authority needed and the appropriate legislation controls and accountability.

The NEA should be an independent agency, perhaps modeled on the original Atomic Energy Commission, in any event as resistant to political pressures as that Commission was. I propose that NEA have a ten-year life and go out of existence in 1985 except for the NEFC, which is likely to be needed beyond that time. There are several reasons for this proposal. First, the exercise of emergency powers is anomalous in our system and should be limited to as short a time as required to overcome the emergency. I believe the job will take a full ten years, but can be done in ten years if the program is geared to such a timetable. Second, when the job is done most of the programs should be carried forward by industry on a commercial basis, and necessary continuing governmental functions can be transferred to other agencies. Third, the best period in the life of any agency is the first ten years. After that the sclerosis of bureaucracy sets in and we certainly do not need any more bureaucracies. No one should seek a career in NEA—only the excitement and satisfaction of doing a critically important job and finishing it. Meeting numerical targets and being measured on performance in meeting them through frequent public reports is the kind of a challenge which should attract the kinds of people needed.

The NEA will have to undertake extensive research and development and pilot plant and demonstration operations. It should, for example, underwrite the incremental costs and use its authority to clear the way for the first two or three nuclear power plants which are built underground. It should back the construction of several demonstration units of large offshore oil production operations incorporating the maximum safeguards in technology and procedures and should use these for public education and to provide a model for the industry. NEA can work out with AEC appropriate joint activities in regard to the underground power plants, waste disposal, plutonium shipment handling and so on.

In addition, in the Program for the Decade and beyond, conservation should be an important component; this might include the creation of a national fuel efficiency service to effect economies in the use of fuels. Currently, there is an almost complete absence of professional interest, actvity, or expertise in this subject—whether in universities, engineering firms, business enterprises or the government. A major task of NEA would be to stimulate such expertise and put it to work. As a result of coping with limited fuel supplies during the next few years, we may discover economies which are not only relatively painless but which reveal to us better life-styles. Adopting such life-styles might substantially reduce per capita energy use.

In the Emergency Program of NEA, one of the first projects will be a superport. It may be sufficient for the NEA to exercise the authority to establish the superport and to supplement its financing. Clearly the NEA must work in close collaboration with the oil industry in many of the things it does. It must be shown that gas and oil pipelines can come ashore on their way inland and leave no offensive trace of their transit across the coastline. A second project is to acquire inland sites for oil storage and refineries. It should be noted that even packed closely together a billion barrels of oil storage would take 10,000 acres, or 15 square miles. Inland sites will save our finite coastline for better public uses. Another major project is the question of supplementary finance for tankers—at a time when world shipyards are solidly booked.

The NEFC will have much to do. To repeat, one problem in the financing of facilities such as the superport, tankers and perhaps the refineries is that at the end of the Decade imports are to be brought down again to only five million barrels per day. Thus, the success of the Decade Program may mean a fairly early obsolescence for part of the capacity of the superports and tankers—hence one key need for significant public financing.

VI

In laying out this proposed program, I have indicated some specific steps to minimize its consequences for the physical environment. In some areas we should be better off in the new 1985 situation: our cars should be smaller and have reduced volumes of emissions; most fossil-fueled electric power plants would be taking sulfur out of the stack gases or burning clean non-polluting gas; new nuclear power plants would be safely underground and out of sight save for their enormous cooling towers; most important, a declining rate of energy expansion would make a great difference to the environment all across the board, at least as compared to what we are heading for at our current rate of expansion. This would represent a sensible modification of our past craze for growth, and the environment would be the gainer in some respects.

But not in others. Up to now we have behaved as if we had the luxury to have the best of both worlds. We have not made the tough choices. Now the energy emergency makes us choose, and the choices are few. Some environmental prices must be paid: one or more oil superports off the East coast, and added refineries (however pure) inland; the Alaska pipeline with residual risks that even the safest design and procedures cannot avoid; much increased offshore oil development, and most increased coal mining largely from surface sources—which even with the best possible measures would tend for a time to deface the particular area. I do not minimize these costs, but feel them keenly as one who has been active for several years in the scientific effort in support of national and international environment measures. In each case, the trade-off has been weighed, and it seems to me that the gain outweighs the loss.

VII

What I have proposed is a national program for the United States, calculated on the basis of particular American resources and American needs. One of its major purposes is, of course, an international one, to shorten the duration of the costs, pain and strain—and of the dangers to world harmony and peace—that lie in a situation of growing American dependence on external energy sources, especially Middle East oil. But it is primarily the United States that would be hitching up its belt and putting its energy house in order by measures that do not in themselves harm any other nation.

Is the program, however, not only national but nationalistic? Would it affect the world energy picture indirectly to the disadvantage of others, whether suppliers or consumers? Does it mean an increase in American autarky, fortifying the tendency other countries now see for the United States to take care of its own needs and let the rest of the world go hang?

The answer to all these questions is a resounding "No." This is most obvious if we look at the relations between the United States and the other major industrialized countries, which are also the major consumers of energy. As things now stand, Western Europe and Japan are inescapably dependent, far more than the United States and far longer into both past and future, on imported oil and gas; if the United States becomes a vastly increased buyer of both, the effect can only be, at best, friction, and, at worst, price wars and preëmptive deals that would cut at the very roots of coöperation between the United States, Europe and Japan. This danger is indeed already visible, and it will take a good deal of statesmanship to avoid it as things stand now; by 1980 or 1985, on present trends, the seeds of strife could be beyond control.

Yet Japan and most of Europe have no alternative comparable to what coal can be for America. Only the United Kingdom, among the major European countries, can meet a significant part of its needs from coal and from North Sea natural gas—and the latter only at the expense of its neighbors' expectations.

Hence these countries should welcome a determined American effort to reduce dependence on the oil sources that are a "must" for them. And the same should hold true for the oil-consuming developing countries, now being badly hurt by the price rises of Middle East oil.

But does this mean that the oil-producing countries would be hurt? I think not. If Mr. Akins and others are correct, the 1980 prospect already assumes that at least two key countries (Saudi Arabia and Iran) will pro-

duce more oil, and tap a higher proportion of their predicted reserves, than they may like.[5] To prolong the life of these reserves and to space out the income of the producers can mean a net benefit to most of the producing countries. Their prices will rise in any event in the years to come, but the present prospect of runaway increases in production cannot be attractive compared to a more orderly expansion that prolongs their assets.

Indeed, I would go one step further. I believe that an American program such as I have described could be an essential ingredient in a new approach to the energy situation by the whole international community. On any rational look at the production and consumption of energy all over the world, the United States represents not only a statistical discrepancy and target for the role of villain (six percent consuming 33 percent, and getting greater), but a potential disruptive force in almost every market day by day; only if this is brought under control can the United States play any responsible role in the effort that may have to be undertaken within the next decade, or at least by the end of the century—to balance and distribute world energy supplies much more fairly and reasonably than nature or men have ever done to date. For unless we do this there is scant hope for human progress and peace in the long run.

Thus, I propose a program based in the first instance on American national interest. But I deeply believe that this program could make a vast difference to international relations in the next 10 to 20 years, and serve as a step toward a more rational world use of energy for the benefit of man.

Mr. BARTLETT. Mr. President, the ultimate effects of such comprehensive legislation are indeterminable. The situation is in a turmoil. Just take the National Environmental Policy Act, for example, I think I can safely say that no one at the time of its enactment realized how costly it would be in terms of dollars, energy, and delays in progress for our country.

This is not the time to take more power from the people at the State and local levels. But that is exactly what the land use bill that passed the Senate does.

In short, those who propose more Federal controls should beware. Controls have been choking the domestic energy industries for years. Energy is the basis of our Nation's strength. Now it is the "vulnerable jugular" of America's economy. New laws must be carefully drawn to assure progress, not prevent it.

The letting of blood was given up as a prescription for ills long ago. Let us quit stabbing our energy industry in the back with needless controls. We cannot afford for it to die. For those who propose, in essence if not in fact, Government ownership of the energy industry, I have a suggestion. Take a good look at the success we have had with the Federal Post Office.

I have faith in the system which has made this country great—freedom and free enterprise. They will, if given the chance, make it greater.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Under the previous order, the Senator from Arizona (Mr. FANNIN) is recognized for not to exceed 10 minutes.

[5] Akins, *loc. cit.*, p. 480.

Mr. FANNIN. Mr. President, I ask unanimous consent that the Senator from Wyoming (Mr. HANSEN) precede me and that I will follow him.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Wyoming is recognized for not to exceed 10 minutes, to be followed by the Senator from Arizona for not to exceed 10 minutes.

Mr. HANSEN. Mr. President, first of all I would like to express my very real appreciation to the distinguished Senator from Oklahoma (Mr. BARTLETT) for calling attention, from his great background and understanding and knowledge, to those steps that must now be taken if we are to begin to ease ourselves out of the energy crisis in which we find ourselves.

As the Senator from Oklahoma so accurately points out, there is no single step nor no one single action that will extricate America from the very real energy crunch in which this country finds itself. Rather, we will move in the direction of a solution to those problems by a series of steps, by a broad ranging front of initiatives.

I am pleased that the Senator from Oklahoma took occasion to point out the great contribution that economic initiatives can make in solving this crisis.

Most knowledgeable people seem to agree that there is no way we can avoid the continuing great need for oil and natural gas in the immediate years ahead of us. So, what can the Government do?

The Government can do precisely some of those things indicated by the Senator from Oklahoma. It can encourage further exploration of our untapped petroleum reserves in this country.

The Under Secretary of the Interior, and former head of the United States Geological Survey, William T. Pecora, pointed out that in his judgment there was yet to be discovered in America and within our Outer Continental Shelf 100 times as much oil and gas as we used in the year 1971. So there is a great opportunity in this country to do something specific about getting more oil and gas back into the bloodstream of our industrial machine in this country.

And it is not only industry that will sorely need this extra energy. It is the great effort that America is committed to making in cleaning up our environment. If we are going to recycle the waste products of the cities and of the factories in America, it will take more, not less, energy to do that job. And if we are going to clean up our sewage so as to make the sewers more clear and clean and the waters of the great rivers and estuaries of America, it will take more and not less energy.

What does that mean? It means that we have to expand the general energy base that we now have. It means exactly that.

So, Mr. President, I think that as America gropes, probes, and examines the matter to determine what it should be doing today, let us first take stock, as the Senator from Oklahoma suggests, of where we are now and what we can do today.

I know that the next speaker, the distinguished Senator from Arizona (Mr. FANNIN), will focus—or I would hope that he would—on what geothermal energy could do for America. These are not pie-in-the-sky ideas. These are down-to-earth ideas, here and now. They are possibilities, probabilities, and great potentials that we could focus on to do something to bring relief to this Nation before 1985.

I subscribe to those efforts to put more Federal funds in an intensified research and developmental effort in this country. It makes good sense.

But let us not beguile ourselves into believing for one moment that that is the only hope for America. We have great energy reserves in this country. They are contained in the oil and natural gas deposits that we have not yet found or discovered in America. They are contained in the coalfields that we have. They are contained in the uranium that is found in much of the West. They are contained in the oil shale that is found, as the Acting President pro tempore knows, in his State of Utah, in my State of Wyoming, and in the great State of Colorado. They are to be found in other yet undiscovered sources of energy that can play an important role. But the real crunch is going to come in large measure from what we do in the next 5 to 10 years.

So I think it is most appropriate, Mr. President, that we keep in mind what we can do now with the tools presently in our hands to see that we shorten and minimize, as indeed we can, the great and growing shortage of energy in America.

Free enterprise has always risen to the task in America to do the job.

In World War II, when there were practically no people in the normal range of laborers on America's farms and ranches, what did this country do under the great direction of the late President Roosevelt?

The Government then said to the farmers of America:

> We need more wheat, and we want to encourage you to raise more wheat. In order to make certain the job is a profitable endeavor for you, we will guarantee that the price of wheat shall be not less than a certain amount.

As a consequence and despite the labor that had left the farms and ranches of this country and had gone to fight the war, we turned out a greater abundance than most people believed was ever possible, the greatest outpouring of grain that America had seen.

Mr. President, I think the same opportunity is before us today. The opportunity is there to give encouragement, incentive, and stimulation to the oil industry to do precisely that which was done at the time of World War II.

Obviously, we may not find—indeed, I would be surprised if we were able, as some people predict, to discover enough oil in the next 2 or 3 years to completely erase and eradicate our shortage. I do not think that we can do that. However, we can minimize, as indeed we must, the current shortage. It is there that the domestic oil industry can make such a great contribution.

We are presently in a position of being blackmailed further by the oil-producing countries of the world. We are in a position, as indeed they know full well, of being cut off from our imports of oil if they find it politically expedient to do that, because of their displeasure with our foreign policy.

My plea, Mr. President, is that we seriously consider and heed the advice of the distinguished expert on energy, the junior Senator from Oklahoma, and take all of the steps that can be taken now in order to shorten as much as we possibly can the situation in which we find ourselves.

So, Mr. President, I am happy to join my good friend and colleague, the junior Senator from Oklahoma (Mr. BARTLETT) in a continuing effort to emphasize the urgent need of congressional action in the energy field. He is, as most of us know, probably the most knowledgeable man in the Senate in the field of oil and gas and represents one of the major oil and gas producing States. The able Senator from Oklahoma can speak from experience on the petroleum industry.

As a member of the Interior Committee, he has taken a leading part in the hearings on the national fuels and energy policy study authorized by Senate Resolution 45. More than 40 days of hearings have been held pursuant to that study and a wealth of valuable information has been developed.

From this vast testament and the unfolding events of the past 3 years in particular and the warnings of others who knew what was coming more than 3 years ago, the message comes through loud and clear for action now. The blueprint is ready and, hopefully, the administration has finally realized the urgency of the situation and is ready with a proposed Department of Energy and Natural Resources and a so-called energy czar in the White House.

If the speculation is correct the President in the next week or two will name the man to head up the new Energy Council and send the reorganization plan to Congress.

Inasmuch as the Senate has already passed a bill to establish such an office in the White House, I would hope we might get on with quick approval of the plan which would also add considerable emphasis to fossil fuel research as I understand it. Inasmuch as the chairman of the Senate Committee on Interior and Insular Affairs, the distinguished Senator from Washington, HENRY M. "SCOOP" JACKSON, has introduced and held hearings on a bill to accelerate research and development of coal gasification and other domestic energy resources, I would hope that he would favor such a reorganization plan as the President proposes. He is urging quick passage of a bill that would cure the right-of-way deficiencies in the Mineral Leasing Act and clear that obstacle from the path of the long-delayed Alaska pipeline.

It is incredible that we have a potential of 2 million or more barrels of needed oil and vast amounts of gas awaiting transport from the North Slope of Alaska now more than 5 years since it was discovered while we allocate a shortage of gasoline, diesel and jet fuel and look forward to another winter of scarce supplies of home heating oil and further curtailment of natural gas. It couldn't happen anywhere but in America but it has happened.

In the last 2 years, there has been more said and written about the energy problem than anything other than Watergate. But what have we done other than point a finger at the petroleum industry, the Federal Government, the environmentalists and each other in the Congress for what was done or not done? No issue of the CONGRESSIONAL RECORD goes to press without pages of print on the energy crisis and every national magazine and every newspaper and all of the TV networks have publicized the problem until no one certainly is unaware that we do have a shortage of fuels.

There is no need here to recount the history and background before this distinguished body. We have heard it all before. But what has been done to get on with a comprehensive national fuels and energy policy?

The able junior Senator from Tennessee (Mr. BROCK) addressed this distinguished body just a week or so ago on the energy crisis. There is mounting evidence that we are on a collision course with an energy crisis unparalleled in recent history, he said.

Senator BROCK made such a reasoned summary and assessment of the situation that I would like to repeat part of what he said. He said it so well and so impressively that I would like to quote a few paragraphs of his speech before this body.

> The nation desperately needs action now if it is to solve its developing energy problems. Those who minimize the problem are deceiving the public about the true extent of the problem and thereby impeding the progress of Congress and the Government in moving toward a solution.
>
> We will get nowhere by playing politics. We will get nowhere by setting up strawmen. We will get nowhere by demogoguery. We must have action.

Senator BROCK concluded his remarks with the following and I certainly would not attempt to improve on the way he said it:

> We are going to have a tough few years to weather out, and unless the Government, private enterprise and the public cooperate, it cannot be done.
>
> I said at the outset there is enough blame to go around. It is time we stopped playing that kind of charade. Just as each of us shares in being a part of the problem even more each of us has a role to play in achieving a solution. This country demonstrates its true greatness when it faces squarely a problem and in common purpose seeks to solve it. We, each one of us, have a problem now. Without looking over our shoulder, we must get about the job of removing this obstacle to our future.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. Under the previous order, the Senator from Arizona (Mr. FANNIN) is recognized for not to exceed 10 minutes.

Mr. FANNIN. Mr. President, first of all I commend the distinguished Senators from Oklahoma and Wyoming. They are former Governors of oil-producing States, and are highly qualified to speak on this subject. Their expertise is recognized by all who have been in contact with them and have observed their work in this particular field. I praise them for their dedication to assisting and solving the very serious problem we face today.

Mr. President, nearly 6 months have passed since the convening of the 93d Congress. Everyday the CONGRESSIONAL RECORD contains statements about the energy crisis. Every day the newspapers print stories about the energy crisis. Every day radio and television stations broadcast items about the energy crisis. Yet to date no bill has reached the Senate floor which is designed to remove obstacles impeding the supply of domestic resources.

Only one bill has passed the Senate which is principally related to the energy crisis. I am referring to the Emergency Petroleum Allocation Act of 1973. That bill provided a means to spread the shortage around.

Yet in recent weeks we hear pronouncements by politicians that the energy crisis is a phony. They say there are no shortages. They say there is only the appearance of a shortage resulting from an industrywide conspiracy to sit on reserves, to force prices up, to put the little guy out of business and to obtain a license to pollute.

Most of the statements are being made by members who voted for passage of the Emergency Petroleum Allocation Act of 1973.

Yet that act contained the following express finding:

> The Congress hereby determines that extraordinary shortages of crude oil (including natural gas liquids) and refined petroleum products (including liquid petroleum gas), caused by unprecedented demand and inadequate domestic production of crude oil and refined petroleum products, environmental constraints and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent. The Congress further determines that such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and business, reduction of crop plantings and harvesting and curtailment of vital public services, including the transportation of food and other essential goods. The Congress further determines that such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis that is a threat to the public health, safety, and welfare . . .

Why are we short on petroleum, natural gas, coal and electricity? To oversimplify, it can be said that the demand for fuels is racing ahead of available supplies. But the supply-demand imbalance is only a symptom of the energy crisis. The root causes of the crisis are much more difficult to explain.

Today I would like to share with my colleagues in some detail some thoughts about the energy crisis, its causes and its complexities.

As a member of the U.S. Senate Committee on Interior and Insular Affairs I have benefited from the challenge of participating in a national fuels and energy study which the committee has been conducting, pursuant to Senate

Resolution 45, in conjunction with the Senate Committees on Public Works and Commerce and the Senate representatives of the Joint Committee on Atomic Energy.

As part of our study we have held over 40 days of hearings on over 20 different energy-related topics. These hearings have focused on a broad range of subject matter including the structure of the Federal Government for energy policy decisionmaking, the outer continental shelf, Federal leasing policy for energy resources, natural gas policy, deep water ports and supertankers, coal gasification, oil shale, geothermal steam, trends in exploration and development of oil and gas, Federal policy for energy-related research and development. Fuels allocation, import policy, strategic reserves, energy conservation, and surface mining, among others. And there will be more to come.

At least five factors, in varying degrees, have acted to prevent the Nation from closing the gap between energy demand and energy supply:

One. Rapidly-escalating energy demands, which make it necessary to find increasing quantities of fuel each year.

Two. Aggravating the demand problem are inefficiencies in energy use, which because of our history of energy abundance have not been given adequate attention.

Three. Adverse cost-price relationships, which have discouraged investment in the development of domestic energy supplies.

Four. Environmental constraints, which have acted to prevent or delay the production, development, and manufacture of needed energy fuels.

Five. National security needs, which raise questions about the desirability of becoming excessively dependent upon foreign nations for energy.

NATURAL GAS

Researchers in government and industry are working to resolve these problems.

It is to be hoped that the next few years will bring about major breakthroughs in oil shale technology, such as a method of removing the oil from the shale without taking the shale out of the ground.

Also in the future as a potential new source of energy is tar sands. Large deposits of these oil-bearing sands are known to exist in the Athabasca region of Alberta, Canada, and smaller deposits are found in Utah, California, New Mexico, Kentucky, and 10 other States. Like oil shale, the sands are first brought to the surface by mining, and then processed to remove the oil. This again creates a waste disposal problem, which will retard the development of this resource until an inplace recovery method is developed.

GEOTHERMAL STEAM RESOURCE

Mr. President, today I would like also to cover some of the other items that offer us hope. We have heard from two Senators who are very familiar with the petroleum industry, as I have stated, and they have discussed some of the problems that exist in the petroleum field. But let us take another field that very much has been said about over the years, but very little action has been taken. That is our geothermal steam resource.

Geothermal energy—heat from the Earth itself—is another potential energy source.

Geothermal energy could provide a source of additional water supply as well as heat or steam to drive electric generators.

Naturally occurring hot springs, mostly in the West could be tapped to provide steam and water, while in other parts of the country, water could be injected deep into the Earth, heated and returned to the surface, thus providing heat or steam to drive the generators. Again, however, the technology for such development is still being researched.

Thus a clean energy source is becoming available in our backyard. Steam from below the ground is a clean way to generate electricity.

Although the technology is relatively primitive, several major companies have been lured into the field. Beneath the desert of the Imperial Valley and hopefully parts of Arizona, such as the site southwest of Chandler, vast reservoirs of subterranean hot water are thought to exist. Geologists say this resource can provide 30 times the power generated from the Hoover Dam. It is further estimated that geothermal energy resources have the potential of supplying 132 million kilowatts of electricity by 1985 and by the year 2000 could provide 350 million kilowatts.

Geothermal reservoirs are prevalent in more than 80 countries. Both dry steam and hot water systems are available. The latter necessitates reinjection of the waste water into the ground. The nature of this commercially unproven resource is not fully known. For example, the Magma Power Co. has drilled 80 wells in the dry-steam field known as the Geysers, 75 miles north of San Francisco, and still is unable to reliably determine either the extent or the life of the resource which is currently producing 302,000 kilowatts of power.

Due to the increasing energy crisis, I am convinced that further incentives are immediately needed to induce the development of new clean sources of energy which minimize environmental problems and the Nation's dependency on imported fuels.

Accordingly I have been working on a bill in cooperation with Senators on both sides of the aisle which would provide temporary incentives to encourage commercial production of energy by utilization of geothermal resources.

We are having legislation drafted to encourage the exploration and development of this resource to its fullest potential to supplement the Nation's energy supplies and conserve nonrenewable resources and environmental quality.

The bill as preliminarily drafted would authorize the Secretary of Interior to cooperate with private and public parties to undertake geothermal resource research and development designed to demonstrate the technical and economic feasibility of utilizing geothermal steam resources.

The draft bill further contemplates that the research and demonstration program shall be a 5-year program to:

First. To establish a body of knowledge;

Second. Develop guides for exploration and identification of reservoirs;

Third. Conduct surveys;

Fourth. Develop knowledge of systems necessary for recovery;

Fifth. Provide for project research to determine economic feasibility;

Sixth. Provide project research to ascertain impact on the environment; and

Seventh. Provide project research to improve technology of recovery, processing, generating and waste disposal.

This section of the bill would authorize the Secretary to enter into arrangement by grant or contract to carry on proceeding objectives.

The bill would also provide temporary incentives to encourage commercial production of energy by utilization of geothermal resources. In order to assist qualified borrowers to obtain loans for the purpose of establishing, operating, and maintaining facilities for the commercial production of energy utilizing geothermal resources, the Secretary would be authorized to enter into commitments to guarantee, any bank or financial institution against the loss of principal or interest on any such loans made by such institutions pursuant to the proposed act. Such guarantees would be subject to a number of restrictive stipulations as well as the availability would lapse with the 10th anniversary date of the act. The intent of the incentive is to insure the borrower against unanticipated loss due to failure of the geothermal resource to produce energy at a level to operate the facility or subsequent environmental restrictions which could not be reasonably contemplated, either of which prevent the commercial production to continue on an economically feasible basis.

The bill would also provide the incentive of treating the geothermal resources utilized in connection with commercial production of energy by facilities financially assisted pursuant to the act to be treated the same as oil and gas wells for the purpose of permitting depletion allowances to be credited against Federal income tax payments.

It must be emphasized that the overall intent of this proposed bill is to provide that temporary incentives to generate the knowledge and interest to developing this potential energy resource at the earliest feasible time in order to help alleviate the energy crisis and minimize environmental consequences.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article entitled "Drilling Probes Geothermal Source," published in the Oil and Gas Journal, of June 11, 1973.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DRILLING PROBES GEOTHERMAL SOURCE

An experimental geothermal drilling program under way near Jemez Springs, N.M., is aimed at determining the feasibility of a different type of thermal energy production.

A 4½-in. hole has been drilled to 2,575 ft as the first step in the program. Testing is continuing on the well, and complete evaluation of the project may take several months.

Primary purpose of the experiment is to study the possibility of producing thermal energy from shallow, dry reservoirs by pumping cold water into them, circulating it over hot subsurface rocks, and returning the superheated water to surface power plants.

The work is under the direction of the Los Alamos Scientific Laboratory, which is operated by the University of California for the U.S. Atomic Energy Commission.

DRILLING

After drilling the initial hole into hot rock, 2⅞-in. tubing was run and the formation fractured with conventional oil-well methods. Planned tests include electric logging and down-hole television pictures to pinpoint the area of fracture.

If these tests look promising, plans are to move the rig about a half mile to the top of a mesa and start another hole which will go to 4,500 ft. About 50 yd. away, a second hole will be drilled, to be connected laterally with the first hole.

Then cold water will be pumped down the second hole and over the hot formation. The superheated water will flow to the surface where it would pass through a heat exchanger capable of removing 150 mw of thermal energy. Then the cooled water from the heat exchanger would be reintroduced into the formation.

Once a moderated temperature difference has been established between cold water entering the input hole and hot natural convection, pumping would be discontinued except when makeup water was needed to keep the system full.

POTENTIAL

Geothermal energy has been used for power generation in other countries for years. Geothermal areas of the U.S. are found primarily in the western states. They occur along the circum-Pacific belt of young volcanism and mountain building, and where the Pacific ridge system—a locus of high heat flow—intersects the North American continent along the Gulf of California and the Imperial-Coachella Valley of California.

In the eastern U.S., potentially economic reservoirs of geothermal energy have been identified in the deep portions of the Gulf of Mexico sedimentary basin.

Most of the steam fields now proven commercial are reservoirs of mineral-heavy, briny hot water and require extensive processing. They are loaded with polluting minerals, which must be disposed of without damage to the surrounding environment.

The "cycling" technique now being studied at Jemez Springs could minimize many of these problems. The area includes the remnant of a huge, extinct volcano whose magma chamber extends several miles beyond the rim of the crater formed by the collapse of subsidence of the central part of the volcano.

Mr. FANNIN. Mr. President, this article refers to an experimental geothermal building program underway near Jemez Springs, N. Mex., which is aimed at determining the feasibility of a different type of thermal energy production. A 4½-inch hole has been drilled to 2,575 feet as the first step in the program.

This is what they call the "hot rock" program, Mr. President, and the potential is unknown, but many feel that this offers a great opportunity for development of power. It is my hope that the AEC will go forward with their program, though I understand their funds for this purpose are in jeopardy in the House of Representatives. The chairman of the Atomic Energy Commission, Dr. Ray, reported to the Committee on Interior and Insular Affairs that they hoped to go forward on this program, and they were asking for additional funds.

Mr. President, I feel that we have been lagging in going forward with the leasing program on Federal lands where this great potential exists. We have been held up for almost 2 years, with no definite assurance that the situation will change in the next few weeks or months. I am very hopeful, and we have assurances, that it will go forward, but I am really concerned about when it will go forward.

Just to look at another possibility, I do not feel that we have fully investigated the other potentials for assisting in solving our energy problems, such as propane and our offshore propane prospects. We have a great opportunity to study the possibilities of maximizing the development of propane as a supplemental fuel. Where needed, this fuel can be used in motor vehicles, in trucks, buses, and various equipment. It is a clean fuel. It would help greatly in solving environmental problems in areas where conventional fuels have caused too much pollution.

I ask unanimous consent to have printed in the RECORD an article entitled "Offshore Propane Prospects," written by G. H. Curtis for delivery at the National LP Gas Association Convention in Chicago, Ill., May 7, 1973.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OFFSHORE PROPANE PROSPECTS

(By G. H. "Kurt" Curtis)

If I were giving this talk in 1970 or 1971, there would be little interest in the subject because, at that time the U.S. propane industry was going through another of its regular, almost traditional, over-supply periods but, the last six to eight months have drastically changed the propane supply picture in the U.S. How are we to know that this is not just another one of the tight supply situations which this industry has experienced so many times before and which within a year or two had reversed itself to push propane production beyond the propane demand and fill the storage domes with surplus material?

The supply/demand balance in the U.S. is being reviewed in detail in another paper at this convention. So we will not dwell on this aspect in this presentation. However, some basic feel for the future surplus or deficit in the U.S. is needed to identify the magnitude of offshore propane which could be required to meet the minimum needs of the U.S. propane industry.

A combination of mild winter weather and general economic slow-down had caused a substantial increase in propane inventories in the U.S. in 1971 and 1972. Propane in storage reached 70 million barrels in November 1972 compared to the 40 million barrels which has been considered normal. However, in one heating season these surplus barrels were consumed because of new factors entering the market. Among these factors are limited growth in production of propane in the U.S. and the increased demand for propane by natural gas distributors to supplement their supplies during peak demands.

For a brief review of the future supply/demand balance in the U.S. let us look at Figure 1. In 1970 the net U.S. supply, including imports from Canada, exceeded the U.S. demand by approximately 9 million barrels, or an amount equivalent to the Canadian imports. This surplus material went into storage, and a similar surplus in 1971 increased the U.S. stocks of propane to the 70 million barrels mentioned earlier by November 1972. However, I don't have to tell you what happened to those inventories. Figure 2 is the latest data from the API on propane inventories. Between the end of October 1972 and the beginning of March 1973 over 48 million barrels of propane were removed from inventory compared to a normal dip in inventories over this same period of approximately 25 million barrels.

Well, how about the future? Let's return once again to Figure 1. Based on a recent estimate by Purvin & Gertz, Inc., U.S. production of propane is expected to increase from 310 million barrels in 1973 to 320 million barrels in 1980 and to over 330 million barrels in 1985. The production of propane from natural gas is expected to remain relatively constant between 1973 and 1975 at approximately 214 million barrels per year and to drop in 1980 to 204 million barrels, dropping further to less than 198 million barrels by 1985. So you can see that the production from refineries is expected to increase at a faster rate than the reduction in the LPG produced from natural gas.

The total U.S. supply in 1973 including imports from Canada will be approximately 320 million barrels, but the U.S. demand is expected to be a minimum of 332 million barrels, leaving a deficit this year of 12 million barrels of propane. As you can see from the figure, this deficit is expected to grow to a minimum of 43 million barrels in 1975 and to over 150 million barrels by 1985. I can assure you that these estimates are conservative. For instance, they do not include a dramatic increase in the consumption of propane by gas utilities for peaking purposes.

Less than 10 million barrels per year of propane is forecast to be used by natural gas distributors in 1975 for peaking. However, it should be noted that if only 1% of the present natural gas demand is shifted to propane, it would require approximately 44 million barrels per year of propane. To put this in perspective, the demand for natural gas has been growing at 4% to 6% per year, with the production of natural gas in the U.S. expected to peak within the next year or so and then begin to decline. What I am trying to say here is that the demand for propane to supplement natural gas *could* be as great as the total present demand for propane for all of the uses *if* sufficient propane were available to supplement our diminishing natural gas supplies. We do not expect this amount of propane to be available or to be used for this application, but it remains in the background as a major demand factor that *must* be closely watched.

To summarize, the U.S. will require over 10 million barrels of propane from overseas in 1973, and this deficit is expected to grow to over 150 million barrels by 1985. All of these figures are in addition to the supply of propane that can be expected to be imported into the U.S. from Canada, which we have estimated to grow to 27 million barrels by 1985.

Where will the propane come from? Venezuela? In 1970, the total production of propane in Venezuela was just over 7 million barrels with almost all of this material committed to markets in Venezuela and other Latin American countries. By 1975, Venezuela could produce as much as 25 million barrels of propane, but it is estimated that less than 10 million barrels of this would be available for export to the U.S. market after Venezuela has supplied its own other Latin American markets. This means that by 1975 over 30 million barrels per year of propane will have to be obtained from sources in the Eastern Hemisphere.

Thirty million barrels! How much is this? The equivalent of approximately 90,000 barrels per day, or the output of nine plants the size of Humble's King Ranch process-

ing plant or Shell's processing plant at Ysckloskey—two of the largest in the world. By 1985 we will be importing over 150 million barrels—more propane than we produced from natural gas in the United States in 1966.

Are the quantities of this magnitude available in the Eastern Hemisphere? The answer to that question is "Yes, at a price" but the United States will not be the only country competing for Eastern Hemisphere propane. The Eastern Hemisphere, in total, is now producing approximately 75 million barrels per year of total LPG. Of this quantity, less than 60%, or 45 million barrels, per year is propane.

The most logical source for LPG for importation into the U.S. is the oil-producing countries of North Africa. The proximity of these countries to the East and Gulf Coast of the United States offers the lowest potential transportation cost from any producing area in the Eastern Hemisphere. The primary sources of LPG in the near future would be the lucrative and large oil and gas fields of Algeria, Libya and the Gulf of Guinea.

As you can see from the accompanying Figure 4, there is at present, capacity in North Africa to supply approximately 20 million barrels per year of total LPG with another approximately 15 million barrels of capacity under construction in Algeria. At this time, Algeria has the potential of producing twice as much LPG as the 20 million barrels it is now planning to produce. The Hassi Massoud fields represent a major possible source with an ultimate potential of approximately nine to eleven million barrels per year of LPG based on their present oil production. The first phase of construction is underway on a project to recover 5.5 million barrels per year of LPG from the associated gas. This should be completed within the next few months. Additional processing facilities could bring the potential production from this field to its ultimate potential.

The Hassi R'Mel field is a vast reservoir containing approximately 700 trillion cubic feet of gas and about 3.5 million barrels of recoverable condensate. Plans have been proposed to recycle this field at the rate of 4.2 billion cubic feet of gas per day, but Sonatrach is also contemplating blowing it down for immediate sales at a production rate of six to eight billion cubic feet per day.

By simple mechanical separation, the minimum propane and butane recovery (at about a 50/50 mix) would be a minimum of 10 barrels of LPG per MMCF, or approximately 70,000 barrels per day. This amounts to over 25.5 million barrels per year in the larger-gas-volume case, or 15.3 million barrels per year if the gas is recycled. The Hassi R'Mel project is now in the development stages and studies have been conducted to determine the method of operation. Together with the Hassi Massoud LPG volumes, Hassi R'Mel makes Sonatrach the largest producer of undedicated LPG in Africa.

Libya has LPG recovery facilities capable of producing 13 million barrels per year of LPG, but these facilities have never operated at capacity because of a combination of technical problems and political problems. Recent press announcements indicate these problems are being solved and the production from these plants can be expected to increase. In addition to this LPG production, Libya is estimated to have the potential of producing an additional 60 million barrels per year of LPG. Here again, approximately 50% of this material would be propane.

Nigeria is just beginning to overcome the effects of its disastrous civil war. Its first LPG project was announced by Nigerian Gas Products Limited, a joint venture of the Nigerian government and Guadalupe Gas Company of Houston. This plant is intended to process flare gas from the Shell and BP oil production near Port Harcourt. However, serious consideration is being given to liquefy this flare gas for export and LNG, and if these projects materialize, it is possible that the LPG will not be removed from this gas before liquefaction. However, large quantities of associated gas are still being flared in Nigeria so that additional LPG projects are likely to be developed there.

Beyond the three major countries listed above, Algeria, Libya, and Nigeria, there is little major potential LPG production in Africa at this time. However, exploration is being conducted in many parts of Africa which could yield significant quantities in the future.

Another area that could supply LPG to the United States with the minimum of transportation cost is the area generally referred to as the North Sea. In the last ten years, large quantities of gas and oil have been found under the North Sea between Great Britain and the Scandinavian countries.

The fields that have been found close to Great Britain have been primarily gas fields and very lean at that. Gas production becomes richer in LPG and associated with crude oil and condensate in fields discovered farther north. The most prolific fields have been found almost at the apex of the boundaries of the five countries who claim territorial rights in the North Sea. Studies are now underway as to where the gas, oil and products from these northern fields will be transported. Since there has not been a final decision on where this oil and gas production will be processed, the LPG production cannot be assigned to any given country.

Due to the locations of the major fields near the vast Ekofisk production, there will probably be a single pipeline or parallel pipelines to jointly transport all adjacent production. Therefore, the LPG will be available at the point or points finally decided upon to land the crude oil and natural gas. Crude oil productions from fields in the vicinity of Ekofisk is scheduled to be transported to the United Kingdom if export approval can be obtained from the Norwegians.

In general, buyers in the United Kingdom have paid a lower price for crude oil and natural gas than purchasers in other countries. For this reason, there is pressure on the Norwegian companies to move their production to German or Norwegian buyers. However, there is a deep trench in the ocean floor between the production areas and the Norwegian coast which prevents normal methods of pipeline construction. The new techniques required to bridge this trench will cost considerably greater than those for laying a pipeline to the United Kingdom and must be evaluated in determining the final allocation of hydrocarbon sales.

None of the fields discovered in the deeper waters of the North Sea are in full production at this time, so the LPG potential has not been fully evaluated. However, initial data indicate a minimum of 13 million barrels of LPG could be recovered per year from North Sea gas. Much of this material will be sold and used in Europe, but it does take some of the pressure off the European supplies that otherwise would have to be shipped from African sources.

The largest potential production area for LPG in the world is undoubtedly in those countries which border on the Persian Gulf. These countries include over 50% of the known crude oil reserves.

The production of crude oil and hydrocarbons in this area has grown rapidly and is expected to accelerate in the future as the world attempts to cope with its present energy problems. The amount of LPG presently recovered in the Persian Gulf area for export is in excess of 40 million barrels per year, about two-thirds of which moves to Japan.

This production represents only a relatively small share of potential recoverable LPG in the Persian Gulf area. In some countries, all of the wet gas associated with oil production is flared without any processing whatsoever. In other areas, only the easiest sources of LPG from associated gas are recovered. This condition exists because at present the potential supply of natural gas and natural gas liquids in this area far exceeds the demands for these products.

The natural gas processed in the Persian Gulf is almost exclusively associated gas or gas that is produced in association with crude oil. Many of the producing oil wells in the Persian Gulf area are in locations remote from the coastline and existing export terminals. In the field, crude oil is flashed in several stages and then transported to a seacoast terminal by pipeline for subsequent shipment by tankers to consuming countries. During this flashing in the field, much of the contained LPG is carried off in the natural gas and is flared.

Where LPG recovery is considered, the final flashing in the field is omitted and some LPG is carried in the oil to the seacoast where the oil is stabilized to a specified vapor pressure. The gas produced in this stabilization is rich in LPG and provides a source for most of the LPG recovery to date in the Persian Gulf. However, even when the final flashing in the field is omitted to retain some LPG in the crude oil, approximately twice as much LPG is lost during the initial flashing than is recovered in the stabilization of the crude oil on the seacoast.

Of course, this method of producing LPG represents the lowest cost increment of production in the Middle East since the LPG can be transported cheaper in association with crude oil. The recovery of the remaining LPG now being flared in the field would require processing of natural gas in the field and transportation of LPG in more expensive pressure pipelines to an export terminal.

Of the countries in the Persian Gulf area, Saudi Arabia has the largest present production of LPG with a 17.5 million barrels per year plant at Ras Tanura and an expansion under construction at this location for an additional 15 million barrels per year. In addition to this recovery, it is estimated that Saudi Arabia could potentially supply in excess of 90 million barrels per year based on its present oil production and this potential will increase as oil production is increased.

Kuwait has a facility which can produce 16 million barrels per year of LPG and is seriously considering a second gas processing plant to produce an additional 12 million barrels per year. Although its unrecovered potential is not as large as Saudi Arabia's, it is estimated that up to 80 million barrels per year of additional LPG could be produced if economic markets were available.

The next large potential LPG producer in the Persian Gulf is Iran. Two small LPG recovery facilities are now operating in Iran, one recovers 7 million barrels per year and a new facility, recently brought on stream, has a capacity for 2.8 million barrels per year.

In Iran associated gas is processed for natural gas liquids recovery from only two of the six largest oil fields. Even in these two fields, only the leanest from field separators is processed since this processing has as its main objective the reduction of associated liquids in natural gas which is subsequently shipped to the Soviet Union by pipeline. The richer, low pressure separator gases are still flared. There is a minimum of 70 million barrels of material available from these sources.

Australia offers another, although smaller, potential source for propane. At present Australia is exporting approximately nine million barrels per year of LPG to Japan from the Bass Strait. This production area will have an equivalent amount available above present commitments by 1975. In addition, South Australia gas production could make available up to 5 million barrels per

year about the same time. Although the logical market for these materials is Japan, they could be imported into the West Coast of the U.S. if that market offered a better netback to the producers.

Indonesia offers another potential source for propane shipments to the U.S. West Coast but no specific LPG projects are known to be under consideration at this time.

The major international movements of propane and other LPGs at this time is from the Persian Gulf to Japan. This material is presently priced at approximately 4¢ per U.S. gallon at the source. A comparable price at North African LPG export terminals is presently approximately 5.5¢ per U.S. gallon. These prices are forecast to reach 6¢ per U.S. gallon in the Persian Gulf and 8¢ per U.S. gallon in North Africa by 1980.

Figure 5 indicates the minimum prices that can be expected to prevail for imported propane at a Gulf Coast import terminal. Venezuela will not be able to supply all of the propane required by the U.S. between 1975 and 1985. Therefore, North Africa seems the logical source. Propane from North Africa is calculated to cost approximately 13¢ per gallon FOB the import terminal by 1975.

I must emphasize at this point that the prices shown in this slide are minimum prices, and the U.S. companies going into international markets to purchase propane and other LPGs must realize two factors if they are to attain these minimum prices. First, that most of the present production of LPG outside the U.S. is committed on long term contracts, and second, that the type and magnitude of the competition in international markets is different from that which exists in the U.S. LPG industry.

For example, the Japanese government agency known as MITI has forecast that Japan will have to import a minimum of 60 million barrels of LPG in 1975 and their demand for imported LPG is continuing to rise at a rapid rate. This substantial block of competition is backed by a business philosophy which includes long term credits, willingness to invest large amounts of capital, and the ability to offer trade-outs of technology and other products for LPGs or other hydrocarbons.

In addition to a different type of competition, American LPG buyers will find that much of their overseas imports will have to be purchased from national oil companies whose sales philosophy is based as much on political considerations as it is on the profit motive.

In summary, the amount of the LPG that will have to be imported into the U.S. to supply our markets between now and 1985 is available from offshore but the prices will be higher than what the U.S. LPG industry has been accustomed to in the past and the competition for these supplies will be significantly different from that which you have experienced here in the U.S. Incidentally, almost as an after-thought, you had better learn to convert gallons and barrels to metric tons because in world markets, materials are bought and sold on the basis of metric tons.

I thank you for your attention.

COAL

Mr. FANNIN. Mr. President, turning now to coal, our most abundant resource, we are confronted with a most ironic situation. We have enough of it to last several hundred years and therefore need to import none. Thus, coal is the only primary fuel which presents absolutely no national security or balance of payments problem. Although the U.S. Geological Survey estimates that 200 billion tons are recoverable under current technological and economic conditions, the level of coal production is lower today than it was in 1947. This is due to a number of factors, including the loss of home heating and steam locomotive markets for coal. Equally as important, concern for the health of coal miners and the need to cut down on air pollutants has run up the cost of coal production and limited its availability. Low sulfur coal is in short supply in eastern States while low sulfur western coal costs more to be delivered to eastern users because of high transportation expenses. But about one-third of our recoverable coal has a sulfur content too high to meet current standards. Strict new strip mining regulations at the State and Federal levels are certain to impose greater costs and physical constraints upon the low sulfur coal resources in both the East and West.

ENVIRONMENT ACTIONS INCREASE OIL DEMAND

Environmental considerations have had an adverse impact on available oil supply. For lack of a pipeline, the largest known oil field in North America—the Prudhoe Bay field in northern Alaska—has lain dormant since its discovery in 1968. Marine exploration and development have been restricted in some areas with outstanding petroleum potential, such as offshore California. Oil leasing has been delayed in the Gulf of Mexico, and strongly opposed off the east coast.

While some environmental steps were playing a role in restricting domestic oil production, still other environmental actions were increasing the Nation's requirements for petroleum and petroleum products.

In 1970, the Congress passed legislation leading to very rigid Federal standards for air quality and automotive emissions. This historic act was welcomed in principle by all Americans concerned with the quality of their environment—and rightfully so. However, to implement the act, it became necessary to ban the burning of high-sulfur fuel oil and coal in many industrial and commercial installations. In fact, use of 155 million tons of coal per year would be banned by 1975 if both primary and secondary standards of the act are met.

These restrictions have placed still more strain on the already tight supplies of natural gas and low-sulfur fuel oil.

Moreover, to comply with the new act, it also became necessary to redesign automobile engines to run cleaner. These new engines consume significantly more gasoline per mile.

The side-effects of the Clean Air Act compounded the already extremely taxing demands on the oil industry to fulfill energy needs.

Unfortunately, other energy sources offer little help in meeting additional fuel requirements:

Natural gas will do well to maintain its current level of output; and

Nuclear energy is badly behind schedule and can offer little immediate assistance as a substitute for coal or high-sulfur oil.

Therefore, the burden of meeting the public's energy requirements lies heavily on the shoulders of the petroleum industry. Already the industry is supplying some 17.6 million barrels of oil a day to meet about half of our country's energy needs. This requirement will probably increase some 40 percent by 1980, and 70 percent by 1985.

UNCERTAINTIES RESTRICT REFINERY CONSTRUCTION

Unfortunately, U.S. refining capacity has been unable to keep pace with this surging demand.

It is estimated that the equivalent of six 150,000 barrels-daily refineries should be built in the United States each year to 1980, just to stay even with increasing requirements for petroleum products in this country. Yet, at this writing, not a single new refinery is under construction—although several expansion projects have been announced at existing facilities.

Planning of new refinery capacity has been impeded because of shortages in local crude oil supply, uncertainties about the future of the crude oil import program, uncertainties as to required product, specifications, and poor profit performance of domestic refining in recent years.

These problems have increased the difficulty of planning and engineering for the large amounts of investment capital required for expansion of industry operations. Refineries cost in the neighborhood of $250 million, and before companies can afford to allocate this amount of capital to a project, they must have reasonable assurance that the investment will be economic.

However, the time for study is drawing to a close; the time for action is at hand. Time is a critical element in the development of energy supplies. In the case of almost every energy fuel, there is a long timespan—usually 3 to 10 years—between the time the search for new energy resources begins and the time the new supplies can be delivered to consumers. Even if we should take positive actions today to accelerate domestic output of energy, the gap between demand and supply would continue to widen for several years. Delay can only prolong and deepen the energy crisis and lead to increasing dependence upon uncertain foreign supplies of energy.

There are those who insist that we use more clean-burning natural gas in our major urban centers, but who resist efforts to develop our important offshore petroleum supplies.

Others urge higher production of low-sulfur fuel oils, but do not want pipelines, terminals, or refineries near their homes.

Still others talk of energy conservation, but continue to use more and more electricity every day—and oppose the construction of powerplants and powerlines in their neighborhoods.

While more efficient use of energy is desirable, some of our national goals call for more energy, not less; full employment; an end to poverty; and even the task of environmental housecleaning.

Many people object to rising prices for gas, oil, coal, and electricity. But the question is: How much energy can be

produced without higher prices if costs of producing it are irreversibly on the rise?

We are going to have to give up "either-or" and start considering our energy problems in terms of tradeoffs. By this, I mean we may have to trade off a little of one goal in order to reach another. Every energy option has its cost—an environmental cost, a discomfort cost, a national security cost, or an actual financial cost. However, as a nation we should be willing to accept such tradeoffs rather than run the risk of turnoffs. We cannot turn off our energy needs and we should not have to.

A balanced approach which recognizes these hard facts is the soundest route to optimum use of our energy resources and the fullest possible attainment of our national goals.

The President sent his energy message to the Congress on April 18. The executive branch has already begun to implement portions of the President's program under existing legal authority. But new legal authority for new programs has been requested. The Congress has been slow in responding.

The President is in the process of finalizing plans for organizational changes related to energy both within the White House and the executive branch as a whole. Other changes will be proposed regarding our Federal energy R. & D. program. I look forward to the presentation of these proposals to the Congress.

Much work needs to be done in both the executive branch and the Congress. The necessary legislative action cannot take place until there is an acceptance of the facts which have given rise to the problem. I am hopeful that the summary of the facts contained in this statement will be of use to my colleagues in focusing on the national energy problem as a whole. We must face the facts and avoid the temptation to focus our efforts on finding scapegoats. Conducting witch hunts will not solve the energy problem, but exacerbate it.

Until we start focusing on solutions the energy crisis will continue to intensify. We have sufficient facts with which to proceed. The time has come to implement legislative solutions.

We made a start by passing the Emergency Petroleum Allocation Act of 1973 insofar as recognition of the problem is concerned. We have now reached the point where we must start passing laws designed to solve the problem.

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Oklahoma (Mr. BELLMON) is now recognized for not to exceed 10 minutes.

Mr. BELLMON. Mr. President, I wish to congratuate my colleague, Mr. BARTLETT and other Members of the Senate who have participated and are participating in the colloquy this morning, hoping to draw the attention of the Senate and perhaps to a degree others to the serious problems we have in trying to work our way out of the energy shortage situation in which this country finds itself.

What has happened should be no surprise to anyone. Those who have been observing the energy situation in this country have been saying and predicting for years that we were working ourselves into the present tight energy supply situation.

Along with other Members, including some of those who have spoken this morning, I have participated in these discussions on the Senate floor during the past 4½ years. As a former chairman of the Intertsate Oil Compact Commission, I can remember 10 years ago the projections that were made, that unless the United States changed its direction and adopted a more sensible energy policy, we would, one day, be in the present situation.

My colleague from Oklahoma (Mr. BARTLETT) and former Governor of Oklahoma, also has been active for years in other areas, besides the Senate, in trying to get the country to accept a more effective energy policy so that we would not find ourselves in the kind of energy shortage situation that we are now in, and becoming more and more dependent upon insecure foreign sources for our oil and gas.

I am distressed that current reports describe the energy shortage as some sort of so-called phenomenon, being produced deliberately for some kind of sinister purpose.

The leaders of the industry have tried for years to get a more realistic policy enacted by the Government. They have generally been rebuffed, so that they clearly are not the ones responsible. Rather, they are the ones who have been trying to avoid this situation with every means at their disposal.

The facts are plain when we examine the situation: Ever since 1956, the rate of drilling for oil and gas has been going down, until most recent years when there was a slight upturn. At the same time, a decline in development has been occurring. We have been experiencing a rapid increase in total energy consumption. Demand for crude oil has been going up 700,000 barrels per day each year and, at the same time, we have not been expanding domestic production to meet this growth in demand.

These facts have been well known, but those who have opposed incentives to accelerate the development of our abundant domestic energy reserves, have done so because they thought, that as our ability to meet our requirements from domestic sources declined, we would be able to import all the energy we needed from foreign sources and, they have generally claimed, at lower prices.

The fact is that not only this country has been increasing its energy requirements, but all the other industrialized countries of the world have been increasing their energy requirements also. So that now there is no uncommitted crude oil available anywhere in the world.

At the same time that these shortages have been developing throughout the world, prices have been increasing. So, at the present time, the cheapest crude oil in the world in right here in the United States. In addition, increasing restraints on the use of energy brought about by environmental concerns and already expressed by my distinguished colleagues this morning, have contributed a great deal to the already critical energy situation this country now finds itself in.

I want to add my recommendation and my suggestions as to a solution to the others that have been made this morning.

There is no question, as has been pointed out, that this country has all the energy reserves it needs to meet its requirements for hundreds of years in the future.

The problem is largely one of economics. We have the reserves, we have the technology, and we have the demand. What is needed is to get out of the frame of mind that, somewhere, there is an easy, cheap solution to the energy question.

Once we face the fact that we will probably not, in our lifetime, ever again see energy as cheap as it has been during the past several decades, then I believe we will be well on our way to working out of the present situation.

We are going to have to pay the price it costs to produce energy from reserves and resources located in more remote areas such as Alaska and in deeper layers than was the case in the early part of this century when oil and gas fields were being discovered in abundance in more easily accessible terrain. For example, early drilling would yield oil and gas with 1,000 to 2,000 feet. These relatively easily accessible layers are rapidly being depleted necessitating the need to drill deeper and at higher cost. It is becoming common place to drill 15,000 to 25,000 feet and even as deep as 30,000 feet. To drill these wells is costing anywhere from $3 to $6.5 million and 2 to 3 years. The day is over when cheap energy is readily available simply because it is more difficult and more expensive to produce it.

Already the technology is available for us to shift to a coal-based energy industry by liquefying and gasifying coal. The only problem is that to do this the price of the product has to rise in order to make it economically attractive for the investments that must be made.

Recently, I visited a coal gasification and liquefaction pilot project called COED at Princeton, N.J., where a demonstration plant has been operated for several years by the Food Machinery Corp. under contract to the Office of Coal Research of the Department of the Interior. At this point, it is possible, starting with $7 a ton coal, to produce crude oil at a price of about $5.50 a barrel, and to produce natural gas at a price far less than the cost of imported LNG.

Unfortunately, at the present time, crude oil in this country is selling at about $4.20 a barrel, therefore it is not economically feasible to get investors to construct plants using the COED process for coal liquefaction and gasification.

If we could allow the price of gasoline at the pump to go up from 3 cents to 5 cents a gallon, then it becomes economically feasible, at once, to begin coal liquefaction and gasification on a large scale, so that we will be able to utilize the

abundant coal reserves we possess and meet the need for petroleum products.

In my opinion, making this kind of decision, to allow energy prices to rise only slightly, would be one of the best insurance policies this country could buy.

If we allow ourselves to go along the route now followed, by holding the price of petroleum products down at artificially low levels, we are going to cause excessive usage of the products during a period when they will be in short supply, regardless of what we do.

In addition, we will increase the dependence of this Nation on highly insecure sources from abroad. We will also greatly overstrain our balance-of-payments situation so that this country's economy will be even further weakened.

I believe that American energy users would much rather have a dependable and abundant supply of energy available at 3 cents to 5 cents per gallon more than they are now paying, than they would be able to see the Senate, and the Congress, go in for some kind of national rationing system, or to see the establishment of a system of allocation that would perhaps make it possible for whatever kind of energy czar we finally would wind up with, to work great hardships on certain elements of the economy, while favoring others.

I believe sincerely that American consumers are willing to pay a reasonable price for the products they feel they must have and that they would not hesitate to accept the necessary upward adjustments of the prices if they felt this was, indeed, the only long-range answer to the problem that has suddenly now begun to get national attention.

I feel strongly that the time has come for us to quit looking for artificial solutions to this problem and, rather, to rely, as others have recommended this morning, upon the American free enterprise system, upon American technology, upon American resources, to make this country again self-sufficient in meeting its energy crisis.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BELLMON. Mr. President, I ask unanimous consent to have printed in the RECORD an article relating to the Japanese use of American coal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW JAPAN WILL DEVELOP ALASKA'S BELUGA COAL RESERVES

One side effect of the world energy crisis is that a slice of Alaska's vast coal reserves may be tapped and brought to market before the oil can even start to flow from the North Slope. The people who will be initially developing this reserve will be the Japanese because of their proximity to the source, their urgent needs, and the relative abundance or high-grade coal in the lower 48. With coal—unlike oil—Japanese developers will not be competing against American interests.

They know they can't win in any competition for North Slope oil, but they are certain that the huge deposits of relatively low-grade coal in Alaska are available and they have been quietly gearing up to take advantage of it.

Japan's appetite for coal is just about as big as Alaska's known reserves. They need coal in huge quantities for the steel industry and have gone as far as Australia to haul it home. Japan's steel production should exceed that of the United States by 1975 and to do that, they will need a lot more coal than is now available.

One of the largest trading companies in Japan—Nissho-Iwai—has blueprints for a $900 million to $1 billion coal mine and related dock and processing facility to be established at Beluga, near Anchorage. The huge development could begin as soon as the end of this year, if the tests being conducted show satisfactory results. Mr. Ikawa, Director and Deputy General Manager/Planning and Project Development Division, told Alaska Construction & Oil during an interview at the Tokyo headquarters that "We will make the announcement about our final decision by the end of the year."

The company expects to be doing about $8 billion worth of business in its worldwide trading operation this year and ranks as one of the top three in Japan when it comes to heavy iron, steel and chemicals.

They are waiting for the test results of the new solvent coal process that is being developed to utilize the relatively low-grade of sub-bituminous Beluga coal.

The solvent coal process had been under investigation in this country by the Office of Coal Research, Department of Interior, for more than seven years as an alternative to oil as a source of clean and readily available energy. The research has progressed beyond the laboratory stages. In fact, test results from a bench-scale pilot plant have been so encouraging the government has awarded a $20 million contract to build a full scale test plant in Tacoma. The plant is now under construction and expects to be in business a year from now.

In Japan, Nissho-Iwai, Nippon Steel and a group of electric power companies are conducting their own feasibility studies. They have used up the initial three-ton sample shipment and, encouraged by the results, are now bringing a six ton shipment for further analysis.

Two critical problems they have to combat are keeping the product within pollution limitations and raising the heating value of the coal so that it can be economically used in the steel and power industry.

The basic concept is to pulverize coal and put it in a hot oil which, at 350 degrees, will turn the coal into a liquid. In doing so the moisture in the coal evaporates and the ash is filtered out. The process, in effect, purifies the coal so that it meets environmental burning standards.

"You can remove the ash and moisture in the stack with expensive anti-pollution equipment or you can take the ash out before you burn it," Ikawa said. In the case of Beluga coal 30–35 percent of its volume is ash and moisture, so earlier removal produces a considerable savings in transportation cost.

Another major attraction of the process is that it enhances the energy value of the coal. Again, in the case of Beluga, the coal has a rated BTU of 7500/lb. After it has been processed the BTU value jumps to 16,000 BTU/lb., or slightly more than double.

So, in the most elementary terms, the process cleans the fuel, reduces its bulk by about one third and increases its energy value by more than 100 percent.

The processor has two choices; either keep the coal in its liquid form for easy transportation (in pipelines and insulated tankers), or resolidify the coal into beads or marble-like pieces which can be easily handled in bulk (as one would handle grain, for example).

The Beluga field Nissho-Iwai is talking about contains about one billion tons of recoverable coal which will be strip mined.

The Beluga reserve, though—an area between the Beluga and the Chuit River—is estimated by the U.S. Geological Survey to contain about 2.6 billion tons of coal. It is the largest known deposit of coal so close to the sea, which provides the cheapest form of transportation for such products.

When Nissho-Iwai mentions the figure of $950 million investment, it includes the entire system—including extraction, processing, delivery, storage and other consumer-end handling facilities. They are talking about facilities to handle five million tons a year, including the ships and the dock facilities for such ships. The largest coal production in the U.S., also strip mined, has yielded about seven million tons a year.

The solvent coal process plant itself could cost more than $150 million, based on the projected cost of $75 million for a 10,000-ton per day plant given by Pittsburgh and Midway Coal, one of America's largest coal companies and a pioneer in the field of solvent coal. Assuming that Nissho-Iwai's plant will have to produce about 200,000 tons per day, its cost could approximately double.

The Beluga field consists of several dish-shaped deposits that range from a few inches below ground to a few hundred feet. So it is ideally suited for strip mining, and that is what the plans call for. The mining, storage, processing, and shipping operation in Alaska will employ about 300 people for a minimum of 20 years (that is the amortization period Nissho-Iwai figured) and will probably last as long as the coal holds out.

With the normal three-to-one ratio of peripheral employment a plant at Beluga might support about 800–1,000 Alaskans.

The great value of solvent coal for Japanese industry becomes self evident—power plants which cannot now use coal because of pollution standards can use solvent coal. The steel industry, recently turning to petroleum coke, can revert to solvent-refined coal.

The big question at Beluga is not about the validity of the concept or the process, but concerns the detailed information to invest the kind of money that is required for an operation of this scope.

Placer-Amex, which holds a choice 20,000-acre lease between the Beluga and the Chuit rivers, will probably joint-venture with Nissho-Iwai in the development. Placer-Amex thinks five to seven years will elapse before American industry will incorporate the process commercially. Their timetable calls for one year to get the plant built, two years to test the various concepts and production techniques and another two to three years to design and build commercial plants for specific products, based upon the results of the Tacoma test plant.

Placer-Amex thinks that West Coast industries will be using solvent coal from Beluga, too, and estimates that as much as two-thirds of the total estimated 2.6 billion tons may end up fueling power plants and steel mills on the West Coast.

On the other hand, Japanese industry, faced with a greater rate of expansion and total lack of domestic energy supply, may not proceed at the leisurely pace outlined by Placer-Amex.

It is our personal opinion that energy pressures in Japan will indeed force them to jump the gun and get into this coal field before U.S. companies really begin experimenting.

There is reason to believe that tests conducted in Japan have yielded very favorable results and that, basically, the Nissho-Iwai's studies can be concluded much faster than ours because they have a closed-circuit situation.

On one end, they have specific clients with specific requirements, and on the other hand they have the coal and a process that probably can be made to fit the need. If the shoe fits, they won't need additional information before getting started.

It is with this background, as well as the

briefing provided by Mr. Ikawa, that we are convinced that a decision at the end of this year on the project is not unrealistic.

And, following the Japanese industry's batting average, it's a safe bet that the word will be "go."

Mr. BELLMON. Mr. President, Americans are becoming more and more aware of critical shortages of energy fuels. The threat of an energy crisis, which has been developing in recent years, has become a reality. Public apathy has now become public concern.

While energy is the focal point of current discussion, we should not overlook two other "E's"—the economy and the environment. The three are all closely interrelated. Because without adequate supplies of energy for agriculture, industry and everyday public use, the economy suffers; and without a healthy economy, industry and government cannot have sufficient funds to spend to develop the necessary technology that will assure us the quality of life that we all desire for the future.

The relationship of the three E's—energy, the environment and the economy—was the subject of a panel presentation at a recent meeting of the Oklahoma Press Association. The panelists participating were three knowledgeable Oklahomans.

W. A. Roberts, executive vice president and director of Phillips Petroleum Co., Bartlesville, presented "The Outlook for Energy."

Dr. James C. Kirk, general manager of research and development for Continental Oil Co., Ponca City, discussed "The Environmental Challenge."

G. R. Brainard, Jr., midcontinent district manager for Atlantic Richfield Co., Tulsa, and president of the Oklahoma Petroleum Council, moderated the panel and provided information on "Oil and Gas and the Oklahoma Economy."

Mr. President, the views of these three speakers can help to broaden understanding of the Nation's energy problem. I ask unanimous consent that the texts of their statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

REMARKS BY W. A. ROBERTS

Good morning, Gentlemen. I supppose the ideal way to start my remarks would be to say: "A funny thing happened on the way to Western Hills Lodge . . . I ran out of gas." That would emphasize the first point I want to make. And that is, the energy shortage has reached Oklahoma. Though our state is the nation's fourth largest oil producer and third largest natural gas supplier, we have not been insulated from the uncomfortable effects of the fuels pinch.

For several weeks now, your publications have been reporting how service stations are cutting their hours of operation and limiting sales in response to the product allocations of the major oil companies. Bulk buyers have felt the fuel squeeze perhaps even more than the average motorist.

Perhaps the ultimate irony of the energy dilemma was reported several weeks ago when a number of drilling rigs in the state had to be temporarily shut down because there wasn't enough fuel to keep them going.

The state's 12 refineries have been scrambling to obtain enough crude to keep going. At least two refineries have been running at aroundt 50% capacity.

The exploration picture is no brighter. The number of exploratory wells drilled in Oklahoma dropped 50% between 1962 and 1972. Proved reserves of oil fell 25% and those of gas slumped by 20% during the period. By contrast, production from these reserves is increasing. For example, the state's natural gas production jumped 70% in the last decade.

Let's look for a moment at how we got into this predicament. To my mind, the energy crunch is a calamity of good intentions.

One of these has been the effort by the federal government, beginning in 1954, to regulate the wellhead price of natural gas sold between states. This was done to protect the consumer against rising prices. The results are well known. The best fuel has been selling for the lowest price. Demand for gas has skyrocketed, while the economic incentive for finding and producing it has dwindled. That would have been bad enough, but natural gas price control also distorted prices for oil and coal, and therefore squelched their development as well. The exploitation of nuclear, geothermal, oil shale and other more exotic forms of energy also has been retarded.

Environmental protection has been another good intention contributing to the energy problem. Nobody can argue with the need for cleaner air and water. Yet our lawmakers have gone far beyond what is needed to achieve reasonable goals, and at the expense of draining energy supplies. The best example is the federal auto emissions standards which will reach their disastrous culmination in the 1976 models. Anyone in this room who has a 1973 car is already getting a glimpse of what engine efficiency—or inefficiency—will be like in a couple of years. I imagine Jim Kirk will discuss other effects of the environmental issue on the energy situation.

Another good intention that went awry has been the effort by the federal government to relieve the tax load on the average individual by boosting the taxes for industry, particularly the petroleum industry. These so-called "tax reforms" further reduced the amount of available money needed by the industry to find new reserves, and made the industry less attractive to investors who had the capital.

The most recent example of these well-meaning but misguided proposals was the Secretary of the Treasury's proposal to disallow the deduction of intangible drilling expense from unassociated income. This would have a disastrous effect on exploration.

The industry itself also has had some good intentions which we now know are contributing to the energy problem. One example has been the industry's programs to see America as a result of these programs, and we sold more gasoline.

Now let's examine some of the ways the gap between energy supply and demand might be bridged.

Last April President Nixon delivered his long-awaited energy message. In it, he directed the Secretary of Interior to accelerate the leasing of federal offshore areas, where there is great promise of discovering new reserves. The President also implemented a new petroleum import program designed to increase the flow of foreign crude oil and perhaps some finished products such as gasoline. The trouble is, the energy crunch is being felt worldwide. The extra foreign oil that is available is high priced or not suited for U.S. refinery processing. Imported gasoline is even harder to get. Tanker rates have skyrocketed. Just this week, Canada hinted that it may start controlling the amount of gasoline it exports to the U.S.

The really big questions about the nation's energy future must be resolved by Congress. A speedy resolution to the Trans-Alaska Pipeline dispute is absolutely essential. So is the modification of environmental laws and standards which are currently aggravating the energy problem. Most important, natural gas prices must be deregulated and other roadblocks to a free market for energy must be removed.

Consider what a free market could bring—

Most obviously, it would correct the current inequities among energy prices. For example, new gas produced here in Oklahoma destined for interstate markets sells at about one-third the price of Oklahoma crude on a BTU basis. There's also a tremendous inequity between prices for gas itself. Currently new Oklahoma interstate gas sells at 22¢ per million BTUs, or about half the price of gas sold within the state. The latter, unregulated price gives an indication of the true value of the gas.

A free market for energy would revitalize our domestic exploration, and stimulate the search for oil and gas in high-cost areas such as offshore and deep onshore regions. It would direct the various energy sources into their most efficient uses, thereby reducing wasteful consumption. Finally, the freemarket would give momentum to alternate energy sources—shale oil, tar sands, coal gas, and geothermal power. These are all technically feasible energy sources, but they simply can't compete with conventional fuels given today's prices. Nuclear power, which is still noncompetitive, would get a big boost, too.

What would a free energy market mean to Oklahoma?

First, it would be a definite stimulus to the development of Oklahoma gas, particularly the deep gas of the Anadarko Basin The estimated untapped reserves of this region range from 35 to 100 trillion cubic feet. In addition, many marginal gas fields in Northwest Oklahoma would become economically viable.

As for local oil exploration, the outlook is not so encouraging, even if a free market is established. The state has been pretty well blanketed by geological surveys, and there is little indication that any major oil reservoirs remain undiscovered. On the other hand, more satisfactory crude prices would bring a step-up in secondary and tertiary recovery from existing fields and in research to increase the degree of recovery. Currently about half the state's fields are undergoing this type of treatment.

I think it's also reasonable to assume that a free energy market would enhance the value of the state's considerable coal reserves. However, costly environmental restraints could outweigh the stimulus of higher coal prices.

The free market admittedly cannot be considered the panacea for all our problems, but, in my judgment, it is far superior to effective nationalization through piecemeal regulation. It has taken us 20 to 30 years to get in this condition and it will take some time to recover under the best of circumstances.

Looking at the overall energy situation 10 or 15 years from now, I think we'll see new energy sources, especially geothermal and nuclear power, coming on strong. In the meantime, however, petroleum must continue to be the workhorse of our industrial economy. There's enough petroleum still in the ground here in the U.S. to see us through this period. The challenge is getting to it. Can the petroleum industry meet this challenge? I'm sure it can. Given an atmosphere in which private enterprise can operate as it should, the industry can find, develop and deliver the goods.

REMARKS BY DR. JAMES C. KIRK

When Jim Kemm asked me to participate in this particular panel discussion on "the three E's" I quickly agreed because I so keenly felt the need for opportunities to discuss these important and intricately inter-related subjects. You'll note that my portion of the discussion has been titled, "the en-

vironmental challenge," because the challenge before us today is one of finding rational solutions to our environmental problems. We need a reasonable, balanced approach which recognizes the interrelationship between the three E's. If you conclude that I think we've not had a rational approach to solving environmental problems, you are right! We've overworked and misused the term "environmental crisis." This crisis approach may have been useful in calling attention to problems and whipping up enthusiasm and support for tough regulations, but it was not useful in providing a setting for dialogue leading to optimum solutions which balance our desire for a clean environment against our requirements for energy and a healthy economy.

Attempts to discuss the cost and consequences of some of the goals being established were discounted as an attempt to justify continuing pollution. We got caught up in a numbers game with control agencies competing with each other in establishing ever lower permissible limits. In at least two major instances, the federal limits were established on faulty data. Up to this point there has been such an intense commitment to correcting an accumulation of environmental abuses it was almost out of order to ask, "how clean is clean enough?" However, when we've cleaned up our most obvious messes, this becomes a very pertinent question. If one considers the cost of cleaning up versus the effectiveness of his efforts, he finds that frequently dramatic improvement can be made for reasonable cost; but as he strains to get the last bit of impurities out, the cost can go up dramatically with little effective improvement. In other words, we reach a point of diminishing returns. While I'm very pleased at the progress which we've made and are continuing to make, I am deeply concerned that some of the long-range goals which have been established, and in some cases these have been frozen into law, go beyond the point of diminishing returns. In some cases, the goal may be impossible at any cost. Let's consider some of these.

1. THE ZERO DISCHARGE GOAL FOR WATER

Congress has announced that the ultimate goal is total recycle with zero discharge by 1985. Nobody knows how much this might cost even if it were possible. While some recycle is possible and is currently being done, total recycle is ridiculous. It's about as sensible as saying to a person, "when you breathe, you can inhale only." We can't reach the goal but we may be forced to waste a great deal of money trying.

2. NONDEGRADATION

At first blush it may sound like a good idea to prevent any further degradation of our air and water. In more heavily populated areas this is certainly desirable, but when this policy is applied in sparsely populated areas, it is a serious impediment to development in those areas. Any use of pure air and pure water will result in some contamination even though the levels may in no way be harmful. The adoption of this policy certainly makes pointless the elaborate exercise the FWPCA went through in the early days of the water pollution control program. Every stream in the country was classified as to its beneficial uses, that is: recreational, fishing, municipal water supply, etc. Limits of impurities were established below which there would be no interference with the use of the water for its designated use. Use of the water was to be permitted and controls were established to prevent the limits from being exceeded. This seems to be a sensible approach but will be negated if the non-degradation policy is adopted.

In Oklahoma we generate virtually all of our electric power by burning natural gas. As a result, the present level of sulfur dioxide in this area is extremely low. With the increasing scarcity and rising price of natural gas, alternate fuels containing sulfur will have to be burned. The non-degradation policy will have to be abandoned.

3. SULFUR IN FUELS

Sulfur dioxide is easily measured in small concentrations and for that reason we have more data on this air pollutant over a longer period than any other. In fact, in many of the recorded air pollution episodes, sulfur dioxide has borne the brunt of the blame because it was the only thing quantitatively measured. The level of perception of sulfur dioxide for most people is about 3 ppm and long-term tests with sensitive test animals have demonstrated that twice this concentration is not harmful to health of the test animals. The EPA has adopted permissible levels 1-200th of this value. Control strategies are being devised to achieve these very low levels. This has created a booming demand for low sulfur fuels for heating and power generation. Much of the demand has been filled by importing low sulfur foreign oil and by burning scarce natural gas.

In 1964 the east coast had 100 coal burning plants which supplied 70% of the power for the area. Three-fourths of these have been converted to oil burning. A coal-fired plant normally must scrub its stack gases to remove the sulfur dioxide in order to comply with the permissible limits. The cost of the best scrubbing processes is about as much as the cost of the coal itself (i.e., about 40¢/million btu). In addition, other environmental problems can be created. The limestone scrubbing process is one of the processes being used. a 500 megawatt plant requires 600 tons per day of limestone which must be quarried and then the solid waste disposed of.

Notwithstanding these problems, a significant portion of our power will continue for the next decade or so to be generated by burning coal. As a matter of fact, by 1985 the demand for coal will be nearly twice last year's production. OG&E has recently announced that it will build a coal-fired plant in Oklahoma.

The British advocate the use of tall stacks for power plants burning sulfur-containing coal and contend that this is a satisfactory solution to the problem. Tall stacks permit the stack gases to pierce the inversion layer and permit dispersion. We have already mentioned the difficulties and the cost of stack gas scrubbing. Other routes would be to convert the coal to a low sulfur liquid or gas. Conversion to low sulfur liquid will be at least as expensive as stack gas scrubbing, that is, about 80¢/mm btu. Conversion of coal to a high btu gas is technically feasible but the cost will be very high. Gas produced by this method will require a price of $1.25 to $1.50 per million btu. This compares with the interstate 1970 price of natural gas of 17.1 cents per million btu. Obviously such a high priced fuel can be used only as a convenience fuel for applications such as home heating.

4. AUTOMOTIVE EMISSIONS

The Clean Air Act of 1970 requires among other things, that by the 1975 model year, automotive emissions of carbon monoxide and hydrocarbons must be reduced 90% from the 1970 levels. By 1976, emissions of oxides of nitrogen must be 90% below the average levels of uncontrolled fuels for 1971. What is often overlooked is the fact that emissions of hydrocarbons in the 1970 vehicles were already 80% below those of uncontrolled vehicles, and carbon monoxide emissions had already been cut 70% and oxides of nitrogen had been cut by 50%. Therefore, the fact is that 1975–1976 standards actually require 97% reduction of hydrocarbons compared with uncontrolled vehicles, 96% on carbon monoxide, and 93% on oxides of nitrogen. Congress froze these requirements in the law before the technical and economic feasibility of achieving these levels had been determined. After several years of diligent effort, it is now becoming painfully obvious that the technical difficulty and the cost of achieving these objectives will be so severe as to raise the question of whether the objectives should be modified.

The National Academy of Science in studying the automotive emissions problem concluded that there are large portions of the United States which have neither a health nor aesthetic problem due to automotive emissions. Oklahoma is certainly one of these areas. They were particularly critical of a control strategy which would require catalytic mufflers since this was judged to be the poorest choice among several alternatives. Unfortunately, because of time deadlines, this is the direction the automotive industry is being forced to go. This is also the prime reason for removing lead from gasoline since lead inactivates the catalyst in these mufflers.

The National Academy of Science has called for a review of the automotive emission standards, but it is not the only qualified scientific group which has doubts about the standards. The California Air Resources Board is a body with great expertise and experience; and even for a state with the greatest pollution problems, it set more lenient standards than the federal ones. The cost difference in achieving the federal standards versus achieving California-type standards is a staggering $66 billion.

To this point, it has been all but impossible to talk in terms of costs and tradeoffs. However, I sense a growing awareness on the part of the public to the necessity of considering tradeoffs and compromises in order to achieve a reasonably clean environment, a reasonably healthy economy, and a reasonably comfortable life style.

REMARKS BY G. R. BRAINARD, JR.

The remarks from our other panel members have shown you the importance of meeting the nation's energy needs and facing up to our environmental challenges. Whether or not we are able to succeed in these tasks will depend to a great extent upon whether we are able to maintain the economic health of the petroleum industry.

It should be obvious to all of us that the state of Oklahoma has a large stake in the future of the oil and gas industry.

Oklahoma has often been referred to as "the state that oil built" and that statement can certainly be backed up with the facts. From the standpoint of production alone, it is significant that oil and/or natural gas are produced in 72 of the 77 counties of the state. The only counties without either oil or gas production (or both) are: Delaware, Cherokee, Adair, Choctaw, and Harmon counties.

Despite the decline of production during recent years, reflecting a national trend, Oklahoma still ranks fourth in the nation among all the states in which oil and natural gas are produced.

It also ranks fourth in refining, and it is a pipeline transportation center, with more than 25,000 miles of pipelines crisscrossing the state.

Approximately 80,000 Oklahomans are employed in the petroleum industry or in related fields, and this does not include the many thousands of others who obtain at least a portion of their livelihood because of the presence of oil and gas in our state.

The state of Oklahoma itself depends heavily upon the petroleum industry for much of its tax revenue. Taxes on the industry and its products, such as gasoline, account for 29 percent of the total tax collections by the state. These *direct* taxes do not include the

income tax, sales tax, and other taxes paid by the oil industry and its employees in Oklahoma. Furthermore, I am talking now about taxes paid to the *state* government. In addition, oil companies also pay millions of dollars in ad valorem taxes to all of the counties in Oklahoma.

All of you are well aware of the increase in taxes that took place two years ago on the production of oil and gas in Oklahoma, at a time when production was declining. To give you an idea as to the impact upon the petroleum industry, it meant that the state collected more than 72 million dollars in gross production taxes in fiscal 1972 as compared with about 50 million dollars in the previous year. This added tax load of more than 22 million dollars on oil and gas production in Oklahoma doesn't include the amount paid by the petroleum industry in additional state income taxes that were boosted the same year.

In addition to the money paid in taxes, the various companies and individuals engaged in petroleum activities have made a number of other contributions to the state.

A survey was conducted recently by the Oklahoma Petroleum Council among many of the companies that make up the industry in the state, and the information compiled gives some idea as to the involvement of oil people and oil firms in improving their communities.

Take the subject of the environment as an example. The average expenditure by the industry in Oklahoma toward improvements in the environment in 1970 and 1971 amounted to more than 20 million dollars a year. The companies revealed that during 1973 they plan to spend more than 27 million dollars to improve the environment in Oklahoma by helping to eliminate and present air and water pollution, as well as to improve the appearance of their facilities and eliminate and prevent noise. An additional 2.7 million will be spent on other environmental improvement activities such as litter clean-up campaigns and beautification projects. This makes a grand total of nearly 30 million dollars to be spent on the environment this year in Oklahoma.

The industry's contributions to better education through scholarships, equipment donation, and financial grants to Oklahoma colleges and universities amount to an average of more than $860,000 a year. When you include other support to education, including guest lecture programs and field trips for students, the total amount donated to education by the petroleum industry is close to a million dollars a year.

Oil companies also support community health programs in Oklahoma. Contributions to hospital building funds and other projects will amount to about $213,000 in 1973. The companies also contribute in a year's time about $136,000 to youth and minority programs in our state and donate equipment or land for parks or recreation purposes that amount to about $74,000, plus more than $72,000 to other recreational opportunities for the citizens of their communities.

Oil companies and their employees are supporters of many other worthy causes in their communities also. If you add the amount contributed by 34 oil companies and their employees to United Fund or Community Chest campaigns, it comes to a total of more than a million dollars a year.

Incidentally, this survey was not all-inclusive, as there were many other companies not covered in these totals.

Turning again to the subject of crude oil production, I mentioned earlier that it has been dropping in Oklahoma and nationwide during recent years, while the demand for more petroleum has been rising at a rapid rate. Last year the production of crude oil declined by 2.1 percent in Oklahoma. I am pleased, however, to report that as the industry geared to meet the nation's challenge of supplying more energy there was a slight increase in drilling in Oklahoma last year.

A total of 2,300 wells were drilled in Oklahoma in 1972, which was an increase of 2 percent over the wells drilled in 1971. These figures, incidentally, include both productive wells and dry holes. There were 176 new field wildcat wells drilled in Oklahoma last year. These wells, which were drilled in areas where there has been no previous production of oil or gas, resulted in 7 oil wells, 25 gas wells and 144 dry holes.

In other words, nearly 82 percent of the efforts to find new petroleum deposits in Oklahoma last year resulted in failure! This is evidence of what we have been saying during recent years—that the oil and natural gas that have been relatively easy to find have already been discovered in Oklahoma, and now it is up to those companies and individuals willing to risk tremendous sums of money in the search for petroleum at greater depths.

You probably already know that Oklahoma can claim the world's record for the deepest well ever drilled. That record was established last year in Beckham County at a depth of 30,050 feet. To drill wells of this sort will require millions of dollars in risk capital, and in order to encourage this sort of exploration and drilling the oil and gas industry in Oklahoma will need some new incentives and a fair and equitable tax treatment—from both the federal government and the state government.

All of us are aware of the inflationary spiral that has hit our nation. Costs of operating any business have gone up, as all of you editors and publishers know. This is certainly true of the oil business, where the costs of drilling wells—including equipment, the wages and salaries of company personnel, and everything else that a company needs to pay for in connection with its operations—have gone up much faster than the prices of crude oil and gasoline.

Crude oil prices nationally during the last 10 years increased by less than 17 percent. At the same time, oil well casing prices and average hourly wages in oil and gas production climbed more than twice as fast.

To sum up, we believe it is obvious that Oklahoma—which depends upon the petroleum industry for tax money and for contributions in many other ways—will continue to see the effects of any economic crisis that hits the petroleum industry. At the same time, when the industry is healthy, the state of Oklahoma will gain.

There is a need for all Oklahomans to support those policies that will help increase domestic oil production, both in Oklahoma and in other parts of the nation, and we trust that you will do your part in helping to bring these facts to the attention of your readers.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska (Mr. GRAVEL) will be recognized for not to exceed 10 minutes.

Mr. GRAVEL. Mr. President, today we begin, in a smaller way, the great national dialog that is going to take place over many ensuing years. In fact, I congratulate the junior Senator from Oklahoma and others who have chosen to participate in this beginning dialog. I think the dialog will come to a little stronger point in the ensuing weeks, when this body takes up the Jackson bill, S. 1081, which is a bill to correct the deficiencies that exist in present right-of-way legislation. The bill also authorizes the President to negotiate with Canada for the possible construction of a pipeline through that country.

What that bill does not do, of course, is to address itself to the more immediate problem, and that is the problem of constructing the Alaska pipeline, so that we can get the stocks to American markets.

Today I am submitting a paper which I call "Dollars and Energy: Domestic and International Crises." It is a white paper I have prepared as a product of my knowledge of the energy crisis, and I hope it adds some measure of additional information and perspective to those who want to address themselves to the problem.

The nature of the crisis, interestingly, is twofold. One is the short-run part of the crisis, dealing from now until about 1990, and then the long-term nature of the crisis goes from 1990 forward.

If we do not solve the long-term nature of the crisis within the leadtime provided us between now and 1990, I would imagine that our society—the world as we know it today would see ourselves besieged by unbelievable tragedies.

I could talk of the consumption of energy. Generally, we talk of the consumption of energy by the developed nations of the world, and we have no way of taking into account what the consumptive needs of the burgeoning nations of the world are, where most of the population of the world resides. So that we really do not have a very accurate perspective as to the total nature of what this crisis will be, occasioned by the needs of a cybernated society. In a cybernated society, the total base of living is energy.

So human beings, by the turn of the century, by the last decade of this century, are going to have to find a new energy source or a totally integrated energy source which permits human beings to live in concert with the ecosystem. I think we can rise to that task. I think it is just a function of effort. I think there are ready vehicles available for us to do this, not the least of which would be the parallel experience we picked up in the most successful endeavors since the world war: One, our highway system and, two, our space system. I think we can have a combination of them and apply it to our energy problems and move forward aggressively.

I am referring to the fact that we set up a special administration for space and vectored all our energies in one direction. The vehicle for implementing the highway program was the highway trust fund.

I hope we can meet our long-term needs by setting up a trust fund and accompanying the trust fund with a Federal energy administration to handle the moneys and to handle the national effort, commensurate with the size of the problem.

The short-run problem, however, is a little more interesting. How we handle this will obviously be a product of our maturity. I am chagrined to see that the large body of Senators and Representatives and leaders in this country are so intent upon a course of action that really does not address itself to the energy crisis.

I am talking about the inuendo that the energy crisis is a fabrication of the oil industry, that it is a conspiracy. It is almost a wish that we could put some-

body in jail and that that would dissipate very complex problems.

I think we all recognize that the oil industry is not different from any other industry. As in any other industry, we have human beings who are profit motivated, some of whom have a broad sense of moral values and some of whom have a narrow sense of moral values, some of whom obviously would capitalize on a situation to increase their profits. I think we need not point the guilty finger only at the oil industry. With the present controls of the Government, we can look into the problem and address ourselves to that.

But that is minor to the total problem. The danger is that a large segment of the leadership of this country will vector on this red herring, the conspiracy, of excessive culpability. I do not think excessive culpability exists in the oil industry more than any other industry—and that we will not address ourselves to the total breadth of the problem. That is the tragedy and the threat we face, and I think that is something we will watch in the ensuing weeks in this body. We will be able to see, through votes, whether or not this body can take a more mature attitude toward the broader spectrum of the problem, rather than a demagogic approach to the problem.

The short-run situation carries us to the year 1990. I wish I could say the energy crisis is really the problem we face, but that is not so. I think that, as human beings, we can make a personal decision as to whether or not we want the light on at a certain rate or want to dim it. We can also make a personal decision as to how much we want to use our car or the balance of our fuels. But one thing we will lose total control of with respect to the problem that faces us is not the energy crisis; but is the financial crisis, as a product of the energy crisis. That is where we get into a dimension that I think few in this body and few in the Nation can begin to appreciate.

It has been said that if we want the oil, we can buy it abroad. There is oil abroad; and, as Senator BELLMON pointed out, most of it is committed. I join him in the statement that there is no more cheap oil in this world. If there is, it is going to be domestic oil, including Alaskan oil, because we have just begun to see the rise in prices. Prices have doubled since 1970, and I think that in an equal period they will double again. So when we are talking about oil at $4 a barrel, more or less, believe me, before 3 years are out or before 5 years are out, we will be seeing it at $7.50 a barrel. This, obviously, will permit alternate sources of energy to be developed.

But the consequences of this outflow of dollars for petroleum products are absolutely horrendous, and that is where the crisis exists. I could give figures. In this decade, we are talking about $10 billion a year; by the mid-1980's, $30 billion a year. Between now and the Second World War, our expenditures outside of this country have come to $80 billion.

So in the mid-1980's we will get as much money flowing out of this country in two and a half years as it took from the Second World War until today.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. GRAVEL. Mr. President, will the Senator from New Mexico yield to me for 2 minutes?

Mr. DOMENICI. I yield to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. GRAVEL. Mr. President, although much has been said about our energy problems recently, a serious discussion of the energy crisis is just beginning. Hopefully, throughout the coming months the totality of our energy difficulties will be realized.

Power failures, gasoline, and heating oil shortages are but the tip of an iceberg. Underneath floats a mammoth threat to the economic, social, and technological well-being of this country. The iceberg, I am afraid, has been built by the chill winds of apathy and indifference.

Our energy crisis is the result not of some byzantine conspiracy on the part of private industry, but the consequence of virtually no coherent public policy for the single most important factor in American life: Energy. Simply put, we have failed to adequately plan for our needs in this highly cybernated society of the last half of the 20th century.

Now that we have arrived at the first crucial stages, time is being invested in finding a scapegoat for our troubles. Some would hope to blame our ills on private industry, as though in the hope that somehow the crisis will diminish. This effort is futile, because we all know where the responsibility rests—right here, with the leadership. It is incumbent upon the leaders of this Nation to take their part in resolving the energy crisis.

A frank appraisal will show that every effort should be made at solving our short run energy shortages—from now until 1990—while plans are developed for the longer range energy needs of the 21st century.

In their recently published book, "The Energy Crisis," Dr. Richard Runyon and Dr. Lawrence Rocks estimate that unless the United States takes immediate and drastic action, we—and I quote—

> Permanently curtailed use of heating and air conditioning in public places by 1975; by 1977, there may be governmental control of key industries to ration energy; by 1980, enforced gasoline rationing; followed in 5 years by a great financial depression and world conflict of existing energy shortages.

Their predictions, Mr. President, are not based on scare statistics—but are cautiously determined projections for a nation so heavily dependent on fuel sources that are quickly diminishing.

We are in the beginning of the end of our use of fossil fuels. That fact is apparent now. Available domestic sources of crude oil and natural gas are on the decline. Ability to refine oil products is frozen at a level below our current needs. More and more American dollars are spent abroad to purchase sufficient supplies of oil and gas—and costs to the average consumer are multiplying.

Each year we spend billions of dollars on foreign oil—a drain on our economy which is mounting each year. One reasonable estimate places the total spent on imported crude oil to reach $130 billion by 1985. More of our oil imports will of necessity have to come from the Middle East where a surplus of wealth may lead to mischievous use of those funds to influence the international money market.

All of the elements for a first ranking financial crisis—both at home and around the world—lies in our need for energy.

This potential and the long-range consequences of a national energy shortage are the subject of a paper which I have prepared.

The main conclusion I have drawn in the paper is that if the United States continues to rely on foreign supplies of crude oil and neglect building our domestic supplies, a far reaching economical disaster will ensue.

The largest single element in solving our energy shortage is the trans-Alaska oil pipeline which when complete could bring 2 million barrels of oil per day into the United States. An accelerated pumping of Alaskan oil could well reverse our balance-of-payments deficit by more than $100 billion by 1980.

Yet we refuse to facilitate its construction. Every day that the United States waits for Alaskan oil adds $6 million to our balance-of-payments deficit.

As our energy shortages mount, Mr. President, the American public will become more and more agitated that their leaders have not acted to prevent the situation.

It is rightful and proper that we consider appropriate means of averting this national crisis.

There are only three ways to solve this financial crisis. First, we must reduce the supplies of American dollars abroad, because their misuse will influence the world money market. This could cause international panic which, in turn, could cause a domestic depression. This, then, could cascade into a world depression. That is what we may be looking at in the 1980's. Second, we should bring back an expanded domestic manufacturing program, but even that would only handle relatively small sums of money.

Therefore, the only real alternative to our monetary dilemma is to reduce our dollar exports along with our energy imports. And we can only do this by developing our Alaska oil reserves.

They are significant enough to dampen the flow of dollars abroad.

Mr. President, I hope the Senate will have a chance to vote on my amendment to the Jackson bill and I hope the Senate will go on record as voting for the immediate construction of the pipeline. I hope my colleagues support my amendment when it is presented to the Senate.

I thank the Senator from New Mexico for yielding to me a few minutes of his time.

Mr. President, I ask unanimous consent to have printed in the RECORD the white paper I prepared entitled "Dollars

and Energy: Domestic and International Crisis."

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

DOLLARS AND ENERGY: DOMESTIC AND INTERNATIONAL CRISIS

(By Senator MIKE GRAVEL)

I. THE ENERGY CRISIS TODAY

There can no longer be discussion as to whether the United States is faced with an energy crisis. The crisis is real, tangible and here with us today. It is a crisis of our own making, to a large extent, and for that reason we must assume an aggressive role in determining early solutions.

With just six percent of the world's population, the United States consumes a third of the earth's total energy and mineral production. Our use of energy has developed without restriction, under no explicit policy and with little attempt made at efficient consumption. So that presently we find the United States a complex nation dependent in so many ways upon quickly diminishing sources of fuel.

If anything, our energy problems remain tremendously understated. Demand for energy, both national and world-wide is expanding at such an unexpectedly rapid pace that total depletion of non-renewable resources within this century may be unavoidable. Increases in population and technological progress form the basis of the dilemma.

For the United States a 50% increase in the 25 to 35 year-old age group and a 57% jump in per capita use of energy, a by-product of our highly cybernated society, will concentrate the difficulties. Paralleling our domestic consumption explosion is an even more rapidly accelerating demand throughout the developing countries of the world. This rate is double that of the United States.

Some background information is essential before a discussion of the energy crisis may proceed. National energy consumption has increased almost as rapidly as the national economy, at an annual average rate of about 3%. But since 1965, the rate accelerated quickly to an average annual rate of 4.8%. Consumption is divided accordingly: industrial, 38.8%; electricity generation, 25.6%; transportation, 25%; and household and commercial, 20.6%.

Fossil fuels—coal, oil, and natural gas—supply the largest share of energy needs in the United States. Oil and gas have come to replace coal as a major supplier to the point that these fuels now contribute approximately 75% of the total gross energy consumption. Nuclear, hydro-electric, geothermal and other sources make up the rest.

Domestic production of fossil fuels had remained at about the same level for the past few years and has not expanded adequately enough for increased demands. Instead, the United States has come to rely more and more on foreign imports, mostly from the Middle East, for its crude oil. In 1973 1.7 billion barrels, constituting 29% of the total national consumption level were imported.

Our estimates of future levels of importing will continue to be underestimated because of our constricted refinery capacity and its attendant lack of flexibility. The continued decrease in domestic gas will also continue to aggravate oil needs. Because regulated wellhead price of natural gas has tended to encourage a flight of capital from this production area denying us the vitally needed domestic replacement stocks.

Additionally, environmental concerns have limited the use of high sulphur fuels such as coal which, at one time, provided half of the nation's energy needs. Low sulphur fuels are scarce. The same concerns have delayed the siting and construction of energy facilities, including hydro-electric and nuclear reactor plants.

Experts glibly predict that in a dozen years our energy needs will double those of 1970. Clearly in the coming years we will have to deal with a series of energy crunches. The main effort will have to be a vectoring on the vast untapped reserves of fuel that we have within our own boundaries.

Over half the world's known coal reserves are in the United States. We have the potential resource of 810 billion barrels of recoverable oil, shale oil, and over 2,000 trillion cubic feet of natural gas. But also the effort must be aimed at an understanding of the disaster built into unrestricted growth. We will need considerable more imagination in our public policy if we are to experience the fruits of a cybernated society. In view of the fact that energy is the most important physical element in our society, the present situation could not be more ludicrous.

Schools and factories were closed or put on a three-day week in the Great Plains by power shortages this past winter. Homeowners in the Middle West had no heating fuel. Filling stations were put on such short allotments of gasoline that they could serve only regular customers and the police had to rescue stranded transients. Grain rotted on the ground for lack of propane gas for drying ovens, or was stranded on barges. Scheduled non-stop transcontinental flights took off with such light fuel tanks that they had to make intermediate stops to refuel.

Ironic touches underscored the power famine in this land of affluence. The University of Texas, which is endowed with hundreds of thousands of oil-rich acres, had to postpone the registration of 38,000 students in mid-January because there were insufficient deliveries of natural gas to operate its facilities.

That was last winter. This summer holds the bleak prospect of additional hardships. Electric utilities throughout the country have warned of impending brownouts and admit they will have to be lucky with the weather to prevent the brownouts from turning into blackouts. All sectors of the country have been touched by gasoline rationing; 1,020 filling stations had been closed by June 1.

Efforts are being made to establish that the current dilemma is a contrivance of major oil and gas suppliers. Somehow, there exists the notion that we can place the "blame" for our energy ills and punish the culprits. Such exercises are futile. An honest assessment of the energy crisis is imperative now so that we may avert a national paralysis that would result from continued shortfalls.

Prices of energy will inevitably increase due not only to extended inflation, but to additional decreases in the value of the dollar and likely increases in the price of crude oil from the Middle East. Knowledgeable sources predict that by 1980 oil from the Eastern Hemisphere may be costing $7.50 per barrel, compared to the present average cost of $3.70 per barrel. It is a reasonable estimate that the United States will be importing 60% of its oil from those sources by 1980.

In an effort to thwart these horrendous hikes in the cost of energy, we should not fall prey to hasty short-sighted reactions. The United States can, and should, develop a sound short-run plan of action, that is, from until 1990 and a foresighted and an imaginative long-term course of action to meet the energy needs not only of the United States but also of the world by providing the necessary breakthrough to new energy sources.

II. THE MIDDLE EASTERN SITUATION

The change in the U. S. energy posture from sufficiency to dependency forbodes increasing political and economic dangers. The crux of the energy and financial crisis in the United States is the increasing importation of oil and gas from the Middle East.

Statistics show that of our total consumption of petroleum products in 1972, we imported 27%. That figure is expected to rise to 33% in 1973, and to 60% by the end of this decade. Certainly these figures give us cause for grave concern, particularly so since our continued importation from the Middle East has a high degree of uncertainty.

Since 1970, Arab countries have doubled the price of oil. This escalation, which is steadily gaining momentum, was touched off by Colonel Muammar al-Qaddafi, who seized power in Libya by a military coup in 1969. The following year Qaddafi demanded sharp increases in oil prices and the tax rates paid by Western European companies holding concessions in Libya. The companies resisted for seven months, but Qaddafi forced them to settle on his terms by cutting production from 3.3 million barrels per day to 800,000.

Arab leaders and their financial advisers are shrewd businessmen. They are the product of the Western world's finest universities. They are no different from American businessmen exercising their Yankee ingenuity and this means taking advantage of an economic situation to maximize their profits. As champions of the free enterprise system we cannot condemn the Arabs for their policies, much as we deplore the cost to us. Looking at the situation realistically, we have been their greatest teachers.

It was in 1959 and again in 1960 reacting to the economies of affluence that American oil companies forced a price reduction upon the Middle East oil producing countries. These actions prompted the reactions that gave birth to the Organization of Petroleum Exporting Countries (OPEC) by Saudi Arabia, Kuwait, Iran, Iraq and Venezuela. This group, since expanded to include six additional Arab countries and sheikdoms, has boosted the price of oil periodically and has issued blunt warnings that further increases will be imposed. In March, 1971 OPEC arbitrarily raised the price of exported oil to compensate for the devaluation of foreign currencies—a crisis exacerbated in no small degree by the OPEC's revenue of $16 billion in 1972. Conservative estimates are that the figure will rise to $50 billion by 1980.

Thus far decisions by Arab oil-producing countries have been motivated by economic rather than political considerations. Actually, oil has calmed the troubled waters of the Middle East. Arab governments in that area are more concerned with boosting their oil revenues than going to war with Israel. Propaganda against Israel and the United States for our support of that country is merely rhetoric to salve the injured pride of the Arab masses.

It is significant that Arab leaders retaliate faster and more violently against Palestinian guerillas who try to disrupt the flow of oil than they do against Israeli attacks on their territory. When terrorists blew up two oil storage tanks owned by American companies in Beirut on April 14, 1973, the Lebanese government risked a civil war by cracking down harshly on the guerillas who had instigated the sabotage. Similar reprisals were made against the guerillas who cut the pipeline from Saudi Arabia to the Mediterranean after the clash with Israel in 1967.

A movement fomented by Colonel Nasser to bar oil shipments to the United States after the Six-day War was a dismal failure. Oil-producing Arab countries valued American money above venting their frustrations after four military defeats by Israel.

We have, however, no assurance that politics will continue to be subordinated indefinitely to economic objectives. The greater economic independence they acquire the greater will be the temptation to use the oil as a political wedge. In recent months there have been some disturbing signs. Governments are demanding more revenue and

control of foreign companies holding oil concessions. There were ominous overtones of an impending showdown in March when Sheik Ahmed Zaki al-Yamani, the very able financial adviser to King Faisal of Saudi Arabia, declared that resistance to OPEC's price policies will mean "war," in which case "all civilization and industries of consuming countries will be destroyed."

The muscle behind such saber-rattling is oil revenues of seven Arab states that stagger belief. Authorities who are not in the habit of making absurd statements estimate the total will run as high as one *trillion* dollars during the next thirty years if the United States, Western Europe and Japan are forced to rely on the Middle East for their oil.

Something more substantial than sheer fantasy has gone into that appraisal. In 1972, oil purchases in the Middle East added up to $8,777,000, a figure that will snowball in a geometrical progression at the projected rate of oil consumption in heavily industrialized nations. Information from international banking institutions indicate that the Middle East's monetary reserves increased more than 50% in 1972 alone. Saudi Arabia has tripled its central bank reserves to more than two billion dollars in the last two years.

Some Arab governments are amassing more money than they can possibly use domestically. For example, Abu Dhabi, a tiny shiekdom on the Persian Gulf with a population of 49,000, had oil revenues last year of $497 million—a per capita income in excess of $10,000.

The mischief—or misery—such concentrations of wealth can cause if one extremist decides to push the panic button is nightmarish. The threat of an oil embargo hangs over every nation that is dependent on the Middle East. George A. Lincoln, Director of the Office of Emergency Preparedness, told the Senate Interior and Insular Affairs Committee in January: "Certain of the oil states are acquiring large revenues which will eventually permit them to risk losses of revenue for considerable *periods* of time for political ends."

If the Arabs' domination of the world petroleum market is not challenged by intensive exploration for new sources, a handful of small states on the Persian Gulf will have every industrialized nation over a barrel—an oil barrel. Arab leaders can sit back and cripple targets of opportunity by refusing to sell them oil, a decision that could ruin the victim's domestic economy and its world trade.

The realization that a handful of rulers on the other side of the globe could cripple our quality of life through energy cut-offs or lay waste our economic system by the deliberate movement of the large quantities of dollar currency they can hold in ransom will have a devastating impact on the American people. I don't believe that they will accept it. The American public tacitly approved for several years—too many years—a bloody war in Southeast Asia for a principle that posed no immediate threat to our freedom and the quality of life we enjoy. It is alarming to contemplate the violent reaction of Americans when they can not heat their homes adequately or secure enough gasoline to drive to work.

III. ECONOMICS—AND THE BALANCE-OF-PAYMENTS DEFICIT

In 1972 our balance of trade deficit totaled $6.1 billion and imported petroleum products accounted for fully 60% of it—$4 billion. This year the volume of imported petroleum products is running 20% higher and currently is supplying one-third of our exemption. If the present trend continues, there is no doubt that we will be calling upon the Middle East for 60% of the oil we need by the end of this decade. Expenditures for it will consequently amount to $10 billion annually. The rate of oil and gas consumption in the United States is increasing in such quantum leaps that by the mid-nineteen eighties our payments to the Arab countries could reach an untenable level, unless domestic sources of oil are developed. Sheer volume alone does not explain the rising torrent of dollars flowing to the Middle East. The increase in the price of oil has accelerated our flow of dollars, compounding our balance of payments problem.

The United States is particularly vulnerable to a dollar disaster. The Arabs have the power to dump their hoard of dollars on the international money market, setting off a devastating chain reaction. This dumping may not be mischevious since some of our finest American multinational corporations have done the same thing as a hedge toward devaluation of the dollar such as occurred in February, causing a severe depression at home which, in turn would send shock waves throughout the world which could conceivably result in a world depression.

There are three possible approaches to the dilemma posed by the dollars we ransom abroad to alleviate our energy dependency.

The first is simply to increase our exports of other products—farm and industrial to offset our energy purchases. This approach is easily implemented with the U.S.S.R. in trade agreements which amount to barter. Also, this will work with nations like Iran, Venezuela, Canada, Kuwait, Iraq, and Libya (if united with Egypt) because their populations have consumptive appetites to essentially bring about a barter-type, trade relationship with the U.S. This would, however, require a little aggressive commercialism, particularly in the Middle East, than the U.S. has exhibited in the past.

An extension of this approach, that is, "aggresivse Yankee commercialism" in Europe and the Far East, in order to repatriate our dollars could be very destabilizing to both economic communities and not necessarily be in our own long term economic interests.

As a foot note to this approach one should speculate as to whether or not the U.S. has the "elan vital" to become an export nation.

The second approach to our dollar drain would be repatriation through foreign dollar investments in the U.S. economy. This approach is the only viable solution to the problem occasioned by recipient dollar nations with small populations and low consumptive abilities. The U.S. will be buying the lion's share of its oil imports from these nations, Saudi Arabia and the Trucial States. The U.S. has very limited options for without these Arab investments in the U.S. economy, their money—or our dollar—will float to the money markets of Europe and intentionally or not raise havoc with the stability of the international dollar.

Mature Arab dollar managers will have to secure U.S. investments just as mature U.S. policy makers will have to permit it. The former has to place in perpetuity "the economic blessing of Allah." The income from a depletable resource has to be transformed into an annuity so that future generations of Arabs can similarly enjoy Allah's blessings. Investments in the stable and mature economies of developed nations affords this opportunity. Or for that matter, capital investments in developing economies requiring American products can also effect stable annuities.

Arab fiscal maturity is becoming quite visable.

In 1970, the Union des Banque Arabes et Francaises grew out of a partnership formed by twenty-three Arab banks and Western European institutions. The UBA at last report held more than $700 million in deposits. A subsidiary in London, started only last June with the Midland bank as a minority partner, already has deposits in excess of $200 million.

These syndicates are underwriting international issues and are reputed to hold a sizeable portfolio of bonds, some of which represent the debts of many American companies. Obviously Arab fiscal maturity will have to be complimented by American maturity. In an outburst of monetary chauvinism, Arthur Burns, chairman of the Federal Reserve Board, expressed grave concern about the burgeoning monetary power of the Arab states. He has observed that the oil sheikdoms will be able to take over any U.S. industry simply by going to the stock market and buying up control of it. Saudi Arabia's foreign currency holdings are rising at a rate that could reach $30 billion in monetary reserves today. Through investments, Middle Eastern countries could gain control over sizeable amounts of the American economy.

Over-reaction to this fear could recipitate public policy measures that could restrict and eventually destroy our free enterprise system.

These fears are groundless for the simple reason that Arab dollar investments in the U.S. will not have the luxury of gunboat diplomacy to back up irresponsible actions. A luxury, unfortunately, we in the Western world have all too often enjoyed.

Arab dollar managers have no choice but to handle their U.S. investments maturely, a blessing to all parties.

There is, however, a more positive side to this. My recent conversations with Arab leaders convinced me that what they desire most is a classic commercial relationship with the United States—nothing more, nothing less. This requires a relationship between equals.

Businessmen in this country pursue a commercial relationship based on equality. Although the resources of one company may exceed another, they deal with each other because they can fulfill mutual needs. One company has goods or services and the other has money to spend for them.

It is in this same type of relationship that the Arabs desire with the United States. One of the biggest roadblocks to this relationship may well be in the United States not in the Middle East.

A good deal of our foreign policy, both economic and military, has been considerably based on imperialistic attitudes. Our ego, or machismo as some would say, persuades us that we know what is best for ourselves and the rest of the world. Thus, we have been accustomed to getting what we want from other countries at the price we have been willing to pay. A true relationship among equals has been out of character for us.

Although this has changed in recent years with our failures in Southeast Asia, attitudes die hard. Our commercial dealings with European nations, with Japan, and to an extent with the Soviet Union are beginning to develop more realistically. The credit for progress is not all ours since these nations have matured as a product of their own economic successes.

But when we deal with the other so-called developing nations of the world, the relationship among equals vanishes. We expect to get what we want, and what we think they want and need, on our terms, with little or no problem. What a shock it will be to our national ego, to find these tiny Arab nations will have the economic clout to talk to us as equals. Still more shocking is the fact that they want to invest like equals. The vestiges of our imperialism may prevent us from seeing this as a benefit to our Nation and its economy.

For it is our dollars they will use to invest here in the United States. The dollars that have been flowing out of the country to pay for oil we import, will return to this country in the form of capital invested in

our industries. That this will improve our balance of payments posture should be obvious. But it will also supply us with capital to expand and develop our economy, creating jobs and employment.

Rather than being a danger this will be an insurance policy. We have been accustomed to using the words "deterrence" and "parity" in their military applications. In this case, the words have commercial application. A classic commercial relationship, a relationship of equals, based on a United States purchase of Arab oil and on Arab investments in this country, produces a mutuality of interest, a parity. Arab countries would be less likely to nationalize our holdings in their countries knowing that we could, and likely would, in turn, nationalize their interests here. Their investments act as deterrences to the oil blackmail that could take place in an effort to seek unfair advantage in the Arab-Israeli conflict.

This investment of Arab money in the United States can be good for us and for the Arabs. It will make available an investment market for the Arabs that will improve our balance of payments posture. It will provide each country with security for its investments. Most importantly, it will bring about commercial relationships between equals.

The key to this occurring is the attitude that must exist here in the United States and in the Arab world. We must both develop the maturity to set aside our out-dated baggage. Of course, another and more obvious roadblock to this continuing commercial maturity is the Arab/Israeli conflict. This paper cannot begin to broad upon that crucible of conflict other than to hope that time and the good will of all parties will someday permit a direct relationship among these Semitic peoples.

But for the goals chartered in this paper let me emphasize that the two approaches outlined above are but minor efforts to the solution of our energy crisis which occasions our financial crisis—the real dilemma before us.

In testifying before the Senate Interior and Insular Affairs Committee on May 3, in support of the Trans-Alaska Pipeline, the Honorable William E. Simon, Deputy Secretary of the Treasury, stated:

"The United States faces serious economic and monetary problems today because of our rapidly deteriorating balance of payments. We cannot afford to permit these deficits to go on mounting unnecessarily by delaying the development of already proven domestic resources."

We cannot afford to become increasingly dependent upon other countries by deliberately delaying the development of the largest find in U.S. oil history—Prudhoe Bay.

There is only one way to stop the adverse balance of payments plaguing us that is to *stop* them. In order for this nation to avoid bankruptcy, we must avoid the quantity of imports necessitated by our energy needs. We have to produce as much energy as possible domestically.

The significance of our North Slope energy potential is not just the 2 million barrels per day that could someday be delivered through an Alaska pipeline. Nor is it the 10 billion barrel proven reserves in the Prudhoe Bay field. Alaska has far greater potential reserves. Projections indicate that the North Slope has potential reserves of as much as 80 billion barrels. Thus, we might someday achieve an Alaska production of 5 to 8 million barrels per day.

This, in turn, could possibly reduce our first round balance of trade outflows by $7 to $10 billion per year. Production at maximum rates would also materially strengthen our bargaining position with producing countries and increase our ability to meet any supply disruptions with minimum adverse economic consequences. It could, in short, go a long way toward solving our energy and financial problems.

EFFECT OF ACCELERATING PRODUCTION OF NORTH SLOPE OIL AND GAS

	Oil[1]			Gas[1]		
	Trans-Alaskan line	Northwest passage	Trans-Canadian line	Canadian gas line[2]	Alaskan gas line[2]	Dollars lost to foreign markets without Alaskan oil
1977	[3] 219,000,000					1,095,000,000
1978	219,000,000			[4] 274,000,000		2,465,000,000
1979	[5] 438,000,000	[6] 219,000,000		274,000,000		4,655,000,000
1980	438,000,000	219,000,000		274,000,000		4,655,000,000
1981	[7] 730,000,000	219,000,000		274,000,000	[8] 109,500,000	6,662,500,000
1982	730,000,000	219,000,000	[3] 219,000,000	274,000,000	109,500,000	7,757,500,000
1983	730,000,000	219,000,000	219,000,000	274,000,000	109,500,000	7,757,500,000
1984	730,000,000	219,000,000	[5] 438,000,000	274,000,000	109,500,000	8,852,500,000
1985	730,000,000	219,000,000	438,000,000	274,000,000	109,500,000	8,852,500,000
1986	730,000,000	219,000,000	[7] 730,000,000	274,000,000	109,500,000	10,312,500,000
1987	730,000,000	219,000,000	730,000,000	274,000,000	109,500,000	10,312,500,000
1988	730,000,000	219,000,000	730,000,000	274,000,000	109,500,000	10,312,500,000
1989	730,000,000	219,000,000	730,000,000	274,000,000	109,500,000	10,312,500,000
1990	730,000,000	219,000,000	730,000,000	274,000,000	109,500,000	10,312,500,000
Total	8,614,000,000	2,628,000,000	4,964,000,000	3,562,000,000	1,095,000,000	104,315,000,000

[1] Estimated reserves in the Prudhoe Bay area are 10–40 billion barrels of oil and 26–30 trillion cubic foot of gas. Use of the Northwest Passage could be realized as additional fields are opened on the North Slope after pipeline construction begins.
[2] Oil equivalencies.
[3] 600,000 bbls/day.
[4] 4,500,000,000 cufl/day.
[5] 1,200,000 bbls/day.
[6] 3 super-tankers weekly, 1.5 mil bbls capacity per tanker.
[7] 2,000,000 bbls/day
[8] 1,800,000,000 cufl/day.

IV. TRANS-ALASKA VS. TRANS-CANADA

Contrived obstacles blocking the Trans-Alaska Pipeline are adding six million dollars a day—every day—to this country's balance of payments deficits. Oil from Alaska's North Slope can be a tourniquet on the dollar drain that is, and will continue to, bleed the Nation white. Failure to apply the tourniquet is indefensible in view of the worsening situation.

With the background of political problems of the oil producing/exporting countries of the Middle East, our critical energy shortage, the balance of payments dilemma, and Alaska's need for revenue from oil and gas production, the most imperative measure, unquestionably is the immediate start of the construction of oil and gas pipelines from the North Slope of Alaska to the Port of Valdez for trans-shipment of fuels to the West Coast. The largest oil field ever discovered on this continent was found on the North Slope in February, 1968. Yet more than five years later not a single barrel of that oil has been delivered from Alaska despite mounting shortages in the Lower 48 States. We are caught up in an energy crunch that is worsening each day.

The Trans-Alaska Pipeline has been held up through court action to determine the adequacy of an environmental study of the pipeline. The opponents of the Trans-Alaska Pipeline have recently altered their positions to the extent they are willing to admit that a Trans-Canadian Pipeline and in so doing have ignored a whole series of problems and constraints that would frustrate construction of an oil line through Canada for a minimum of ten years.

The Mackenzie Valley Pipe Line Research Limited conducted a preliminary feasibility study—and that is exactly what it is, a preliminary feasibility study—in 1972 for a Trans-Canada line.

The study lists eight conclusions, the third of which states: "It can be designed, built, and begin operation within a period of four years after a final decision to proceed, *providing* final approvals are granted within the first year."

Few would argue that a Trans-Canada Pipeline is not technically feasible and that it cannot be built and operated without major or irrepairable damage previously reached in the comprehensive engineering and environmental study conducted on the Trans-Alaska Pipeline which is the model for Arctic construction, and will undoubtedly be the model for construction of all future pipelines in the United States, if not the world.

The problem of construction of a Trans-Canada line is one of timing—against a backdrop of a national energy shortage and our balance of payments position. The overriding factor in timing is that construction of the Trans-Alaska Pipeline can get underway within 90 days after the right-of-way question and environmental roadblocks have been cleared, and completed within three years.

The problems and constraints on construction of a Canadian line are many, and time estimates have ranged from seven to twelve years. While our energy crisis will worsen during the estimated three years of construction time for a Trans-Alaska Pipeline, what will the full impact be to our Nation if we wait seven years for a Trans-Canada line? Or ten years? Or twelve years?

What are the problems and constraints dealing with the proposed Trans-Canada route? They include political, economic, logistic, nationalistic, and environmental considerations involving the Canadian Federal and Provincial governments and lengthy negotiations between the United States and Canada. Other time-consuming problems will deal with comprehensive engineering and environmental studies, and settlement of Canadian Native Land Claims.

Many proponents of the Trans-Canada route have armed themselves with out-dated quotations of responsible Ministers of Canada that appear to favor the building of an oil pipeline down the Mackenzie Delta. There is little doubt in my mind that eventually

the Canadians will become convinced that an oil pipeline down the Delta is needed. However, at the present time Canada does not even have an energy policy that deals effectively with the question of northern resources and pipeline development. The Canadians, however, have been devising policy options. On January 24, 1973, the Honorable Donald S. Macdonald, Canada's Minister of Energy, Mines and Resources, stated that within the next six months he planned to table in Parliament studies which would be the basis of a review of an energy policy for Canada.

In a recent interview with a Canadian oil industry publication, entitled Oilweek, Minister Macdonald discussed four basic approaches that would be included in the energy statement: 1) Maximum energy development; 2) Optimum environmental considerations; 3) Ultimate conservation; and 4) Continuing development along current lines.

Prime Minister Trudeau has said he expects that the energy policy which will result from discussion of the above options and other studies being presented in the energy policy statements is still a year away. Such a policy must be developed in careful cooperation with the Provinces of Canada when formulating its own. Minister Macdonald specifically points out in his discussions of January 24, when he said: "Since so much of Canadian energy resources are under the control and jurisdiction of the Canadian Provinces, it is not possible for a Canadian Federal Government to enunciate a comprehensive policy on its own. Rather, what we will be doing is to put before the public, and other levels of government, an analysis of the Canadian energy scene as we see it, the implications in terms of the economy and the environment, and then use this as a basis upon which to attempt to achieve a national consensus on energy objectives."

(This was demonstrated forcefully in recent months when a dispute broke out between Alberta, Canada's main energy-producing province, and Ontario, the main energy-consuming province. Alberta successfully denied increased gas exports from that province to Ontario because they were not satisfied with the current wellhead price in their province. This illustrates the ability of a single province to frustrate national objectives and this ability would certainly play a large role in any negotiations that might take place between the United States and Canada.)

Aside from the problem of Canada developing a coherent energy policy, it is extremely naive to assume that environmentalists and nationalists will not vigorously oppose the construction of an oil pipeline down the Mackenzie Delta. Such groups will have ample opportunity to make their views known during the lengthy hearings that must take place before any pipeline—oil or gas—is approved in Canada. There is, in fact, already organized resistance to the proposed gas pipeline from the Delta.

An application for a gas pipeline from the Mackenzie Delta is expected to be submitted to Canadian authorities sometime this year, and the group hopes that the line can be started in 1975. An oil pipeline application would be in direct competition with a gas line. It is not well understood in the United States that the size of Canadian capital markets and industry is very small in comparison with our own. It is already felt to be a significant problem in Canada to find enough Canadian capital and supplies to make the gas pipeline truly Canadian. The Canadian Government has stated on a number of occasions that any line built in Canada must maximize its Canadian content and ownership. If it is difficult to find supplies, construction men and capital to build one pipeline, how can the Canadians possibly consider building two lines at the same time down the Mackenzie Delta corridor?

If an oil pipeline application were placed before the National Energy Board and the Department of Indian Affairs and Northern Development, a choice would have to be made at some stage between an oil or a gas line down the Delta. It should be pointed out that before the Government can make any decision on a pipeline application, full-scale hearings are required before the above boards. Some proponents of a Trans-Canada line have intimated that the Canadian Government would unilaterally approve an oil pipeline without the normal hearings, and Minister of Energy, Donald S. Macdonald, has specifically refuted this. Since it would eventually come down to a choice in Canada between an oil and a gas line, and since the discoveries in Canada's North have so far been confined mainly to gas discoveries, obviously the Canadian choice would be for a gas line.

Another fallacy is the estimated cost of a Trans-Canada line. The estimated cost of the Trans-Alaska line now stands at $3 billion. A number of cost estimates have been given for the Trans-Canada line, with the figure of $4.2 billion the most often cited, although many believe that this figure again is extremely conservative.

At this point it might be well to present other comparative information on the two proposed lines:

	From Prudhoe Bay to—	
	Trans-Alaska, Valdez	Trans-Canada, Edmonton
1. Length of line	789	1,738
2. Cost of line (billions)	$3	$4.2
3. Construction time (years)	3	4
4. Miles of permafrost	355	482
Miles of discontinuous permafrost	375	918
5. Pumping stations	12	22
6. Differential settlement (feet)	1	3
7. Gravel construction pad (feet)	5	2
8. River Crossings (major)	1	8
Stream crossings	25	69

It is not realistic that a Trans-Canada line more than twice the length of the Trans-Alaska line could be built with a cost difference of $1.2 billion. Obviously the higher per mile cost of the Trans-Alaska line provides the safer line with the deeper gravel construction pads for line settlement. In construction the greater environmental threats are posed at river and stream crossings. With the Trans-Alaska route only one major river—the Yukon—has 25 smaller rivers would be crossed as compared to 8 major rivers and 69 smaller rivers for the Trans-Canada. Both routes have seismic threat, the greater, however, is in Alaska.

It has been pointed out that the Midwest is an oil deficient area. It also happens to be a severely gas deficient one. While opposition to the Trans-Alaska pipeline was originally based on environmental considerations, the opposition has now turned to arguments setting one regional economic interest against another. The longer this argument persists, the more untenable will be the Nation's position in attempting to resolve a part of its energy and balance of payments problems. The actual situation in the Midwest is that the current gas shortage is compounding the oil shortage. As more and more prospective gas customers and existing interruptable gas customers are forced to turn to oil, the oil shortage gets more serious. By approving the Trans-Alaska Pipeline we will be able to get earlier delivery of gas to the midwest area from Canada and Alaska.

In a recent interview with the Canadian publications Oilweek, Mr. William B. Wilder, Chairman of the Board of the Canadian Arctic Gas Study Limited, made the following points:

"It would be very helpful if the Alyeska Pipeline is cleared this summer to start construction next winter. The longer it is delayed the longer the delay in finding out whether gas can be released from the North Slope. If no substantial volume is likely to be available from this source, Canadian Arctic will have to depend on more reserves from the Delta to support its ultimate development." He goes on to later say, "It is important also to integrate the Canadian project with Alaska gas. Alaska gas at this stage is required to provide sufficient reserves. It will also answer to a large extent the public concern over the speed with which Canadian reserves will be used."

An additional delaying factor is that Canada has not settled with the Canadian Natives in their aboriginal claims. A total of seven years was consumed by the Alaskan Natives from the time their claims were pressed until Congress finally enacted in December, 1971, PL 92–746, the "Alaska Native Claims Settlement Act." While it is, of course, difficult to predict a time frame for settlement of the Canadian land claims, I think it would be fair to assume that the negotiations and settlement would consume a similar number of years. To think otherwise is simply naive on our part. On May 4, 1973 before the Foundation Francaise D'Etudes Nordiques' Fifth International Congress in Le Havre, France, a statement was delivered by Mr. James Wah-Shee, President of the Federation of Natives North of Sixty Degrees. Mr. Wah-Shee clearly made his point when he said: ". . . . we believe that successful land settlements could lead to a development of the North that would benefit us all. But we need our claims recognized and settled by our Government. We think that unless oil companies wish to be caught in the middle of protracted court proceedings between ourselves and the Government, they should begin to meet with us."

The Supreme Court of the Northwest Territories in Yellowknife has ordered a temporary freeze on clear transfer of Federal (Crown) land titles in the territories, in response to a caveat filed with the office of the Territorial Registrar of Land Titles by the Northwest Territories Indian Brotherhood. On May 15, the Court adjourned until July 9, and the land-freeze is expected to continue to at least the end of July. It would appear that the Court's action presents a similar situation to the stages of the executive freeze on Federal lands in Alaska back in 1966/1968.

The Proponents of a Trans-Canada Pipeline have proceeded on the blithe assumption that the mere agreement by both United States and Canadian officials the line could be constructed and in operation by 1977. Summing up the problems inherent in a Trans-Canadian Pipeline, and calculating from 1973, the following basic facts are essential in considering the time-frame for construction:

	Dating from—	
	Trans-Canada, 1973	Trans-Alaska, (1966)
1. 1st the Canadian Government must develop a national energy policy based upon Canadian Parliamentary procedures, which is at least a year away.	1 yr, 1974	
2. Before an application for an oil pipeline across Canada can be entertained comprehensive cost, engineering, environmental, and economic studies will have to be completed, which studies can run concurrently.	3 yr 1977	4 yr (1969–72).
3. Settlement of Canadian native land claims. A fair estimate is 7 yr, of which 4 can run concurrently with development of national energy policy and completion of required studies.	3 yr 1980	7 yr (1965–71).

	Dating from—	
	Trans-Canada, 1973	Trans-Alaska, (1966)
4. Environmental suits, legal delays.	----------	3 yr (1970–73).
5. Conservative estimate of construction time.	4 yr, 1984----	3 yr, 1977.
Total years already consumed in cost, engineering, environmental, economic studies and settlement of Alaska native land claims and legal delays.	----------	8 yr (1966–73).
Estimated years for realization of a Trans-Canada pipeline (assuming no time is lost in environmental suits and legal delays).	11 yr (1973–84).	
With NEPA and rights-of-way questions resolved immediately, the Trans-Alaska pipeline could be realized in.		3 yr (1977).

The time-frame for the Trans-Alaska Pipeline differs by four years because the Alaska Natives began their fight for land claims settlement eight years ago.

There are a good many IFS involved in a proposed Trans-Canada Pipeline. We have been talking about problems and constraints facing the Canadian Government with little thought to possible constaints for the United States. Actually, there is a 6th consideration of paramount importance, and this is the resolution of United States legal constraints involving Canada's requirement for ownership and control of the Trans-Canada Pipeline. The possible legal complications are many as cited by a study conducted recently by the Alaska Pipeline Coordinating Committee: [1]

"A Trans-Canadian project would undoubtedly engender a series of new legal problems in the United States. Significantly, few if any of these anticipated problems lend themselves to resolution by the affected governments until the enterprises that would own and operate a Trans-Canadian Pipeline have come into being and the details of the project have crystallized."

"Rights-of-way over Federal land would be required. Regardless of the action that the Congress takes to alter the width limitation of Section 28 of the Mineral Leasing Act, there is a possibility that the acquisition of rights-of-way for a Trans-Canadian over Federal lands would run on the shoals of Federal law just as the Trans-Alaska Pipeline did. If, for example, conflicts with Federal withdrawals accomplished by the Alaska Native Claims Settlement Act were encountered, amendatory legislation might be necessary."

"If the international agreement necessary for a Trans-Canadian line took the form of a treaty, Senate ratification would have to be obtained. Depending on the nature of the entities that were created to own and operate a Trans-Canadian Pipeline or any of its components, upon the circumstances of the financing of the project and upon the terms of any relevant international agreement, the existing Federal economic regulatory authority the Interstate Commerce Commission might prove inadequate, requiring Congressional action.

"Further, the dissenting judges of the Court of Appeals in the Trans-Alaska Pipeline case pointed out that a significant legal impediment to the acquisition of a Federal permit under Section 28 of the Mineral Leasing Act for a Trans-Canada Pipeline may lie in the Canadian insistence on 51 percent ownership of any pipeline running through Canada." (See p. 20 *infra.*) Judge MacKinnon said for the dissenters:

[1] Moving Alaskan Oil—Trans-Canada or Trans-Alaska? "A study of the merits"—A report of the Pipeline Coordinating Committee, State of Alaska, May 1973.

"Since United States laws provide that rights-of-ways for oil pipelines through public lands may only be granted by the Secretary of the Interior to applicants who possess the citizenship and nationality qualifications required by section 181 (of Title 30), a Canadian insistence on 51% control of a pipeline through Canada might mean that a United States pipeline *controlled as to its through-put capacity of Canadian citizens* could not acquire a grant of any right-of-way in the United States because Canadian laws, customs and regulations do not permit a pipeline in Canada to be controlled by United States citizens through a Canadian corporation." Wilderness Society v. Morton, D.C. Cir. Nos. 72–1796 etc., decided February 9, 1973, slip op. at 135.

Some opponents of the Trans-Alaska Pipeline who are supporting a Trans-Canada route are proposing that the Congress authorize a study comparing the two. On the basis of the completed study, the Congress would then decide which pipeline should be built.

Two things concern me about this approach. One is the "either-or" nature of the decision. There is sufficient oil to supply both pipelines. *Both pipelines are needed.*

The other matter for concern is the arrogance with which such a decision would be made. If the Congress opted for the Canadian route over the Alaskan, the decision would say that we do not want a pipeline in our country; we want it in someone else's!

It may be that I am naive, or perhaps my Canadian heritage is coming to the front, but I believe Canada's sovereignty as a nation gives it the right to make the first move. Although we should be willing and ready to work with Canada for the building of their pipeline, it is arrogant of us to decide that it should be built.

We should be requesting the President to meet with the Canadians to determine if they are interested in studying a pipeline through their country and offering our assistance in that.

The main point is that Canadians decide if it is in their national interest that the pipeline be built. I have already mentioned some of the factors that will go into their decision. We should not be so arrogant as to assume that the Canadians will build a pipeline through their country to meet our needs and desires, simply because our Congress says that is its wish.

We must use Alaska's huge oil reserves to help meet the energy requirements of the U.S. in the late seventies and through the eighties. Only in doing so, will we be able to retain some control over the horrendous balance of payments deficits that our country will be creating to meet our ever increasing need for oil.

Today, we are importing more than 6 million barrels of petroleum products daily at an approximate cost of 8½ billion annually. And, as our insatiable needs for these critical energy sources grow, we will by 1985, find ourselves in the chaotic position of spending more than $30 billion a year for imported petroleum products. Our nation cannot afford to incur deficits of that magnitude. With Alaskan oil, we can reduce that cost drastically.

For example, most energy experts agree that if we can make it through the 1980's then our country will have developed the technical expertise necessary to enable us to meet most of our requirements as a result of major breakthroughs in alternate energy sources. If, during this time, we over deplete the Alaskan reserves in order to avoid the financial disaster of the 1980's, we could, through the use of a completed Alaskan pipeline in 1977, a Canadian pipeline in 1982, and a Northwest Passage marine route in 1980 provide our country wtih more than 20 billion barrels of oil. This will save the United States at least $100 billion in balance of payment deficits.

The more we delve into the imponderables of a Trans-Canadian pipeline, the clearer the issue becomes that the only alternative to our dilemma is through the immediate construction of an all-american owned/operated/controlled oil pipeline from Prudhoe Bay to the Port of Valdez. The interests of the United States and the state of Alaska can best be served by such an American owned line with an oil flow at the earliest possible time. To delay action, to further ponder our problems only compounds them. Time is rapidly running out. Construction of the Trans-Alaska Pipeline is imperative.

V. ALASKA'S NEEDS—AND ECONOMIC SURVIVAL

National needs—the energy shortage and the balance of payments deficits—are, of course the overriding concerns of the Congress. The needs of the State of Alaska are of vital importance and must be given consideration. The rugged grandeur of Alaska camouflages the melancholy fact that it is the poorest state in tht Union. The lack of agricultural, commercial, and industrial bases of a modern economy had kept my state on the brink of poverty. By the standards of the Social Security Administration, 14% of the families in the state and fully 50% of the Native families have incomes below the poverty level.

Alaska is trying to rise above its present status as the nation's impoverished stepchild, forced to take handouts from the federal government. Its state income tax is the highest in the nation, 16 percent of the federal assessment. The annual general fund expenditures have grown from $41 million in 1959 to more than $300 million in 1972. Education, administration of justice, and welfare comprise approximately 75% of the State budget. Alaska's operating deficit of $118 million this year is financed by the principal and the interest from the $900 million that was received in 1969 from the sale of oil leases on the North Slope. But that fund is shrinking at an alarming rate and will be virtually exhausted in five years.

The development of Alaska's rich natural resources holds the only hope of its people for attaining the quality of life enjoyed elsewhere in the Nation.

The Honorable William A. Egan, Governor of Alaska, detailed Alaska's needs in testifying before the Senate Interior and Insular Affairs Committee on March 9:

"When Alaska became a State in 1959 it did not have the extensive agricultural, manufacturing, transportation, industry, trade and commerce, and population that have been the greatest sources of revenue to other states in our nation. In conferring statehood, Congress acted recognizing that Alaska could become itself, a self-sustaining economic unit *only* by the careful management and timely development of her rich natural resource potential. The promise that Alaskans would be free from the yoke of a territorial form of government in shaping their destiny; it was also a promise by Alaska to the Federal Government that Alaska could develop her resources wisely, so that she would not always be the poor step-child of the States, but could stand on her own, independent of an extraordinary amount of Federal support."

VI. EFFECTS OF DELAYED RESOURCE DEVELOPMENT ON THE ALASKA NATIVES

While further delay in development of Alaska's resources and particularly further delay in the construction of the Trans-Alaska Pipeline, will further aggravate the State's economic position, the Natives of Alaska—the people who need help most—are among the principal beneficiaries of further revenue from the pipeline. The Indians, Eskimos and Aleuts of Alaska comprise almost one-fourth of the State's total population. In December 1971, Congress passed the Alaska

Native Claims Settlement Act in recognition of their valid aboriginal land claims.

Under the act, village and regional corporations were established to administer the land and money settlements. Approximately half of that settlement was to have come from a revenue sharing provision of all mineral resources taken in the State of Alaska. Without the Alaska pipeline, revenue sharing from oil production will be non-existent.

The Natives of Alaska are among the most deprived people in the Nation. They have the highest unemployment rate, the lowest educational level, and the lowest average life span of any ethnic group in the United States. In interior and western Alaska, where the majority of Alaska's natives live, existence is still primarily a subsistence way of life. The primary cause of death in these areas is accidental. The secondary cause is respiratory ailments, particularly pneumonia and tuberculosis. This is due to the harsh environment and the rigorous life they must lead just to survive.

According to the latest Bureau of Indian Affairs statistics, the average unemployment rate is over 65 percent. During the winter months, the unemployment rate can exceed 95 percent in some areas. As late as 1968, one district in Alaska had a median school year completed at 1.6 years. Today, only slightly more than 1 percent of Alaska's natives have completed college.

The Natives of Alaska were painfully aware of these problems as they negotiated the historic land claims settlement act. It was their hope not only to have the land reserved for them for traditional uses, but to have enough of a cash base so that each village and regional corporation can begin to establish a viable economy. If the funds that they were counting on are not in sufficient amounts, the corporations will fail, and we will not have met our commitment to them when we passed the settlement act.

VII. ENVIRONMENTAL CONSIDERATIONS

The environmental considerations that were triggered by the proposed pipeline are most important, requiring careful study. However, we cannot permit the objections of a handful of individuals to paralyze a project of vital need to the nation.

I am convinced that the protective measures and devices built into the plans for the pipeline will give full protection to Alaska's environment and wildlife. With the possible exception of the space program, no engineering project ever has been examined more exhaustively than the pipeline from Prudhoe Bay to Valdez.

After the initial discovery of oil and gas fields on the North Slope, the Department of the Interior appointed a task force to study the situation. It spent two years and $9 million on the study. An additional $350 million was spent on engineering and environmental studies by the Alyeska Pipeline Service, the private company that will build the pipeline. That was not the full extent of preliminary work before the plans were drawn. The State of Alaska, several Federal agencies and at least a dozen universities and research institutions were involved in investigating all facets of the project. The total expenditure is something in excess of $400 million.

A summary of the features incorporated in the pipeline attests to the overriding concern for protecting the environment, which embraces some of the most hostile, yet delicate, country on the face of the earth. The greater part of the 789-mile pipeline will be underground, even when it crosses three mountain ranges and 350 rivers and streams. The cost of the pipeline has been doubled by putting it below the surface of the tundra to avoid defacing the landscape. When completed, the pipeline and all supporting facilities, requiring 1/100th of Alaska's 586,000 square miles, will be as inconspicuous as a line of sewing thread on a golf course extending from the first to the eighteenth holes.

The entire system will be monitored continuously from a computer-control center in Valdez. Electronic devices will detect any break in the pipeline, immediately, and automatically stop the flow of oil to minimize leaks. Extreme precautions have been taken to control the hazards of earthquakes. The pipeline has been engineered to sustain a horizontal movement of 20 feet and three feet vertically. Remote control cutoff valves will detect any change in pressure and seal off the line on both sides of a rupture within a few minutes. It should be noted that a gas pipeline across Cook Inlet did not break when Alaska was hit by a violent earthquake in 1964.

Wildlife will not be endangered because of habitat loss since the pipeline will not cross any major breeding areas. One reason for burying or ramping the pipeline is to permit two herds of 400,000 caribou to follow their customary migratory patterns. In widely scattered places where the line is above ground, ramps and underpasses will be built to permit crossing by caribou, moose, bears and sheep. Experience at Prudhoe Bay has shown that caribou are indifferent to man's presence and use passageways readily. Some small game and furbearing animals living directly along the route may be disrupted temporarily during the construction, but experts believe they will return after the crews have departed.

A good deal of attention was devoted to studies of fish migration and spawning activities in all rivers and streams crossed by the pipeline. Actually, the pipeline will be buried at least five feet under the beds of the waterways and encased in thick concrete to prevent the transfer of heat to the water.

All land excavated for the pipeline will be revegetated with fast growing grases to prevent erosion and to insulate the permafrost under the tundra. The Institute of Arctic Biology at the University of Alaska Agriculture Experiment Station tested some 40 species of grass at various sites along the route of the pipeline to find the most suitable type at each location.

Finally, in June 1972, the Alaska legislature passed a bill imposing strict liability, without regard to fault, for any damage caused by oil spills in the water or on the land. The bill also provides compensation for the loss of subsistence resources resulting from the oil spills on land and water by the native population.

The environmental concern about Alaska has been an asset since it now permits us to give assurances to all that oil will be transported in Alaska safer and more sophisticatedly than anywhere else in the world.

Environmentally speaking, the Alaska line will be the model for all. Its construction will provide a new level of environmental attainment for others to strive for. The Alaska line is the environmental position for reasonable environmentalists.

VIII. A SYSTEM FOR SAFE TANKER TRANSPORT

The construction of the pipeline is but one aspect of protection of the environment. Once the oil reaches its terminus at Valdez, I am equally concerned in seeing that it will be transported as safely as modern navigational engineering will allow. To assure this, I have had meetings with the U.S. Coast Guard on the types of navigational systems which could be provided. Information on an ultimate system is now completed, and it should provide tankers moving through Prince William Sound with all-weather, collision/grounding free transit.

Elements of my proposed Positive Vessel Control System include:

VHF–FM Communications network with complete coverage of Prince William Sound and 30 miles to sea from Cape Hinchinbrook.

Mandatory charted traffic lanes inbound and outbound, with an intervening separation lane.

Augmented aids to navigation.

Complete Radar coverage of the tanker route from approximately 30 miles south of Cape Hinchinbrook through Prince William Sound to terminal at Valdez.

Compulsory Pilotage.

Positive control of tanker transit including course stray advisories, recommended speed of advance, as well as movement control such as permission to get underway, anchor, etc.

Computerized control center to be located in Valdez with all remote site inputs transmitted by Microwave.

To a major extent this system should eliminate the probability of an incident occurring as a result of poor weather, ship master's error, faulty navigational aids or ice problems.

Cost for installing, operating and maintaining this system will be returned to the government out of a fund to be established from monies paid to the United States equal to ½ cent for each barrel of oil transported. And, to further assure that the most reliable collision avoidance system possible is used, I am also proposing that the ships transporting Alaska's oil to the "Lower '48" be equipped with navigational systems which, through the use of digital computers and display consoles, will provide the ship captains with pictorial displays of the harbor approaches and the dangers around them. This will provide the ship masters with instantaneous assessment of the area and it will further reduce the probability of human error by providing automatic radar fixes in relation to navigational aids, shoal displays, possible collision points and course and speed of ships in the vicinity. This type of system would also include automatic alarm notification to the captain alerting him when the ship is navigating outside of the parameters of its programmed course or if it is exceeding its authorized speed.

A most important and unique feature of this type installation is that it allows the ship to use the Navy's Navigational Satellites to pinpoint its location in any type weather as it journeys from Valdez to Washintgon or California. This additional equipment, when used with the satellite system, is extremely accurate and will enable the ship to fix its position within 200 yards of its actual location on the ocean's surface.

And, while I am certain that the cost of collision avoidance systems will result in some opposition, I feel that the additional safeguards which they would provide will assure safe, collision-free transit of ships transporting the oil.

IX. NUCLEAR ENERGY: AN UNACCEPTABLE ALTERNATIVE

Obviously our fossil fuels are not going to last forever and alternate sources of energy will have to be developed. The question remains which alternatives are most desirable from a variety of standpoints. For years, the United States has assumed that nuclear power will be the future's major source of energy. Billions of dollars have been appropriated by the U.S. Government for research and development of the peaceful use of the atom. Yet after several decades of experimentation with nuclear energy, it is becoming increasingly apparent that we cannot have atomic energy without dangerous risk to public health and safety.

In other words, through peacetime use of nuclear energy, the United States will have the potential of supplying enough radio-activity should a catastrophic accident occur, to annihilate whole populations. No means of assuring against any unforeseen accident or act of sabotage has yet been developed, nor does there appear to be any secure method of perpetual containment of radio-active wastes from our "peaceful" atom.

Presently, 30 nuclear power plants are in operation, providing 1 percent of total U.S. energy. If the program of nuclear plant construction proceeds as now planned, we shall have at least 500 and possibly 1,000 such

plants by the turn of the century. Just one of those plants will necessarily generate per year the long-lived radioactive fission products equivalent bombs. By simple arithmetic, we can see that the steady build-up of these deadly materials will over a stretch of time surmount the total megatonnage of all the weapons testing ever performed by the United States, Russia, or Great Britain.

In other words, through peacetime use of nuclear energy, the United States will have the potential of supplying enough radioactivity, should a catastrophic accident occur, to annihilate whole populations. No means of assuring against any unforeseen kind of accident or act of sabotage has yet been developed, nor does there appear to be any truly secure method of perpetual containment of radioactive wastes from our "peaceful" atom.

An unavoidable by-product of the nuclear fission process is strontium-90. A single curie of lethal strontium-90, with a radioactive half-life of about 30 years, will release about 37 billion high-speed particles per second, each with enough energy to break a quarter million chemical bonds in human tissue. Both cancer and genetic defects can start with radiation injury to a single cell. One hundred thousand curies of strontium-90 are produced every year of operation for a 1,000 megawatt power plant.

Another by-product of nuclear fission, plutonium-239, is the most poisonous element ever handled by man. Dispersed as fine insoluble particles, invisible to the naked eye, one pound of plutonium-239 represents the potential for some nine billion human lung cancer doses. Given the 24,400 year half of plutonium–239, and plutonium dispersed into the biosphere represents a major carcinogenic hazard for more than the next thousand generations. The annual handling of plutonium-239 in a fully developed nuclear power economy will be over the one-hundredton category, or some 200,000 pounds annually.

The most ordinary observer will have no difficulty in imagining the havoc a small band of political terrorists could wreck by capturing just one atomic power plant. Entering criminals will also be quick to see opportunities in nuclear power blackmail. In order to achieve a minimum amount of public safety under a system of proliferated nuclear power plants, the United States will, of necessity, require its citizens to restrict their daily habits, open their personal comings and goings to electronic scrutiny, and to submit to pervasive police authority at the least prospect of danger.

We are presently experiencing this police invasion as a result of our dependency on air travel. And this is only when a few hundred lives are at stake. What kind of society will we create when the stakes are millions of lives?

This view may sound like an excerpt from science fiction and many may wish to discount the possibility. But thoughtful analysis will show that all the elements are present. Serious risk is involved in a future society dependent upon nuclear power. Already, minor accidents and a case of sabotage at an unloaded plant have occurred.

The Congress and the general public have yet to take a realistic assessment of the dangers. Hopefully, they will do so soon and demand that a halt be brought to power plant construction until a high degree of safety can be assured. Legislation to accomplish these ends has been introduced in the Senate. To declare a moratorium at this time would cause little dislocation to our domestic energy network and I believe it imperative to develop necessary safeguards. At the same time, the United States must take the initiative in perfecting cleaner and better ways to produce energy.

X. LONG RUN ENERGY SOURCES

That so much of our resources have been spent on the refinement of dangerous energy sources and so little on cleaning up our dirty energy sources, and little or nothing spent in developing new and compatibly healthy energy sources, are unfortunate commentaries on our society. Many alternative energy sources are known, and many are within the realm of immediate economic possibility.

Prominent among the possibilities is use of the solar energy system. Solar cells have been used with great reliability in the space program for a dozen years. It has been estimated that the total electric energy consumed in the U.S. in 1969 could have been supplied by the solar energy falling on 0.14 percent of the land area, based on a 10 percent conversion efficiency for the solar cells.

Solar cells are too expensive to use today, but a solar energy panel estimates that the cells could reach public use in 10 to 15 years if some effort is made to reduce the cost.

Again using the sun's energy, we could grow our own clean gas to make electricity. The trick is in conversion of tiny algae plants to methane gas by fermentation, a technology which was demonstrated long ago. A panel appointed by the President's Office of Science and Technology concluded that if solar development programs are adequately supported . . . synthetic fuels from organic materials could reach public use in five to eight years. The National Science Foundation has said that all the world's energy requirement in the year 2000 could be met by combustion of high energy plants cultivated on only about 4% of the world's land surface.

Another Governmental study reported in 1970, that domestic animals in this country—cattle, chickens, pigs—produce enough waste every year to make two billion barrels of low sulfur oil—or nearly 40 percent of our present consumption. In addition, our cities generate enough organic garbage each year to make another 400 million barrels.

A more exotic form of energy production exists in harnessing the wind. Giant windmills attached to generators and electrolyzers can create storable—and ultimately usable—hydrogen fuel by separating hydrogen and oxygen. Electricity, heat and water can be produced whenever needed. Presently, studies to make use of windpower, particularly along coastal regions are underway.

Perhaps the most promising source of clean, safe energy is underground hot water and steam. By a new method—Magmamax—utilizing isobutane to drive a vapor-turbine heat is exchanged and energy is produced. The production of electricity from geothermal steam is a proven capability. It is being done in California, Russia, Japan, New Zealand and a number of other countries. Hot springs are prevalent in the western states and even a few are located in the east in Virginia, New York and Arkansas, and along the gulf coast.

We may have a powerhouse at our feet in geothermal energy. The potential electric power of steam and hot water under California's Imperial Valley alone may be as large as 90 percent of the entire country's 1970 electrical production. An additional 1,500 megawatts of geothermal steam is available at the Geysers, 75 miles north of San Francisco. That is three times the power of the Hoover Dam.

Presently, Pacific Gas and Electric Company operate the Geyser geothermal plant north of San Francisco, at 3.05 miles per kilowatt hour. This compares with 3.35 miles at a coal plant in the Pacific system and with nuclear electricity at 5.63 miles from a Humboldt, California plant.

The potential of energy generation which is cheap pollution free, non-radioactive, and presents little risks to public health and safety is so great that we must plan to make use of those alternatives with all deliberate speed. A brave, new policy of energy research and development should be undertaken.

Coordinating energy programs

A vital step in the direction of a coherent national policy on energy is the establishment of federal office charged with the responsibility of directing energy research and development. Such a Federal Energy Administration would develop the technology and information base necessary to support development of the widest possible range of options available for future energy policy decisions.

The administration would not only determine the most effective short term solutions to immediate energy shortage problems but also carry out comprehensive demonstration programs in the fields of nuclear power, geothermal energy, solar, tidal and wind power, and other unconventional sources.

This administration would keep an eye to wise and conservative use of energy with the long range goal of transferring our present energy base from non-renewable sources to renewable, self-perpetuating supplies such as wind, solar, waste, geothermal and so on. An overall objective of the administration would be to determine and support those energy systems which afford maximum benefit to the American consumer.

The Atomic Energy Commission will be transferred to the new administration so as to obtain a necessary means of checks and balances upon their activities.

A specially established trust fund, financed by an excise tax on energy sources, will underwrite costs of the Federal Energy Administration. I believe that the creation of such an entity at the Federal level to be of primary importance to the secure and orderly development of our nation.

XI. CONCLUSION

The ability of our nation to properly address itself to the energy crisis will depend upon its perception of the crisis. This perception is not correct today. Not even the leadership is truly aware of the severity and consequences.

The dismal facts of today's problem are not new or surprising. Nor are they part of some oil industry conspiracy. The oil industry is no better and no worse than any other industry. But because oil and the wealth it has drawn became the elements of a free-wheeling and colorful West, a certain attitude has evolved. Images of a few eccentric personalities like John D. Rockefeller, Clint Murchison, J. Paul Getty and others come to mind. Their legends and scandals have been made popular. As a result, the image of oil is not well accepted in many quarters of this country. This is really too bad for below all the imagery and bravado there exists an industry that has served this nation well and given us power among nations.

Its technology has brought us to a high level of dependency for our energy. However, the industry lacked the ability to inform the nation about the future. And the nation refused to believe the bias projections of oil. This unfortunate disbelief has and continues to impair the accurate development of the intelligent public toward energy.

Interestingly, it is new environmental awareness and the adversary role of small enlightened constituencies that tilt to restore the balance and define the totality of our human needs. These are the new forces that will permit us to meet our energy requirements within the parameters of our economic system. Profit alone will no longer be the sole arbiter.

Increased oversight and regulation of our energy suppliers may have to come about. Certainly, we can no longer permit any

arrogance of great wealth and power to jeopardize our national well-being. We have long since passed beyond the injustices of a laissez-faire economy.

Our national policy on energy should not be limited by the artificial boundary of our national economy. The issue of sufficient energy is one of vast international implication. Not only does the environmental factor weigh heavily upon our actions, but so does the prospect of an extended "cold war" for adequate energy supplies. The seeds of tremendous political and economic conflict can be found in the unjust distribution of energy resources.

For the time being, we must act realistically. The issue before us is quite simple. We have not planned for our needs in a cybernated society. As a nation, we have not planned properly for what we are most dependent upon—energy.

The U.S. has moved from self-sufficiency to dependency. The short run consequences of this would not be so dire except for the skewed nature of our economy. The importance of large quantities of oil to meet our needs will put in jeopardy our free enterprise system. The long run solution to this problem lies in a national resolve, backed by a financial commitment that must exceed our effort which put man on the moon. Regardless of the cost, it is a pittance, for survival is at stake.

The short run solution is equally simple for one solution looms above all others: we must maximize our domestic production not only to satisfy our energy needs but more importantly to ward off bankruptcy. The largest single element in maximizing domestic production is the construction of the Alaskan pipeline. Our nation is bleeding today and will be hemorrhaging tomorrow. The Alaska line can serve as a tourniquet for this nation. It strikes me as ridiculous that we do not have the good sense to apply it.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized for not to exceed 10 minutes.

Mr. DOMENICI. Mr. President, I am delighted to yield 2 minutes to the distinguished Senator from Alaska. I will try to keep my remarks brief so I can yield a few moments to the junior Senator from Utah.

Over the next 6 weeks or so, I anticipate studying and developing my knowledge of an area which involves the lack of orderliness or truthfulness concerning the people in this country.

I am reminded, in beginning my discussion of this matter, of a statement made by a great statesman named Bismarck. Many decades ago Bismarck said that it seemed to him that God watched over drunks, children, and the United States of America. I think what he was saying, as he looked at America from the outside, that this great country, even if it makes mistakes, has such viability, such people power, and natural resource power that it bounces back, and, in looking at it, it would appear that God has protected it in a very special way.

Mr. President, I conclude that that observation of providential guidance really no longer applies and that the United States of America cannot continue to make mistakes, that the margin for error is getting smaller and smaller.

I am firmly convinced, whether there is a crisis or not, that it is not the prime issue. The prime issue is that we need to bring more orderliness and truthfulness on the American scene so the American people can begin to make choices based upon sound facts.

I wish to begin by talking about technology; I am concerned that the United States of America is on the losing edge in world technology. I ask unanimous consent to have printed in the RECORD an article from the Albuquerque Journal of June 24, 1973, wherein details of this lag in world technology are recounted.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES LOSING EDGE IN WORLD TECHNOLOGY

(By Howard Benedict)

For nearly a quarter century after World War II the United States held a commanding lead over the rest of the world in developing and using new technologies. But this leadership is being eroded by a resurgence of industry in Western Europe, Japan and the Soviet Union. Consequently:

For the first time in 93 years the U.S. surplus in international trade turned into a deficit in 1968 and the balance of payments has continued to deteriorate slowly since then.

Hundreds of thousands of jobs have been lost in this country.

The Soviet Union has taken advantage of the American slowdown to embark on the all-out technological development program aimed at global military supremacy.

A concerned Nixon administration has initiated programs intended to stimulate and direct the nation's technological progress. Many are aimed at developing technology to solve technology-spawned problems such as pollution, an energy shortage, transportation snarls and urban development.

There are many reasons for the relative decline of U.S. technology in the world arena. Included are lower wages overseas, higher foreign productivity, a drop in federal funding for research in this country, the establishment of plants abroad by American multinational companies and the selling to other nations of American technological know-how and sophisticated products like space rockets.

Most important, it was inevitable that many highly industrialized nations, flat on their backs after World War II, would rebound and rebuild. Many did it with the help of U.S. foreign aid.

Now, several products and processes which this country developed and prided itself on are being imported to America.

In steel production, the United States has gone from 47 per cent of world production to 20 per cent in the last 20 years.

Nine out of every 10 home radios sold in the United States come from overseas, as do half of the shoes, 52 per cent of black and white television sets, 95 per cent of the motorcycles, 90 per cent of the baseball gloves, 76 per cent of the tennis rackets, 65 per cent of the sewing machines and 16 per cent of the automobiles, once an almost exclusive American enterprise.

Your color TV set might have a "Made in USA" label, but a look inside will disclose many foreign electronics, mostly from Japan.

The AFL-CIO estimates 700,000 U.S. jobs have been lost to this kind of competition in the last five years. The electronics industry estimated 50,000 jobs lost; the footwear industry predicts 175,000 jobs will be lost by 1975, and the textile industry says it lost 250,000 jobs in 1969 alone.

More than 100,000 industrial scientists, engineers and technicians in the United States are unemployed.

Much of the U.S. balance of payments deficit comes in the so called low technology areas such as footwear, textiles, iron, steel and furniture. There are items of low productivity or widely available old technology. They produced a trade deficit of $6.8 billion in 1970.

But in high technology products in which the United States has excelled—aircraft, chemicals, computers, automobiles, and machine tools—this nation has had a steady trade surplus of more than $9 billion annually every year since 1965.

Economic analysis shows this nation has achieved much of its standard of living by turning out these high technology items in which the individual worker produces high value per man hour, while importing low technology products and decreasing our production of them.

This lesson has not been lost on other countries, particularly Japan and Western Europe. They are investing heavily in high technology industries, converting present industries to greater productivity, taking advantage of their lower wage rates and moving in on the international market in just the area where the United States was doing best.

In 1970, the U.S. trade surplus in high technology products with developed nations like Japan, Western Europe and Canada was $2.1 billion, off 43 per cent from 1965, while its surplus with the rest of the world in those products was $7.4 billion, up 37 per cent.

In that same period, American exports to all the world in high technology goods dropped from 80 to 65 per cent of the market.

Says Edward Cole, president of General Motors Corp.:

"America's technology advantage over advanced nations such as Japan and those of Western Europe has been trimmed substantially—in some fields eliminated. With the ready availability of technology of all other nations, it is difficult to foresee the possibility of American industry re-establishing any appreciable technology gap in the years ahead.

"Also, the productivity growth of leading overseas competitors in recent years has been higher than that of U.S. manufacturers."

Between 1965 and 1970, according to an Argus Research Corp. study, Japan led the world with a 14.2 per cent increase in output per man hour, or productivity. West Germany ranked next with a 5.3 per cent gain, while the United States, traditionally the world leader, ranked at the bottom of the list of advanced industrialized economies with a 2 per cent gain.

Stated another way, a Japanese company gets more than 100 hours of work for each $100 of wages. Compared with that, a French British or German company will get about 50 hours work. For the same wages, a U.S. company gets only 25 hours of work.

"The current high level of absenteeism, the work stoppages and turnover rates in American industry are having serious detrimental effects on our efforts to increase productivity," reports GM's Cole. "Some GM plants see as much as 20 per cent absenteeism on certain Mondays and Fridays. We have to staff for the absentees, and as a result our total costs go up and productivity per man hour goes down.

"Somehow, we must find ways—working with our employees and the unions—to improve the employes' pride of workmanship and personal dedication to do the best job possible every working day."

From the end of World War II through the mid 1960s, the United States was unmatched in its ability to produce new products, get them into a mass market place and keep increasing the productivity of its industry with work-saving machines.

There were other reasons besides a post-war hangover in many parts of the globe. Proportionately, the United States had a much larger force of technical manpower.

Risk capital was more readily available, and American companies moved fast to introduce new products.

Moreover, the United States was spending more than $20 billion in federal funds a year for research and development on such massive projects as nuclear power, missiles and space. The money helped to propel the technology of computers and microelectronics.

Most of the world's airlines flew jetliners made in America. Most of the world's computers and electric instruments came from this country. U.S. contractors and engineers scattered around the globe to build chemical plants, bridges, dams and harbors.

But as the Europeans and Japanese recovered in postwar years the reverse technology lag began to appear. Foreign steelmakers began installing new processing—like the basic oxygen furnace—on a wider scale than American industry. New, modern foreign plants suddenly made many U.S. factories almost obsolete by comparison.

In the early 1960s, American heavy machinery builders encountered strong overseas competition in both design and price. Twenty years of foreign aid had forged many nations' economies into significant factors in international trade.

The cold war, meanwhile, fueled an intense technological battle between the U.S. and Russia. Both sought prestige and power in developing sophisticated new military weapons and space vehicles.

The United States won the race to the moon and then seemed content to sit on its laurels. It cut space funding nearly in half—from $5.9 billion in 1966 to $3.2 billion this year, tossing thousands of skilled technical people out of work.

Simultaneously, with cold war tensions eased, military research funding has been sliced by several billion dollars.

But the Soviets have not slowed down according to Defense Dept. officials. Examples:

The U.S. Air Force is developing an advanced strategic bomber, the B1, scheduled to fly in about two years. The Russian equivalent, the Backfire, already is in the air.

The Soviet MIG–23 Foxbat, already flying, is a Mach 3 all weather fighter aircraft that outperforms in speed and altitude anything the United States has in service or on the drawing board. The F–14 Navy fighter craft and the F–15 Air Force fighter are being developed and both will have a speed less than Mach 3.

The Russians have 50 per cent more first line aircraft than the United States, and more than half this nation's air fleet is more than 10 years old.

America and Russia have about the same number of naval vessels in commission. Fewer than 10 per cent of the Soviet craft are more than 25 years old, compared with 75 per cent of the U.S. fleet.

In space, the Soviets have developed an orbital bomb system and a satellite killer capable of knicking American reconnaissance communications and other payloads out of the sky.

"Now, more than anytime over the past quarter century, USSR military investment represents the most direct challenge to U.S. power and national security" warns a Defense Dept. analyst. "On the other hand, our forces still represent a very realistic deterrent."

He said the United States still holds an edge in strategic bombers, electronic warfare, missile guidance systems, mulitple maneuverable missile warheads and submarine missile systems.

Another factor in the reverse technological gap has been the establishment around the globe of automobile, chemical, machinery, electronics and other plants by U.S. multinational companies, lured by cheap labor and other incentives. This has caused a transfer of considerable American technology abroad.

Organized labor long has protested this practice, and in March the AFL–CIO legislative director, Andrew J. Biemiller, told a Senate committee that McDonnell Douglas Corp., is selling an entire Thor Delta rocket system to Japan—which will use it to compete with the U.S. commercial satellite launching business.

Biemiller also said the company has given permission to Japan to build 91 F–4 fighter-bombers and that Northrop is about to permit production of its F5E fighters in Taiwan.

Under a Western Electric Co. contract, Lockheed Electronics Co. is assembling components of the Safeguard anti-missile system's memory core racks in a Hong Kong factory employing 700 workers at $2 a day, Biemiller said.

He said sharing advanced U.S. engineering and aircraft technology with other countries not only costs American workers their jobs, but represents the turning over of advanced technology paid for by the American taxpayer.

Sen. Abraham Ribicoff, D-Conn., the panel chairman, commented "we have been under the illusion that high technology is the saving grace in our balance of trade. I believe that what Mr. Biemiller is pointing out is that we are in the process of exporting our high technology and our trade surplus in this area."

A growing school of economists believe the country is under-investing in industrial research.

They feel that massive research funds of the last 25 years were so heavily weighted to the needs of the military and, to a lesser extent, the space program, that industrial research suffered a real decline.

The analysts say industry is reluctant to invest in research because risks and costs are high. A study by Michael Boretky, a Dept. of Commerce economist, shows that in the 1960s, U.S. industry was not employing scientists, engineers and technicians on anything like the scale of Western Europe or Japan.

Western Europe, with a population 30 per cent larger than that of the United States and a gross national product one-third smaller, had 33 per cent more technical people in industrial research. Japan, with half the population of the United States, one-seventh of its GNP, had 70 per cent as many researchers in the civilian research area.

And while wages have been rising steadily in these countries, much of this has been offset by increased public research money to promote so called "industries of national interest" in high technological fields.

In 1966, the latest year for which Scientific Manpower Commission figures are available, the United States graduated 38,000 engineering students while the Soviet Union graduated more than four times that number. Because of layoffs in technical fields, American youth in recent years has been less inclined to study engineering or science.

President Nixon has taken steps in recent months in an effort to turn the tide. He hopes to set new technological goals for the nation, attacking national problems in a way which also will help the U.S. trade position.

Among solutions being considered are financial incentives to stimulate development and use of new technology. They could include loan guarantees, grants, procurement contracts and tax incentives for research and capital expenditures. It also has been suggested that some antitrust restrictions that prevent companies from working in joint programs might be dropped.

Nixon's proposed budget for fiscal year 1974 includes $772 million for research into new energy sources, aimed at offsetting a growing dependence on foreign oil.

The budget also includes $700 million for research into socially oriented goals such as communications for education, urban development, health care, nutrition, waste management, antipollution measures and better weather prediction and control.

With the end of huge munitions and logistic expenditures in Vietnam, the military is diverting much of these allocations in the 1974 budget to more research to push promising developments—hoping to achieve increased military effectiveness at a lower price.

The Navy budget includes a look at creating a new type of sea force with new technology hydrofoils, air cushion vehicles and verticle and short takeoff aircraft which could spin off into commercial applications. In the Army, heavy lift helicopter development offers a dual promise for military and civil applications.

In space, the President strongly backs development of the space shuttle, the revolutionary rocket plane which late in this decade is to start making repeated trips into space.

Shuttle research could produce new families of electronics and materials as well as completely alter space exploration. Even supersonic transport study is being continued in the 1974 budget, but at a modest pace of $28 million. With this money, NASA will evaluate an advanced version of the plane, studying longer range, lower noise and improved sonic boom conditions.

"We must concertedly apply technology to national opportunities," says a specialist in technology policy. "And we have to keep our exploratory research strong, that's the wellspring of all our progress—technological or social."

The next few years will tell how well the philosophy will work in improving America's technology position.

Mr. DOMENICI. Mr. President, anyone who reads the article would conclude that America's strong technological advantage over the world is, indeed, on the way down. I think we will all agree that it is certainly not good for our country.

Concerning energy, I think we must also conclude that without an adequate source of energy, America's edge in world technological application, and thus its real power in the international market place, are also destined to lag and, indeed, destined to turn us into a second-rate power. So the first truth this country must set out to prove is that, indeed, technology is good and that America must remain on the top rung of applied technology for the well being of its citizens and for the well being of the world. If we establish that fact, we must conclude that it is time for us to get on with a true approach to giving the American people the truth about our need for energy and to add some orderliness to the chaos that exists.

So if I have one word of advice for the executive that is going to set up this new department and zero in on the energy crisis, it is this: Build into it a fact-finding machinery that is beyond reproach so that when the American people are told this is the status of energy, that it is short-term or long-term, an American source, or a world source, that this is the source we may develop some day or this is the source today, then the American people can believe it.

We should build into it a fact-finding mechanism so that when we discover detrimental facts about the development of energy, the American people will be told the truth, and they can make a choice about the Alaskan pipeline based upon the facts and not upon emotions.

In connection with nuclear energy, we should develop a true factfinding ability so that we can tell the American people the alternatives and they can make a choice.

Mr. President, I start today convinced that there are many people who do not believe we have a crisis. Many people believe myths about America's technological strength; and there are many people who believe myths about America's production of energy—namely, what it can and what it cannot do.

I submit that the first order of business is to build a machinery that will develop the truth and present it to the American people to make a choice. If they have the truth, or the best of truth that we can develop, they will make the right choice.

The second item I would like to call to the attention of the Senate to prove my point about the facts is an article entitled "'Coal Gas' Plants Facing Lengthy Delay." This is an article which was published in the Albuquerque Journal of May 6, 1973, and it is a Western Resources Wrap-Up. In the article, facts are developed with respect to how long it might take to get an experimental gasification plant in the Four Corners area of the United States, as described by the Washington reporter who is preparing the Western Resources Wrap-Up. The article indicates some Western companies do not know what agency of Government to apply to for permits to get on with the development of an experimental plant.

Mr. President, I ask unanimous consent that this article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"COAL GAS" PLANTS FACING LENGTHY DELAY

(By Helene Monberg)

WASHINGTON.—The two proposals to build "coal gas" plants in the Four Corners area of New Mexico, Colorado, Utah and Arizona face the same problem as the Alaska pipeline proposal—lengthy delay because of possible deficiencies in the law.

A consortium of oil companies planning to build the Alaska pipeline to move oil from Prudhoe Bay on Alaska's oil-rich North Slope to the port of Valdez in southern Alaska applied for a right-of-way permit from the Interior Dept. in June, 1969. In 1970, three environmental groups filed a suit to block the pipeline on environmental grounds and also on the key point: that Interior did not have jurisdiction under the 1920 Mineral Leasing Act to grant the permit.

Backing a U.S. Court of Appeals decision in February, the U.S. Supreme Court on April 2 agreed with the environmentalists' challenge, and ruled that Interior had no authority to grant the permit. The consortium sought a pipeline right-of-way 200 feet wide, but the courts held Interior only had the authority to grant a right-of-way of 50 feet, not including the width of the pipe, under the 1920 Mineral Leasing Act.

Now the Mineral Leasing Act must be amended before Interior can act on the application. The courts did not consider the environmental questions raised in the lawsuit, so these will be considered by the courts later if and when Congress changes the right-of-way law.

A similar question is posed by the Four Corners coal gasification proposals, the first ever filed at the Federal Power Commission. Does FPC have jurisdiction over "coal gas" plants? El Paso Natural Gas Co. filed its application with FPC on Nov. 15, 1972, for a certificate to construct and operate minor natural gas tap and valve facilities to move into its interstate pipeline system synthetic gas to be manufactured by the big coal gasification plant that El Paso plans to build in San Juan County, N.M. El Paso did NOT ask FPC to take jurisdiction over the "coal gas" plant itself, on the belief that FPC does not have such jurisdiction.

Four companies on Feb. 7 filed an application with FPC for a certificate to construct and operate both a big coal gasification plant and a 67-mile pipeline from the proposed plant in San Juan County to the main gas pipeline near Gallup, N.M. The four companies DID ask FPC to take jurisdiction over the entire "coal gas" operation. They are Trans-western Coal and Gasification Co., and Trans-Western Pipeline Co., both of Houston; Pacific Coal Gasification Co. of Los Angeles, and Western Gasification Co. of Farmington, N.M.

Both applications test the authority of FPC to take jurisdiction over the synthetic gas from coal and the plants that make coal into gas. Each project involves a plant that will gasify coal into 250 million cubic feet of synthetic gas a day. Cost of the El Paso plant complex is currently estimated at $420 million, $70 million more than when El Paso Trans-Western project was $428,339,000, of which $405,940,000 is estimated as the cost of the coal gasification project and $22,399,000 as the cost of the 67 miles of additional pipeline to be built in San Juan and McKinley Counties, N.M.

Because FPC itself is not sure of its jurisdiction, its procedure in similar cases in the past has been to go through its entire hearings process to develop the facts in the case before making a decision. Also, this makes FPC's final decision less vulnerable to attack in court. In the Four Corners cases, FPC is regarded as the lead agency at the federal level, though both the Depts. of Interior and Transportation are also involved.

FPC has to complete environmental statements on both projects before hearings can begin. Each statement will probably be a year or more in preparation because these applications are breaking new ground, FPC officials said. The El Paso application is expected to be heard first.

The hearings process on big applications before FPC commonly takes a couple of years. So it is likely to take FPC a minimum of three years to determine whether it even has jurisdiction over the "coal gas" plants and the pipelines carrying the synthetic gas before it is mixed with natural gas in the big interstate gas systems. Legal challenges after FPC rules will cause more delay.

The 1938 Natural Gas Act gave the FPC the authority to regulate the transportation and sale for resale of natural gas in interstate commerce. It defined "natural gas" as "either natural gas unmixed, or any mixture of natural and artificial gas." The courts in the past have restrained FPC from expanding its jurisdiction beyond its statutory limits.

Citing these court cases, FPC has declined to take jurisdiction on several applications recently. It ruled last Dec. 7 that it did not have jurisdiction over the construction of a plant to be built by Algonquin Gas Transmission Co. near Fall River, Mass., to convert naphtha feedstocks into synthetic gas to be commingled with natural gas at an Algonquin tap in Berkley, Mass.

Mr. DOMENICI. Mr. President, I have placed this article in the RECORD to show that we have not even reached the point in America where anyone knows the truth about the energy crisis.

I close my remarks by saying that Bismarck was correct when he said that God watches out for little children, drunks, and the United States of America, because here today we are beginning to develop what is the resource of America, and that is a discussion with its people about its problems and from it we will come up with the answer. I think that truth and orderliness are what we need for starters. Programs can develop from there.

I understand the Senator from Utah would like to comment.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has less than 1 minute.

Mr. DOMENICI. Mr. President, I yield the remainder of my time to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MOSS. I thank the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senator may proceed.

Mr. MOSS. Mr. President, in the very few seconds remaining I wish to commend the Senator and those who preceded him in this very excellent discussion on the energy problems of this country. I have been much concerned with this matter for a number of years, reaching back to 1965, when I first introduced the bill to create a Department of National Resources in order to deal in an orderly manner with the problem that has been diffused through the Federal Government, and on which even today we do not have an integrated, sensible policy on how we are going to develop and utilize our energy resources.

I would like at a later time to participate in a further colloquy with the other Members of the Senate on this problem, and I congratulate all who have participated this morning and assure them that I want to participate as we discuss this matter further.

Mr. PEARSON. Mr. President, first let me say that I appreciate the initiative of the distinguished Senator from Oklahoma in organizing this very helpful and useful discussion of the energy crisis.

The energy crisis which many of us have had a hard time believing would occur, is now upon us and it will be with us a good long time. Indeed, I believe that it is quite possibly the most serious long-range problem facing the Nation.

The crisis is the result of our demand for energy outstripping our supply. We are already experiencing shortages in refined fuels. These shortages are likely to become more severe and we will experience shortages of other forms of energy in the years ahead. These shortages mean inconveniences. These inconveniences have been and will be irritating to energy consumers. Indeed, it is likely that we will have to alter our life styles in several respects in an effort to accommodate the limitations on energy supplies.

But the major significance of the energy crisis is its potential impact on the economy. This impact is twofold. First of all, the shortage of energy relative to supply will almost certainly

add powerful new impetus to the inflation. Inflationary pressures flowing from the shortage of energy will by no means be limited to higher prices to the automobile driver for gasoline and to the homeowner for heating oil. The price of energy is a basic component in the price we pay for every item produced and every service provided in this country. This type of structural inflation is extremely difficult to control and the magnitude of its impact is only dimly perceived at this date.

At the same time, the energy shortage can act as a very serious drag on the economy. If the energy shortage is of major magnitude it can sharply reduce the growth of our economy. It could make it impossible for us to create enough new jobs in this country to take care of those entering the labor market. It could, indeed, produce a significant depression in this country.

Beyond the impact of the energy crisis on the economy, it is, also, likely to have a significant impact on our political and economic relations with other countries in view of the fact that in the years ahead we must rely heavily on energy sources from abroad.

Mr. President, we have already seen the first hard signs of the energy crisis. A number of noncontract gasoline distributors have been forced out of business. And in our rural areas, farmers have suffered temporary work stoppages because of shortages in gasoline and diesel. So far, crop production has not been significantly reduced, but great inconveniences have been suffered and considerably higher economic costs have been incurred.

Concern has been expressed over the prices of food. Let me assure you, Mr. President, that if farmers do not have enough fuel to carry out their production schedule we will face not only sharply higher food prices, but actual food shortages.

To prevent this from occurring, I believe it is essential that the administration adopt a mandatory fuel allocation program. I fully recognize the reluctance of the administration to adopt that course of action. Fuel allocation is complex and an incorrectly designed mandatory program could cause greater problems than it solves. Nevertheless, I believe that insofar as the needs of agriculture are concerned, a mandatory allocation program is justified and, indeed, demanded at this time.

In this connection I would stress the importance of action by the administration to assure adequate crude oil supplies to the inland, independent refineries which are such an important source of gasoline and diesel for farmers. It is outrageous to me that at a time when we desperately need every barrel of refinery production many of the inland refineries have been forced to run at considerably less than capacity because of their inability to obtain sufficient supplies of crude. This is a problem that can be solved. It must be corrected and soon.

By emphasizing the need for a mandatory allocation program to meet the needs of agriculture, I do not suggest that there should not be mandatory allocation for other sectors. I do believe that at the moment, the agriculture situation is the most critical and it must be dealt with first.

Mr. President, beyond the immediate problem of providing an allocation of refined petroleum products to assure adequate supplies for priority users, we need to address ourselves to the energy problem in all its aspects and the full range of actions that will be necessary over the next several decades. And in this respect it is absolutely essential it seems to me that we develop as early as possible and practical, a coordinated national energy policy.

There are currently more than 60 departments, agencies, boards, commissions, offices, and bureaus, in the Federal Establishment which have some responsibility to form energy policy. This fragmentation of effort has led to chaos in the decisionmaking process—and to mistakes that will be most costly and inconvenient to correct.

The situation is little better in Congress: The Library of Congress reports that energy-related bills have been referred to 13 different Senate committees, 15 different House committees, and one joint committee. As of May 2, 1973, a total of 414 energy-related bills and resolutions had been introduced in the two Houses.

This flurry of legislative activity may be characterized as frenetic—but it, also, reflects the deep concern of Members over various aspects of the energy problem.

There are literally dozens of excellent suggestions contained in these scores—hundreds—of bills. But there is little opportunity for Congress to consider priorities in dealing with energy policy on a rational and constructive basis.

Mr. President, there have been some efforts to create the machinery for orderly energy policy making. Senate Resolution 45, approved May 3, 1971, established a panel of Senators from various committees to conduct a national fuels and energy policy study. That study, under the leadership of the distinguished Senator from Washington (Mr. JACKSON), is well underway.

The Senate has passed S. 70, a bill to create a White House Council on Energy Policy. The major duties of the Council, of course, would be to coordinate energy policy in the executive branch, and to assist Congress in meeting its responsibilities in this area of concern. Finally, I note that the President will propose a major reorganization of the Government to centralize energy policy under one cabinet level official.

The more diligent and timely our efforts to get organized, the better our chances will be in dealing with the profoundly important and challenging policy options which must be considered in the coming years.

Mr. President, I earlier spoke of the impact of the energy crisis on economic conditions in this country. It is, also, important to view the energy problem as it relates to national security. For example, in 1959, President Eisenhower issued a proclamation which placed a limit on oil import levels. President Eisenhower recognized that a secure domestic energy base is a vital element of national security, and asserted that oil import quotas were needed to encourage development of domestic reserves.

This policy was successful for little more than a decade. Texas and Louisiana oil fields operating at less than 50 percent of capacity in 1967 are at 100 percent today. President Nixon in April of this year was forced to suspend all direct controls on crude oil and refined products imports in order to accommodate the country's voracious appetite for gasoline.

I will not attempt to lay blame for those conditions which occasioned the President's decision to suspend direct import quotas. Suffice it to say that the "national security" arguments are no less valid today than when President Eisenhower advanced them to justify the quotas in the first instance.

The National Petroleum Council, an industry advisory group, has estimated that by 1985 oil imports could represent as much as 65 percent of our total oil supply—and as much as 33 percent of our total energy supply.

These startling statistics—not seriously disputed by the industry or the administration—have profound implications in assesing the security interest of the United States. Under any circumstances now foreseeable, the country will be profoundly affected by the economic and political decisions of a relatively few foreign leaders for a smooth flow of oil and gas supplies within a few short years.

Western Europe and Japan are dependent—almost totally—upon imports for their petroleum requirements. And now the United States has joined in the quest for foreign supplies to meet essential needs. The price of oil on the world market has doubled over the past 3 years—it may double again in the next 3 years. No one knows. But we can predict that a $1 increase in the price of a barrel of crude oil in 1980 will increase the American foreign oil bill by a staggering $7 billion.

Mr. President, the American people are today, and will be for some time to come, the captives of a foolhardy energy policy which has emerged—by default and helter-skelter—over the years. Our economy and life-style are based upon the presumption that cheap supplies of petroleum products and natural gas would be available in quantity almost indefinitely. That presumption has been proved by events to be false, and the crunch has come sooner than had been expected by most.

The U.S. balance of payments and trade position will be under assault for the next two decades—at least—as the country turns abroad for oil and gas. The dollar drain will be in the hundreds of billions, and the competition for access to foreign reserves in politically unstable regions of the world will be intense. The national security interest can be maintained under such circumstances—but the balance will, at times, be precarious.

Mr. President, although we do not have all the information presently available which will be needed to form an ef-

fective national energy policy, we can accurately project some of the elements that such a policy must contain.

The long-range policy must contemplate conversion to energy sources which are, essentially, infinite. The capabilities of solar, wind, geothermal, tidal, and thermonuclear must be explored through federally assisted research and development programs in order to greatly expand our total energy supply.

A scientist at the National Science Foundation recently published a paper which contended that 100,000 windmills strategically located throughout the United States—could generate one-third of the Nation's electrical needs. How can we afford not to research this possibility?

The United States with only 6 percent of the world's population consumes 33 percent of the world's energy. Our consumption of energy has doubled in the past 20 years. We cannot reasonably expect to preempt forever this proportion of the world's energy—unless we convert from fossil fuels to unconventional sources of power. The U.S. standard of living necessarily will diminish as other nations increase theirs, if all humanity is determined to base its prosperity upon the exploitation of those exhaustible resources already in short supply.

Another element in a sound national energy policy will be the adoption, by all Americans, of a fuel and energy conservation ethic. Marketplace forces will promote this ethic, of course, as the price which consumers pay for gas, oil and electrcity increases. But more will be required. The Congress must consider legislation which will diminish energy consumption without materially diminishing the quality of life or the national standard of living.

This can be done in transportation. For example, we must explore all practical means of reducing automobile fuel consumption rates.

Mr. President, the National Petroleum Council, in a respected study completed at the request of the Secretary of the Interior in December 1972, concluded that new capital investment in the energy area—by 1985—should exceed $540 billion. This massive sum includes urgently needed research and development, exploration for and exploitation of oil and gas reserves at home and abroad, construction of new refineries, deep water ports, electrical generating facilities, and all the rest.

The question is, of course, how much of the investment should be made by the private sector—and how much should be made by the Federal Government. President Nixon has requested about $800 million for Federal research and development in the energy field for fiscal year 1974. This allocation of public resources, in view of the need, is, in my judgment, wholly inadequate.

Mr. President, I would hope that at least 10 percent of the needed capital investment and R. & D. funds could be contributed by the public sector. Some of the most promising opportunities for the long term have the most dismal short-term prospects for profitability.

The private sector cannot reasonably be expected to perform the R. & D. which will be required to exploit successfully solar, tidal, and other possible sources of energy. But the country cannot afford not to conduct thorough research in these critical areas.

Ultimately, our children and grandchildren at the turn of the century will depend for their energy upon decisions and investments which we make in the next few years. If solar energy can successfully be collected and stored—as most scientists and physicists in the field say that it can—the savings will be enormous and far exceed the initial cost of development.

Mr. President, I would conclude by saying that a NASA-type commitment of Federal funds for energy R. & D. is in the public interest. I would suggest that a public investment, matched nine times over by private investment, is not unreasonable.

The $30 billion Apollo program has been the pride of the American people these past few years. Perhaps we will conclude that a $50 billion Federal energy research, development, and prototype program can be undertaken if the American people perceive the opportunities and the challenges which lie ahead.

ORDER OF BUSINESS

Mr. MOSS. Mr. President, I ask unanimous consent that I may at this time be permitted 5 minutes' time to present a conference report and that the matter scheduled be set aside for that length of time before we proceed under the previous order.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—and I shall not object—the Senator wishes to call up a conference report, which is a privileged matter and, as I understand, it has been cleared on the other side, and he is limiting himself to 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AUTHORIZATION OF APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—CONFERENCE REPORT

Mr. MOSS. Mr. President, I submit a report of the committee of conference on H.R. 7528, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7528) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7528) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

(1) Space flight operations, $555,500,000;

(2) Space Shuttle, $475,000,000;

(3) Advanced missions, $1,500,000;

(4) Physics and astronomy, $63,600,000;

(5) Lunar and planetary exploration, $311,000,000;

(6) Launch vehicle procurement, $177,400,000;

(7) Space applications, $161,000,000;

(8) Aeronautical research and technology, $180,000,000; of this amount $14,000,000 is reserved for the JT-3D Refan Retrofit Research Program;

(9) Space and nuclear research and technology, $72,000,000;

(10) Tracking and data acquisition, $244,000,000;

(11) Technology utilization, $4,500,000.

(b) For "Constructon of facilities," including land acquisition, as follows:

(1) Replacement of transportation facility, Goddard Space Flight Center, $660,000;

(2) Rehabilitation of vibration laboratory, Goddard Space Flight Center, $710,000;

(3) Modifications of and addition to 25-foot space simulator building, Jet Propulsion Laboratory, $740,000;

(4) Modification of planetary mission support facilities, Jet Propulsion Laboratory, $580,000;

(5) Rehabilitation and modification of 600 pounds per square inch air supply system, Langley Research Center, $2,410,000;

(6) Construction of systems engineering building, Langley Research Center, $1,620,000;

(7) Rehabilitation of airfield pavement, Wallops Station, $57,000;

(8) Rehabilitation of communication system, Wallops Station, $575,000;

(9) Modification for fire protection improvements at various tracking and data stations, $1,885,000;

(10) Modification of space launch complex 2 West, Vandenberg Air Force Base, $980,000;

(11) Modification of power system, Slidell Computer Complex, $1,085,000;

(12) Space Shuttle facilities at various locations, as follows:

(A) Modifications for auxiliary propulsion and power systems test facilities, White Stands Test Facility, $1,290,000;

(B) Modifications for shuttle avionics integration laboratory, Lyndon B. Johnson Space Center, $1,240,000;

(C) Modifications for radiant heating verification facility, Lyndon B. Johnson Space Center, $1,260,000;

(D) Modifications for the Orbiter propulsion system test facilities, Mississippi Test Facility, $11,300,000;

(E) Modifications for external tank structural test facilities, Marshall Space Flight Center, $4,400,000;

(F) Modification of manufacturing and subassembly facilities for the Orbiter, NASA Industrial Plant, Downey, California, $2,650,000;

(G) Modification of and addition to final assembly and checkout facilities for the Orbiter, Air Force Plant Number 42, Palmdale, California, $7,350,000;

(H) Modification of manufacturing and final assembly facilities for external tanks, Michoud Assembly Facility, $9,510,000;

(I) Construction of Orbiter landing facilities John F. Kennedy Space Center, $28,200,000;

(13) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $14,785,000;

(14) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $4,600,000;

(15) Facility planning and design not otherwise provided for, $13,600,000.

(c) For "Research and program management," $707,000,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law of which not more than $549,020,000 and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law, shall be available for personnel and related costs.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be acquired at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $10,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $25,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided*, That of the funds appropriated pursuant to subsection 1(a), not in excess of $25,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

(h) No part of the funds appropriated pursuant to subsection (a) of this section may be used for grants to any nonprofit institution of higher learning unless the Administrator or his designee determines at the time of the grant that recruiting personnel of any of the Armed Forces of the United States are not being barred from the premises or property of such institution except that this subsection shall not apply if the Administrator or his designee determines that the grant is a continuation or renewal of a previous grant to such institution which is likely to make a significant contribution to the aeronautical and space activities of the United States. The Secretary of Defense shall furnish to the Administrator or his designee within sixty days after the date of enactment of this Act and each January 30 and June 30 thereafter the names of any nonprofit institutions of higher learning which the Secretary of Defense determines on the date of each such report are barring such recruiting personnel from premises or property of any such institution.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (14), inclusive, of subsection 1(b) may, in the discretion of the Administrator of the National Aeronautics and Space Administration, be varied upward 5 per centum to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilitites" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (15) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. (a) Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Astronautics or the Senate Committee on Aeronautical and Space Sciences,

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

(b) Nothing in this section shall be construed to authorize the expenditure of amounts for personnel and related costs pursuant to section 1(c) to exceed amounts authorized for such costs.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. Section 203(b) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)), is amended by inserting immediately after paragraph (10) the following new paragraph:

"(11) to provide by concession, without regard to section 321 of the Act of June 30, 1932 (47 Stat. 412; 40 U.S.C. 303b), on such terms as the Administrator may deem to be appropriate and to be necessary to protect the concessioner against loss of his investment in property (but not anticipated profits) resulting from the Administrations' discretionary acts and decisions, for the construction, maintenance, and operation of all manner of facilities and equipment for visitors to the several installations of the Administration and, in connection therewith, to provide services incident to the dissemination of information concerning its activities to such visitors, without charge or with a reasonable charge therefor (with this authority being in addition to any other authority which the Administration may have to provide facilities, equipment, and services for visitors to its installations). A concession agreement under this paragraph may be negotiated with any qualified proposer following due consideration of all proposals received after reasonable public notice of the intention to contract. The concessioner shall be afforded a reasonable opportunity to make a profit commensurate with the capital invested and the obligations assumed, and the consideration paid by him for the concession shall be based on the

probable value of such opportunity and not on maximizing revenue to the United States. Each concession agreement shall specify the manner in which the concessioner's records are to be maintained, and shall provide for access to any such records by the Administration and the Comptroller General of the United States for a period of five years after the close of the business year to which such records relate. A concessioner may be accorded a possessory interest, consisting of all incidents of ownership except legal title (which shall vest in the United States), in any structure, fixture, or improvement he constructs or locates upon land owned by the United States; and, with the approval of the Administration, such possessory interest may be assigned, transferred, encumbered, or relinquished by him, and, unless otherwise provided by contract, shall not be extinguished by the expiration or other termination of the concession and may not be taken for public use without just compensation;".

SEC. 7. Title II of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2471 et seq.), is amended by adding at the end thereof the following new section:

"DISPOSAL OF EXCESS LAND

"SEC. 207. Notwithstanding the provisions of this or any other law, the Administration may not report to a disposal agency as excess to the needs of the Administration any land having an estimated value in excess of $50,000 which is owned by the United States and under the jurisdiction and control of the Administration, unless (A) a period of thirty days has passed after the receipt by the Speaker and the Committee on Science and Astronautics of the House of Representatives and the President and the Committee on Aeronautical and Space Sciences of the Senate of a report by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action."

SEC. 8. Section 5316, title 5, United States Code, is amended by deleting paragraphs (15), (16), and (17) and by substituting therefor a new paragraph (15) to read as follows:

"(15) Associate Administrators, National Aeronautics and Space Administration (6)."

SEC. 9. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1974".

And the Senate agree to the same.

OLIN E. TEAGUE,
KEN HECHLER,
DON FUQUA,
JAMES W. SYMINGTON,
CHARLES A. MOSHER,
ALPHONZO BELL,
JOHN W. WYDLER,
Managers on the Part of the House.

FRANK E. MOSS,
STUART SYMINGTON,
HOWARD W. CANNON,
BARRY GOLDWATER,
CARL CURTIS,
Managers on the Part of the Senate.

Mr. MOSS. Mr. President, the total authorization request for the National Aeronautics and Space Administration for fiscal year 1974 was $3,016,000,000. The House approved an authorization of $3,073,500,000. The Senate in its amendment to the House bill approved a total of $3,046,000,000. The committee of conference is recommending a total authorization of $3,064,500,000, an amount $48,500,000 above the NASA request, $9,000,000 less than provided by the House, and $18,500,000 more than provided by the Senate.

Mr. President, in adjusting the difference between the House and the Senate, the conferees agreed upon $2,245,500,000 for the 11 programs under research and development. The Senate had authorized $2,231,000,000 for these programs and the House $2,254,500,000. The conference agreement therefore is $14,500,000 above the amount authorized by the Senate and $9,000,000 below the amount authorized by the House.

For the construction of facilities, the conferees agreed to an authorization of $112,000,000, the amount requested by NASA, and $2,000,000 more than approved in the Senate amendment to H.R. 7528.

For research and program management, the conferees agreed to an authorization of $707,000,000, the amount of the NASA request and $2,000,000 more than approved by the Senate in its amendment to the House bill H.R. 7528.

As in previous years, the conferees agreed to the Senate amendment to limit the amount that may be used for personnel and related costs under the research and program management authorization; for fiscal year 1974 this limitation is set at $549,020,000, the amount requested.

Mr. President, these and other actions taken by the committee of the conference on the individual programs and other items included in this authorization bill are recorded in the joint statement of managers accompanying the conference report. I believe that the agreement reached by the committee of conference will allow the National Aeronautics and Space Administration to carry out a good program during fiscal year 1974. This bill represents the work of many conscientious people who dedicated themselves to achieving a mutually satisfactory objective.

Mr. President, at this time I would like to express my appreciation to the distinguished Senator from Arizona (Mr. GOLDWATER), the ranking minority member of the committee, for his fine and dedicated work on the bill during the meetings of the committee and the committee of conference.

Mr. President, I move adoption of the conference report.

The PRESIDING OFFICER. Would the Senator ask that the printing requirement be waived?

Mr. MOSS. Mr. President, I ask that the requirement that the report be printed as a Senate report be waived.

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

The question now is on agreeing to the conference report (putting the question).

The report was agreed to.

Mr. MOSS. Mr. President, I yield the floor.

ORDER FOR S. 1081, ALASKAN PIPELINE BILL, TO BE LAID BEFORE THE SENATE ON ADJOURNMENT OR RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns or recesses for the holiday period, if and when it does, at that time Calendar No. 195, S. 1081, the so-called Alaskan pipeline bill, be laid before the Senate and made the pending business.

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

EXECUTIVE SESSION—NOMINATION OF JAMES R. SCHLESINGER TO BE SECRETARY OF DEFENSE

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to consider the nomination of James R. Schlesinger, to be Secretary of Defense.

The nomination will be stated by the clerk.

The legislative clerk read the nomination of James R. Schlesinger, of Virginia, to be Secretary of Defense.

The PRESIDING OFFICER. Debate on this nomination is limited to 1½ hours, to be divided as follows: 1 hour to the Senator from Wisconsin (Mr. PROXMIRE), 15 minutes to the Senator from Virginia (Mr. HARRY F. BYRD, JR.), and 15 minutes to the Senator from Pennsylvania (Mr. SCOTT) or his designee. The vote is to occur at 12:30. The yeas and nays have been ordered.

Mr. PROXMIRE. Mr. President, the confirmation of a new Secretary of Defense is one of the most important obligations of the Senate. The Secretary of Defense stands second only to the President in terms of the power he wields. At his command, U.S. forces can be committed abroad and even hostilities can be initiated. It is an awesome responsibility and one that demands the most from those that serve in that capacity.

The Senate, therefore, should exercise a great deal of care and deliberation in the confirmation of any Secretary of Defense.

This is especially true at a time when sensitive negotiations are continuing with the Soviet Union about further strategic arms limitation agreements; when the war in South Vietnam is over for American soldiers; when massive bombing continues in Laos and Cambodia; when the defense budget is the highest in the history of the Nation; and when the Defense Department has so many critical internal problems facing it.

There is one other sound reason why this confirmation and any confirmation should be thorough and deliberate. After a Secretary of Defense is confirmed and assumes his position, it frequently becomes more difficult to obtain answers to questions that can be easily received before confirmation.

It is our duty, our responsibility, to assess the policies of any new Secretary of Defense.

The Armed Service Committee, under the very able leadership of my distinguished colleague from Missouri (Mr.

SYMINGTON) has held hearings with Mr. Schlesinger. The committee has clarified many points of confusion. It has done an excellent job and I commend them for the way in which the hearing was handled.

Not all questions can be asked in a few hours, however, and certainly the complex job of running the Defense Department cannot be reviewed that quickly. In fact, there is no way for the Senate to fully analyze what policies a new Secretary would follow. The new Secretary might not have had time to read into the issues at hand. He might be unsure about other problems or require more time to work them out.

There are certain items, however, which are obviously of national interest and others which demand answers due to the unfolding events of the past year.

Several questions of this type struck me as I read the transcript of the Armed Service Committee hearing.

I summarized these questions in a letter to the acting chairman of that committee. I ask unanimous consent that a copy of the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. STUART SYMINGTON,
Acting Chairman,
Senate Armed Services Committee.

DEAR MR. ACTING CHAIRMAN: The confirmation hearings held by the Armed Services Committee for James Schlesinger, Secretary of Defense Designate, have raised serious questions in my mind that need to be answered.

While I do not subscribe to the opinion that Mr. Schlesinger is a superhawk, and while I find many of his statements to be candid and some show receptivity to change, nonetheless, there are other elements that are most disturbing.

Foremost is his statement that he could perceive of circumstances in which he would advise the President to resume bombing North Vietnam. What possible circumstances does he refer to? Under what conditions would we again bomb the North and thereby run the risk of another American POW crisis? The Senate should know what the Secretary Designate has in mind. He should spell out these conditions.

Mr. Schlesinger also defended the bombing of Cambodia although giving a veiled suggestion that there may be changes soon in that policy. This position should not be allowed to stand unchallenged. The Secretary Designate should give a clear justification for the Cambodian bombing. The Senate should allow no leeway for ambiguity in this matter. We should not accept a partial or obscure answer.

I am also concerned about the statements by Mr. Schlesinger regarding the military budget. For the first time, the defense budget will go up after the conclusion of a major war. In all previous cases, it has gone down and by a considerable margin.

How can the Secretary Designate be so sure that no savings can be made in this budget if he has not even assumed the duties of Secretary of Defense?

The Senate has managed to find great savings in recent years that have resulted in more efficient fighting capabilities. Should not the new Secretary of Defense do as much?

There are certain other questions that bother me. For example:

Has Mr. Schlesinger indicated that he would appear before any duly constituted Congressional Committee or subcommittee upon request?

Did Mr. Schlesinger agree to provide working papers and documentation to the Armed Services and Appropriations Committees as requested?

What are Mr. Schlesinger's feelings about the use of civilian or military employees of the Department of Defense engaging in domestic intelligence activities?

Will the Department of Defense give wholehearted cooperation to the General Accounting Office in its Congressional investigations? What category of information will DoD deny the GAO?

Will the Department of Defense provide briefings for other Committees of Congress in addition to the Armed Services and Appropriations Committees on military topics under review by these other Committees?

To what extent will Mr. Schlesinger participate in any active political campaigning?

Would Mr. Schlesinger be a party to any plans in the future to involve the CIA or Defense Department in domestic intelligence activities of any type? Would he actively resist such involvement?

Does Mr. Schlesinger oppose the use of active duty military officers as political advisors?

We do not often get the opportunity to question a new Secretary of Defense. That opportunity sometimes erodes after he is in office.

Under these circumstances, would it be possible for you to raise the questions contained in this letter with the Secretary Designate prior to a confirmation vote on the Senate floor?

At that time I would make Mr. Schlesinger's reply available to the Senate.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

Mr. PROXMIRE. Mr. President, the chairman graciously agreed to submit my questions to the Secretary-designate. Mr. Schlesinger quickly put together his answers and made them available to me through the committee. I appreciate his promptness in this manner.

Here was the first question for which I requested Mr. Schlesinger's response:

Foremost is his statement that he could perceive of circumstances in which he would advise the President to resume bombing North Vietnam. What possible circumstances does he refer to? Under what conditions would we again bomb the North and thereby run the risk of another American POW crisis? The Senate should know what the Secretary Designate has in mind. He should spell out these conditions.

The Secretary-designate answered:

As I believe the Congress well knows, all the efforts of the United States are designed to help conclude the hostilities, not to expand them. I said in my testimony that I could perceive of circumstances in which I would advise the President that resumed bombing of North Vietnam was necessary, but I also said, and strongly believe, that I doubt that such circumstances would in fact arise. While I cannot spell out in detail the specifics of hypothetical future circumstances, it does seem to me that the United States has a responsibility, as a participant in the efforts to achieve an Indochina cease-fire, to put forth our best efforts to encourage adherence to the Paris agreements. In general, the only circumstances in which I could foresee any possibility of renewed U.S. bombing of North Vietnam would be major aggressive actions by the North Vietnamese which would threaten South Vietnam in obvious violation of the Paris agreements. As I said during the hearings, I do not believe that such circumstances will arise. But they are even less likely to arise, in my view, if the North Vietnamese understand clearly that the U.S. Government is keenly interested in the international cease-fire agreements. We would take very seriously indeed any major aggressive actions on their part in contravention of those agreements.

Now I realize that we cannot expect the President and Secretary of Defense to lay all our military plans out in the open. This not necessary. But we are entitled to a firm commitment from this administration that congressional restraints on the question of carrying on the war in Indochina will be observed. The Secretary-designate's reply does not address this point and only in a general way makes reference to the conditions under which he would recommend renewed bombing of the north.

What "major aggressive actions by the North Vietnamese" is the Secretary-designate referring to? He does not say. Does he mean a full scale invasion across the DMZ or renewed guerrilla warfare or the introduction of sophisticated weaponry or what?

The Senate is entitled to know. We are not told.

The second question deals with the continued bombing in Cambodia. I said:

Mr. Schlesinger also defended the bombing of Cambodia although giving a veiled suggestion that there may be changes soon in that policy. This position should not be allowed to stand unchallenged. The Secretary Designate should give a clear justification for the Cambodian bombing. The Senate should allow no leeway for ambiguity in this matter. We should not accept a partial or obscure answer.

Mr. Schlesinger replied, and I read from his letter:

The Secretary of State, on behalf of the Administration, has testified before the Senate Foreign Relations Committee concerning the legal basis for U.S. air operations in Cambodia. In my judgment U.S. air operations in Cambodia are, at present, an important element in the efforts to achieve a workable Indochina cease-fire. I have drawn a distinction in my testimony between the kinds of air operations—the air lifting of supplies, the tactical air operations and the B–52 bombing—and I have suggested that these were in decending order of priority. I would hope that we could begin to reduce and terminate our air operations soon, as the effects of the recent cease-fire agreement begin to take hold.

So in effect Mr. Schlesinger has given two answers. First he pushes off the difficult chore of defending the administrations bombing policy on the Secretary of State, who, by the way, made a very weak case by any standards. Then Mr. Schlesinger suggests that the entire problem may disappear soon anyway as the recent cease-fire agreement begins to take hold. This may or may not be the case. But the critical point once again is glossed over. We do not have a clear statement of the legal basis of the bombing in Cambodia.

In my next series of questions, I

focused on the issue of the defense budget, stating:

I am also concerned about the statements by Mr. Schlesinger regarding the military budget. For the first time, the defense budget will go up after the conclusion of a major war. In all previous cases, it has gone down and by a considerable margin.

How can the Secretary Designate be so sure that no savings can be made in this budget if he has not even assumed the duties of Secretary of Defense? The Senate has managed to find great savings in recent years that have resulted in more efficient fighting capabilities. Should not the new Secretary of Defense do as much?

I may say not only in the Senate, but also in Congress, as a whole.

Mr. Schlesinger provided the following justification for the defense budget:

As the Senator is aware, military activities of the United States have been steadily and significantly reduced since 1969. This has been done consistent with the Vietnamization policy and the explicit decision of the Administration to end the war and to alter national priorities in favor of greater spending on domestic needs. Unlike earlier wars in the Nation's history, these enormous reductions in defense activities have been taken coincidentally with the ending of the war, so that we find ourselves as the war comes to a conclusion, already in the position of having a smaller military force than we had before the war began—in fact, a smaller military force than at any time since the Korean war.

I do not know on what basis the Secretary assumes it is smaller. It may be smaller in terms of manpower. It should not be in the case of firepower, however, or of assured destruction capability.

The Secretary-designate continued:

These dramatic reductions in defense activities have been disguised by the marked pay and price increases during these recent years. But it is nonetheless the case that defense spending has been held stable over the last five years, despite these pay and price increases, and notwithstanding the additional costs of moving, with full Congressional approval, to an all-volunteer force—and while increasing enormously the amount of federal spending on domestic programs (while federal spending on other programs goes up $94 billion from FY 1968 to FY 1974, defense spending only increased $1 billion in that same period). It is clear to me that the budgetary dividend resulting from the ending of the war has been paid out continually over the past four years, well ahead of the negotiation of a cease-fire agreement last January.

Once again, the Secretary overlooks, I assume, that the war was costing, on a marginal basis, between $25 billion and $30 billion. Presumably, now, it is costing a very small portion of that amount.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am very happy to yield.

Mr. SYMINGTON. Mr. President, I appreciate the able senior Senator from Wisconsin yielding. In an effort to accommodate the leadership, we agreed this nomination would come up yesterday. Then, in addition, we agreed it would come up this morning starting at 9:30.

Two Senators have problems incident to hearings on base closing; therefore, it is necessary for me to leave the Chamber shortly to chair those hearings.

I want the able Senator from Wisconsin to know I am impressed with the questions he has asked, also with his efforts to get on the record the thinking and convictions of the nominee for this important position in the Government. As usual, the Senators questions were temperate and thorough. I think also the answers of the Secretary-designate were thorough and to the point. It would have been difficult to have answered the questions in any other way at this time, going into this administration, as Cabinet officer and based on the policies of the administration. But, I do think he left himself open to where he would consider change after he got himself weathered into the job.

Mr. PROXMIRE. One of the objections I had to his answers—and I agree with the Senator from Missouri that Mr. Schlesinger's answers generally were responsive and thoughtful, as I shall demonstrate as I go along—but in particular instances, such as how he would advise the President about the wisdom of bombing North Vietnam, when he said "major bombing actions," they were inadequate. Generally, he was not specific. What kind of situation does he envision?

Mr. SYMINGTON. I agree, but if the Secretary-designate had joined the majority of the Senate in the matter of concluding the Cambodian bombing at this time, he would have found it difficult to proceed with his work. Possibly his name would have been withdrawn.

What I like about Director Schlesinger's record is the fact that he has enough experience and knowledge so as not to become completely subservient to the Joint Chiefs of Staff, as have other Secretaries. As the able Senator from Wisconsin knows, after he gets into the position, he can exercise civilian control, and I believe he will. He has the knowledge to do so in intelligent fashion.

I first got to know this nominee fairly well when he became Chairman of the Atomic Energy Commission. As a member of the Joint Atomic Energy Committee, I had the opportunity to watch him reorganize that Commission, and to note his independence of the heavy military emphasis that had characterized that Commission for many years. I found him independent and courageous.

With the experience he has had, even though I too regret some of the things he has said in articles and speeches in the past, we have an opportunity to get a Secretary of Defense who if he uses his own judgment in these matters, could become a great Secretary.

May I say also that we ought soon to have someone to run this Pentagon show, the largest business in the world. As the Senator well remembers, Secretary Richardson left HEW earlier this year to become Secretary of Defense. Thereupon he asked that he be permitted to have some extra weeks in order to, as in effect, he put it, "get his hand in" in the new Defense Department job he had agreed to undertake.

That seemed a reasonable request, and so, with the approval of the distinguished ranking minority member, the senior Senator from South Carolina (Mr. THURMOND), whom I now see on the floor, also with the approval of the able chairman of the committee (Mr. STENNIS), we agreed to give him many weeks beyond the normal time for having posture hearings on the new defense budget.

Nevertheless, shortly after we had those hearings and Secretary Richardson had completed his statements, he was again transferred, the third transfer in a few months. He was made Attorney General because of the unfortunate developments on the domestic scene.

The question, therefore, was whether we could have new posture hearings to understand the thinking of the new Secretary. Obviously, the limited time made additional posture hearings impossible. So we had an extended hearing when he came up for confirmation; and then, I might say unanimously, his confirmation was recommended by the Senate Armed Services Committee.

There is much merit in the observations of the Senator from Wisconsin. I am confident in my own mind that the Secretary-designate, after he takes office, will learn more about the things that have been brought up this morning.

I wish, therefore, at this time, to tell my colleagues that I support this nomination without reservation. The able senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) will remain on the floor during the remaining consideration of the nomination. He is reporting the nomination, therefore, I know Secretary Schlesinger is in good hands. I endorse the nomination. Also thank the Senator from Wisconsin for bringing up these matters, assure him that all he has done has been constructive. I hope some of his apprehensions will not prove out in the future, and am confident the Senate will confirm the nomination of this man who is extraordinarily well trained for this job.

Mr. PROXMIRE. Mr. President, I thank the distinguished acting chairman of the Armed Services Committee, and I appreciate his coming to the floor under difficult circumstances, when he had a hearing pending.

I still am very troubled by the remarks by the Secretary-designate about the Vietnam bombing, not only his initial remarks but his failure to give what I think could have been a more satisfactory response, in keeping with the Nixon administration's position, much as I disagree with it, both on Cambodia and on Vietnam.

But I would agree that the Secretary-designate does have many distinguished qualifications, and has a very fine record, until he testified. I do think actions speak louder than words, and his actions at the Budget Bureau, at the Atomic Energy Commission, and elsewhere have all indicated that he is a man of competence, restraint, and wisdom, and would make a good Secretary.

I do think we ought to make this record, though, because this is such a vitally important position.

Mr. SYMINGTON. I thank the Senator. I shall now take my leave.

Mr. PROXMIRE. Mr. President. to continue quoting from this letter of the Secretary-designate, he went on to say:

I obviously cannot at this point testify myself as to whether or not true savings are possible on certain programs in the FY 1974 budget. Budget reductions, of course, are always possible. But budget reductions should not be confused with savings. Budget reductions may only defer, at higher long-term costs, expenditures that will have to be made at a later date. Budget reductions could imply a lowered state of readiness, which could be very costly indeed if the contingencies for which we maintain a defense establishment should occur.

I do know that the budget was carefully prepared by Defense Secretary Melvin Laird, and closely reviewed and approved by the President. I do know that it was reviewed by Defense Secretary Elliot Richardson, who supported it at the present level. Consequently, while I cannot give the Senate personal detailed assurances, I am confident that it is a well-founded budget. I will of course be looking for economics and efficiencies in defense oeprations and management, and I will particularly look at the support structure to insure that combat capability is optimized. If there are possibilities for savings you may be assured that I will pursue them. At the same time I will be looking for deficiencies in our defense programs, and I will be equally diligent in reporting these to the Congress. I can assure the Senate that I will recommend no more and no less than I believe is essential to an adequate Defense posture for the United States.

Mr. President, my reaction to that response is this:

First the Secretary-designate is right about increased manpower costs. But I draw different conclusions. With manpower costs eating up the military budget there is only one sound policy to follow—increase our combat readiness by severely prunning the officer corps, which is extremely topheavy, and cut off the huge logistics tail that is distorting the fighting capabilities of our military forces. Take away the servants for the top brass and their chauffeurs. Start training a higher proportion of fighting men rather than administrators and clerks. Bring some of those 600,000 troops overseas home. Stop generals from fixing up their airplanes for luxury private use. Crack down on the phony disability payments to high ranking generals and admirals. Prohibit the nonflying brass from collecting flight pay. All these would help restore some sensibility to the military budget.

Mr. President, just last night in the Washington Star, a very wise and thoughful comment was made by the correspondent Frank Getlein, when he said:

Despite the presence of Leonid Brezhnev and the continuing revelations of aspects of Watergate, despite the recess of the Senate Select Committee, the most important long-term news last week came from the appearance before the Senate Armed Services Committee of James R. Schlesinger, seeking confirmation as secretary of defense.

Mr. President, it is ironic that all the attention of the country is focused on Watergate and, of course, on Brezhnev we had a great deal of attention, but very little attention on the appointment of perhaps the most powerful person the President of the United States will appoint.

Mr. Getlein goes on to say:

In reference to the continued bombing of Cambodia, Schlesinger took the administration position that bombing anyone anywhere anytime is an inherent God-given right of the President of the United States. He didn't put it in those terms, but any rational defense of the devastation of yet another country can rest only on that assumption.

And he rattled a bomb or two at North Vietnam, apparently just for form, saying the United States could certainly resume bombing North Vietnam if it chose, but he did not foresee the circumstances arising in which it would so choose.

The most important part of his testimony, however, had to do with what he felt was the vital necessity of building some super-sophisticated nuclear bombs at a cost of just under a half-million dollars per bomb—not allowing for cost overruns run over by the Defense Department's most favored incompetent contractors.

It was pointed out to him that Secretary Brezhnev was in town and that this was taken as a sign of some measure of detente between the two nations. Surely, with detente already here, we need not go on spending ourselves blind on fantasy weapons?

He replied that he was aware of the atmosphere of detente, and detente itself was a powerful reason for spending ever more money on ever more sophisticated weapons.

He thus revealed himself as an ideal Secretary of Defense from the point of view of the Pentagon.

The reasoning, hardly original with Schlesinger, goes like this.

In times of peace and friendship with the Russians and Chinese, we must pour ever-increasing amounts of money into fantasy arms because that's the only way we can keep them friendly.

In times of unfriendliness on the part of either the Russians or the Chinese, on the other hand, we must pour ever-increasing amounts of money into fantasy arms because that's the only way we can keep them from attacking us tomorrow.

In times that are neither friendly nor unfriendly, we must pour ever-increasing amounts of money into fantasy arms so as to be prepared for either eventuality.

In a changing world, one thing alone is constant: more money for arms.

The new secretary thus, by his own testimony, is incapable of foreseeing, or even imagining, a situation in which his new department's attitude would be anything but incessant demands for more money for arms.

To support all this, he testified that he sees as his "pre-eminent challenge" the duty to create a "national sense of purpose and cohesion behind the defense program" and thus overcome what he called "the psychological urge" in Congress to "chop away" at arms spending.

Translated, what that means is that not only must we underwrite the wildest dreams of the arms fantasists in the Pentagon's think tanks, but we also must pay for Schlesinger's efforts to brainwash us into being happy to be bankrupt for the sake of the arms programs.

Schlesinger's appointment was perhaps inevitable. After the deluge of Watergate, he was, it seemed, one of the two or three honest men the President had available and so, like Elliot Richardson, he kept getting transferred around to create the illusion of honesty everywhere. When the music stopped, he happened to be in Defense.

But he is the wrong mind for that job, for he shares all the assumptions of open-ended fantasy weapon building that gave us the arms race and keep it going.

What the Pentagon needs at the top is a mind capable of saying: Once we can kill every Russian and Chinese 20 times—or 200 times—that is enough; we don't need to kill them more times than that.

For Schlesinger, as for his generals and their hired think-tankers, that is the real unthinkable thought.

My next two questions to Mr. Schlesinger inquired about his willingness to assist Congress by supplying testimony and documents. I asked:

Has Mr. Schlesinger indicated that he would appear before any duly constituted Congressional Committee or subcommittee upon request?

And—

Did Mr. Schlesinger agree to provide working papers and documentation to the Armed Services and Appropriations Committees as requested?

His answers were to the point and firm:

My response to this question at the time of the hearings was as follows:

It is my intent to insure that the duly constituted committees of the Congress receive the most complete and accurate testimony possible from the most competent witnesses available to address the subject in question. To that end, if I am confirmed, I will cooperate fully with this Committee and with others by appearing upon request when my testimony would be of assistance in your deliberations.

And—

I agree that the Department of Defense should provide the committees all necessary information. Where there is disagreement about particulars, I will personally review the circumstances with the aim of being as helpful to the committees as possible.

I then made two inquiries about the ominous practice of using the Department of Defense and the intelligence community as investigative agencies domestically. This is an area I consider to be as important as foreign military threats.

If any American reflects on the implications of Watergate—a far more likely threat. If the huge resources of the intelligence community, the FBI, CIA, DIA, NSA, Department of Defense were ever turned to use to rig an election or suppress individual liberty, both our democracy and our freedoms could perish. We have already seen the signs of this in the Watergate crisis. It is the most chilling aspect of that case.

I submit it is by far the most serious threat to this country, to democracy, to freedom—far, far more likely, many times more likely than any invasion by the Russians or the Chinese.

I asked:

What are Mr. Schlesinger's feelings about the use of civilian or military employees of the Department of Defense engaging in domestic intelligence activities?

and

Would Mr. Schlesinger be a party to any plans in the future to involve the CIA or Defense Department in domestic intelligence activities of any type? Would he actively resist such involvement?

His answers follow:

I am opposed to the use of Department of Defense personnel in this way except as provided by law. There are strict laws governing such activities. Very stringent regulations governing Department of Defense activities in this area were adopted by the Department under Secretary Melvin Laird. I intend to review these regulations to assure

myself of their continued vitality and, if necessary, I will take steps to strengthen them.

and

As I have already mentioned, there are stringent laws and regulations concerning these matters. The Central Intelligence Agency is properly confined to foreign intelligence activities. I have said that I am opposed to the use of Department of Defense personnel for this purpose, and that I would review and if necessary change the DoD rules and regulations in this area. I intend to see to it that the laws and regulations in this area are strictly followed by all Department of Defense personnel.

Again, his answers appear to be straightforward and clear. But we should remember that the CIA has been given certain functions domestically. And the charter of the CIA as contained in secret National Security Council Intelligence Directives provides considerable flexibility to the intelligence community. It is time that the CIA's charter be made public so that Congress can determine if the Agency's operations are within the boundaries of the legislation that established the CIA—the National Security Act of 1947.

At this point, we do not know it because the NSCID's are secret and they have not been disclosed to us.

Furthermore, it is now prudent to release the budget of the intelligence community. Only by reviewing that budget can Congress exercise oversight responsibility.

The next question and answer focus on the relationship between the Department of Defense and the General Accounting Office—the investigating arm of Congress.

I asked the Secretary-designate:

Will the Department of Defense give wholehearted cooperation to the General Accounting Office in its Congressional investigations? What category of information will the DoD deny the GAO?

This question is important due to the tendency to limit the information GAO can acquire. I found many times, when I asked the GAO to investigate defense matters, that our way had been blocked by the Defense Department. In the case of the C–5A, we had that happen to us, and in other cases.

Mr. Schlesinger's answer dispels any doubts. He stated:

The General Accounting Office may be assured of the Department's wholehearted cooperation. All information required by the GAO to fulfill its responsibilities will be provided, and no necessary information will be withheld.

I am delighted to see this, Mr. President, as it constitutes an improvement. We certainly intend to hold the Secretary to this commitment.

Another question attempted to determine if the DOD would honor the requests of other congressional committees, in addition to the Armed Service and Appropriations Committees, when these other committees were undertaking examinations of military issues.

The question read:

Will the Department of Defense provide briefings for other Committees of Congress in addition to the Armed Services and Appropriations Committees on military topics under review by these other committees? I am particularly concerned that the Department of Defense cooperate with the Foreign Relations Committee and the Joint Economic Committee, both of which examine military problems from different perspectives.

Mr. Schlesinger answered:

It is the Department of Defense's view that it is the prerogative and the responsibility of the Congress to define under its rules which of its committees have responsibilities for the activities of the Department of Defense. The Department of Defense is fully prepared to brief any committees of the Congress on Department of Defense activities in which they have a pertinent interest.

That seems to be a fair answer and would indicate that other committees such as Foreign Relations and the Joint Economic Committees could expect continued cooperation from the Department of Defense.

Considering the charge that various members of the present administration were employed during the last election in active political activities in addition to their Government jobs. I thought it necessary to determine to what extent Mr. Schlesinger will participate in any active political campaigning, whether he would, as some Secretaries have in the past, campaign or as other Secretaries have in the past, declared that they were not politically active and would not take part in a campaign.

His answer is revealing and strong:

I have no intention of participating in active political campaigning. It is my view, which I am confident the President shares, that the Department of Defense must be aloof from partisan political activities. The central purpose of this Department has traditionally been, and must continue to be, to build and maintain the necessary forces to deter war and to defend our country. This is a task which has had the understanding and support of the great majority of the American people. I believe it is absolutely essential that there be a strong, non-partisan, national concensus in support of a sufficient defense posture, and in my judgment my abstention from active political campaigning will best serve to illustrate the non-partisan nature of my responsibilities.

I asked Mr. Schlesinger this final question:

Does Mr. Schlesinger oppose the use of active duty military officers as political advisors?

He replied: "Yes"

Mr. President this would mean to me that Mr. Schlesinger would be opposed to other generals or admirals serving as political advisors in a capacity similar to the position of General Alexander Haig.

Therefore, I would suggest to the Secretary-designate that he carefully check to see what other generals may now be assisting Mr. Haig in his present political post and that he strongly resist the use of any more military personnel in such positions. It should not become an acceptable practice, for it would soon encourage our military officers to seek career advantages through party politics. More important, it would mean that active military officers would have authority and power over domestic agencies, which is, of course, anathema to our system, some thing we should resist and prevent.

Mr. President, I do not want to leave the impression that everything that Mr. Schlesinger has said before the Armed Services Committee was unacceptable. On the contrary I found many of his statements to be well made and positive in outlook.

For example he has testified, in one way or another, to the following points:

That savings can be made in the Department of Defense intelligence activities.

That he wants to bring support costs in line.

That he believes in the overall equivalence in strategic power between the United States and U.S.S.R.

That he will initiate a study on close air support requirements.

He stated that we must separate the national intelligence estimates from budgetary judgments so as to preclude an inflating of the threat.

That he will review the SAM–D program and that he questions its role in European defense.

That he is skeptical of the submarine-launched cruise missile for strategic purposes.

He is concerned about over-classification and will move to correct present abuses.

He said it might be possible to release the budget of the intelligence community without endangering national security. It is only classified to keep Congress from cutting it back.

He shares misgivings about the grade creep problem—the fact that we have more generals and admirals now than we had in World War II, when we had six times more people in the Armed Forces.

He hinted that the Air Force may be trying to scrap the SCAD to save the B–1.

Many of these items show the Secretary-designate as a reflective man and I think he should be given credit for a willingness to rethink serious problems and arrive at corrective solutions. In the months to come I will be following up on many of the statements the Secretary-designate made during the confirmation hearings, especially in response to a letter I wrote him through the acting chairman of the Committee on Armed Services.

Mr. President, though I have certain reservations on particular issues, I intend to vote for the confirmation of the Secretary-designate. I wish to offer my appreciation to the Armed Services Committee for assisting me in obtaining answers to the questions I have just presented. I hope that it will come to be known that every name submitted to the Senate for confirmation, involving a position with authority and responsibility such as this, will receive the most thorough scrutiny possible.

Mr. President, I point out that Mr. Schlesinger has had a number of jobs already in the Federal Government, and in each instance he has distinguished himself as a responsible, careful, thoughtful, and competent person. I first knew him when he was in the Bureau of the Budget, as one of the top men in the Bureau. Before that, however, he was a strategic analyst at Rand Corp. and de-

veloped great experience in procurement and in the technology of military operations.

He was a man of great competence in the Budget Bureau, partly because he was one of the people who brought to it the background of understanding of military weaponry, an area in which we have wasted and thrown away more money, probably, than in any other area of our governmental operations.

As Senator SYMINGTON pointed out this morning, Mr. Schlesinger was a highly competent head of the Atomic Energy Commission, resisting some efforts by the military which took considerable courage and principle.

He also served briefly as the head of the Central Intelligence Agency. No agency is more clouded and mysterious, no agency in which our information is more limited, than the CIA. But from everything I have heard about it—and I have heard a great deal— he did bring to the CIA a concern with waste and a concern with improper involvements, a concern that the CIA should be made as responsive to the President as possible. All these are certainly in his favor.

So, in sum, this man has a good record. I think he could be an excellent Secretary of Defense. I do think, however, that his responses to the Committee on Armed Services are most disturbing. They do make it hard, despite this fine record, for some of us to vote for him. But, under the circumstances and on balance, I must conclude that I will support the nomination.

Mr. President, I reserve the remainder of my time, and I yield the floor.

Mr. HARRY F. BYRD, JR. Mr. President, I yield such time as he may need to the distinguished Senator from South Carolina.

The PRESIDING OFFICER. The senior Senator from South Carolina has 15 minutes of his own. Does the Senator from Virginia wish to add his 15 minutes to that?

Mr. HARRY F. BYRD, JR. No. I want to give the opportunity to the distinguished Senator from South Carolina to speak longer this morning, if he so desires.

Mr. THURMOND. The Senator from Virginia may speak now, if he wishes.

Mr. HARRY F. BYRD, JR. Mr. President, I think the Senator from Wisconsin has rendered the Senate a fine service in propounding the questions he asked of the nominee for the position of Secretary of Defense. I think it is important that the Senate get on the RECORD the detailed views of the top officials of our Government.

James R. Schlesinger has been before the Senate for confirmation on three occasions, this being the third. His nomination to be Chairman of the Atomic Energy Commission was confirmed by the Senate. I have not searched the RECORD, but I believe it was a unanimous vote. His nomination to be Director of the Central Intelligence Agency was confirmed this past January or February. There, again, I have not searched the RECORD, but I am confident that it was by a unanimous vote. His nomination to be Secretary of Defense was approved unanimously by the Committee on Armed Services.

As the Senator from Wisconsin has just mentioned, Dr. Schlesinger has a distinguished record in Government. He is a Virginian—a resident of Virginia, although not a native of Virginia. For 7 years he was a professor at the University of Virginia. His entire record in Government has been distinguished. I believe he has the ability, the intellect, and the courage to make an outstanding Secretary of Defense. I am pleased to support his nomination.

I am pleased to have the RECORD show today that every member of the Committee on Armed Services approves his nomination.

I put one question to Dr. Schlesinger when he appeared before the Committee on Armed Services which I would like to read into the RECORD. My question to Dr. Schlesinger was this:

> Do you feel the United States should police or, to use another word, guarantee the cease-fire in Indochina?

Dr. Schlesinger replied:

> No, sir. I think that either "police" or "guarantee" would be far too strong phrases to be used in this regard. I think that what I would prefer to say is that the United States has some responsibility to avoid and therefore some responsibility perhaps to take action were there to be gross and massive violations which might threaten the continued existence of South Vietnam. I do not expect those circumstances to develop, Senator, and they are the only circumstances that would call for U.S. action of the type that I think you are referring to.

I think he certainly is on sound ground in saying that the United States cannot undertake to police or guarantee the cease-fire in Indochina.

The only way that can be done, it seems to me, is for the United States to become massively involved, such as we became massively involved in Indochina in 1965, 1966, and so forth.

Mr. President, I commend to the Senate the nomination of James R. Schlesinger to be Secretary of Defense.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I thank the able and distinguished Senator from Virginia for offering for me the opportunity to go ahead of him, but he was reporting the nomination and I felt that out of respect he should go first.

The PRESIDING OFFICER. The Chair wishes to ask the Senator from South Carolina if he is proceeding on the time allotted to the Senator from Pennsylvania (Mr. SCOTT).

Mr. THURMOND. I am not particular which time it is. I shall only take 3 or 4 minutes.

Mr. BEALL. Mr. President, I am the designee of the Senator from Pennsylvania (Mr. SCOTT) as the acting minority leader.

I yield the time of the Senator from Pennsylvania (Mr. SCOTT) to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, as the ranking minority member of the Committee on Armed Services, I rise in support of the nomination of Dr. James R. Schlesinger as Secretary of the Department of Defense.

Dr. Schlesinger brings to this office exceptional qualifications and an excellent background. His qualifications stem from his work at Harvard University where he received his undergraduate degree with honors in 1950. Subsequently, he earned his master and doctorate degrees. He then entered the teaching profession and assumed responsibilities as a consultant to the Federal Reserve Board, the Rand Corp., and the Naval War College.

In 1963 he turned his attention full time to defense-related matters as director of strategic studies for the Rand Corp. At this time he specialized in strategic analysis with particular reference to nuclear weaponry.

With this splendid background, Dr. Schlesinger in 1969 began a period of Government service which enables him to be such an outstanding nominee. He entered the Bureau of Budget as an Assistant Director, quickly rising to the position of Acting Director. He had responsibility for the Office of Management and Budget for budget activities associated with national security and international programs. Also, he served as the OMB representative on the Space Council and on various National Security Council committees.

In 1971 Dr. Schlesinger became Chairman of the Atomic Energy Commission and Head of the U.S. Delegation to the 16th International Atomic Energy General Conference. After 2 years in this capacity he was appointed in February, 1973, as Director of Central Intelligence Agency.

As a teacher, author, and specialist in strategic analysis he is intellectually prepared for the demanding task and awesome responsibility as the President's chief architect of our national defense.

Mr. President, the record clearly shows that Dr. Schlesinger is "exceptionally well-equipped," to use the words of President Nixon, to provide strong leadership at the Pentagon. At age 44 he is the youngest man ever chosen as Secretary of Defense and perhaps has broader preparation than any who preceded him.

It is my firm belief that Dr. Schlesinger will bring to the Department of Defense the kind of leadership we all desire. He will run a tight ship, while at the same time be a strong and believable advocate of the defense systems needed to maintain our national defense posture at a level second to no other nation.

Mr. President, I can understand the interest of the distinguished Senator from Wisconsin in propounding questions to the Secretary nominee. I might say, however, that I think many of these questions are matters that the Secretary of Defense would not make a decision upon. For instance, on the question of bombing the Secretary of Defense might have a view, but the President of the United States, who is the Commander in Chief, would make the decision. He would have to carry out the decisions of the Presi-

dent or it would be his duty, under the circumstances, probably, to resign.

In the matter of troops abroad, I think this is another decision that would have to be made by the Commander in Chief. Most of these broad decisions, many of which were properly covered in the questions of the distinguished Senator from Wisconsin, are questions of great magnitude. They are questions involving not only this Nation, but foreign nations and questions involving foreign policy.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. THURMOND. Therefore, decisions would have to be made by the Commander in Chief. However, as I understand, the Secretary of Defense might be called upon to make recommendations and if the President called upon him for a recommendation it would be his duty to make such a recommendation. It would be his duty to make recommendations, but the point is that on these broad questions of national and international import, questions of great magnitude, the Commander in Chief would have to make this decision.

I am very pleased to yield to the Senator from Wisconsin.

Mr. PROXMIRE. I wholeheartedly concur in the latter part of the Senator's statement. What I was concerned about in the statement by the nominee is that he could conceive circumstances under which he would recommend to the President to resume bombing in Vietnam, for instance.

The Senator is correct that the President is Commander in Chief and that he has authority over the armed services. I am sure the Secretary of the Department of Defense would do as he was told to do. But his recommendations to the President are of great importance. He is the chief adviser to the President. His view that he would recommend that to the President is important, although he cannot act on his own recommendation.

Mr. THURMOND. I thank the distinguished Senator from Wisconsin. Of course, circumstances existing at the time might determine many questions. What exists today may not exist tomorrow, next month, or next year, and the decision that he might recommend on a certain course of action today might be a different course of action, whether it is in Vietnam or somewhere else, next month, next year, or in years ahead.

At any rate, I know of no man who has ever gone to this position who is more highly educated; I know of no man who has ever gone to this position who has had the benefit of such broad experience in government—the Atomic Energy Commission, the Bureau of the Budget, the Central Intelligence Agency, systems analysis, and various fields—which should be of great importance in arriving at decisions and recommendations which he would make during his tenure of office.

It is my opinion that Dr. Schlesinger is openminded. I think he will be pleased to listen to Members of Congress and hear what they have to say, and he should do so. It is my judgment he will carry the big picture as well as minute matters that are important. The Secretary has to look after details, but at the same time he has to carry the big, broad picture. I think Dr. Schlesinger has the capacity to do this.

The Defense Department spends more money than any other department of Government. The HEW is now spending such tremendous amounts, it is rivaling the Defense Department. Just a few years ago the Defense Department budget was 50 percent of the entire budget. Today it stands at about 30 percent. So the Defense Department, although it may be spending more today than it did some years ago, is spending less in proportion, because escalation has taken place, inflation has come about, and it requires more money to buy tanks, planes, weapons, and equipment, just as it costs more to live and costs more for other products. So we cannot blame the Defense Department for that.

The purpose of the Defense Department is to keep our country prepared to prevent war, and if we get into a war, then to win the war. The greatest thing we can do to prevent war, in my judgment, is to maintain a strong military establishment, and that means a military establishment that is second to none in the world.

If we do that, I think we can prevent a general war. I think we can prevent a nuclear holocaust. I think we can help to keep the whole world free if we keep this Nation strong, because if this Nation should go under, the rest of the free world, the free nations would collapse. It would be just like gathering ripe apples in a basket if this Nation went under.

So it is my hope that we can keep this country strong. I believe Dr. Schlesinger will advocate that policy. At the same time, I believe he is going to scrutinize—and scrutinize very closely—what is spent in the Defense Department. Every item of waste and extravagance should be eliminated. As the ranking Republican member of the Armed Services Committee, I shall certainly cooperate with him in this matter, because I am a great believer in thrift. I am a great believer that when you are spending the public's money, you ought to be more careful than if you are spending your own money. I am a great believer in getting a dollar's worth for every dollar spent. I am sure that Dr. Schlesinger will pursue a course of action along that line.

I am very pleased to speak for Dr. Schlesinger on this occasion, and I urge that the nomination be approved unanimously. I sincerely hope it will be. I predict that he will make an able Secretary of Defense, and one of the most dedicated men who has ever served in this capacity.

I wish to commend the distinguished Senator from Virginia for presenting this nomination in the fine manner he has.

The PRESIDING OFFICER. Who yields time?

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself such time as I may take.

I think the able senior Senator from South Carolina has made a powerful presentation in behalf of the nominee for Secretary of Defense. I associate myself with his remarks and I associate myself also with his remarks with regard to the need that this country maintain a strong national defense.

Mr. President, there is no apparent opposition to Dr. James R. Schlesinger to be Secretary of Defense. That being the case, I see no further need for discussion. I am willing to either yield back the remainder of my time or reserve that time for a later discussion. I understand the vote on the nomination will come at 12:30.

Mr. PROXMIRE. Mr. President, I intend to speak very briefly and then yield back the remainder of my time at that point.

I would like to emphasize one further point, a point which I have made to some extent, but I want to underline and emphasize it, because this is an opportunity in which we can realize the irony of our increasing military spending at a time not only when the war is ending in Southeast Asia and Vietnam, but also at a time when we are seeking better relations with the Peoples Republic of China and the Soviet Union.

I have commented on this point before, but I would like to read from an editorial from the Philadelphia Inquirer which I think does a fine job of summarizing this irony:

> To Mr. Brezhnev, the President declared his hope of making even greater progress toward the goals of better relations between the U.S. and U.S.S.R., and, above all, of "lifting the burden of armaments from the world and building a structure of peace."
>
> To the Senate Armed Services Committee, Mr. Schlesinger declared that it would be impossible to reduce the $79 billion U.S. defense budget. On the contrary, "the military budget will have to rise," since needs must be "based upon the capabilities of our opponents rather than the atmosphere of international relations."
>
> Similarly, and even more strongly, on the eve of the Brezhnev visit, Acting Secretary of Defense William P. Clements referred to "this so-called atmosphere of detente" and pronounced himself apprehensive about Soviet capabilities.
>
> Mr. Clements does not anticipate budget cuts. He is not even looking for them. "To the contrary," he told newsmen, "I've been looking into areas where programs may be expanded and where we might in fact move the other way."
>
> Now Messrs. Schlesinger and Clements are not generals or admirals. They are civilians, but civilians who sound as if they think nothing has changed in the 14 years since Mr. Brezhnev's predecessor, Nikita Khushchev, visited these shores, breathing belligerence.
>
> It all makes you wonder. Does the President select men for the Pentagon who think this way, or do they begin thinking this way after they are selected? Is it some kind of institutional imperative which they automatically accept—the military man's assumption that no amount of hardware is ever enough and that no expense should be spared to be prepared for even the remotest of contingencies, whatever other social costs must be endured as a consequence?

This editorial concludes:

> Obviously, it is unrealistic to expect either Washington or Moscow to inaugurate a program of unilateral disarmament. But it is not unrealistic—it is, indeed, the epitome of realism, and very much in their mutual interests—for them to seize the opportunity to curb the arms race, and, while they are about

it, to curb the mental set and rhetoric of the cold war.

One further observation on this, Mr. President. I have on my door an assertion that may surprise some. It says, "National defense is our insurance policy. We must be No. 1." I feel very strongly that way. We must have a strong military. The Senator from South Carolina is absolutely right in that statement, as is the Senator from Virginia; but, Mr. President, there is not any question that the waste is appalling in the military. We now have an F–14 plane that the Defense Department seems determined to move ahead on and produce in volume, costing some $20 million per copy, some 10 times as much as a Mig-21 of the Soviet Union. There is no possible way that 1 plane of ours can stand up to 10 Russian planes; yet 10 of those Russian planes cost no more than 1 F–14.

Because we are helping the Defense Department to build these enormously expensive, highly complex weapons, we are creating a situation in which our force levels are reduced and the strength of our military is reduced. It does not necessarily follow that because we are going to spend more money on the military, we are going to have a stronger military force. That is not necessarily so. We can spend more money and have a weaker defense posture when those moneys are spent on nuclear aircraft carriers for an unlikely nuclear scenario, F–14's, which cost tremendous amounts of money, and at the same time reduce our force levels. We should recognize that.

So I do hope that on this occasion, when the Senate is about to confirm, perhaps unanimously, the nomination of a new Secretary of Defense, we recognize two things: No. 1, that we are moving into a new kind of world in which we can have a detente, in which we can have a mutual reduction of arms, as President Nixon and Mr. Brezhnev have agreed to do.

No. 2, it is very possible to have a strong military force, indeed, the strongest Air Force, the strongest Navy, the strongest deterrent in the world, while at the same time devoting less of our limited resources to the military than we have in the past.

Mr. President, I yield the floor, and if the Senator from South Carolina and the Senator from Virginia are willing to yield back their time, I am willing to yield back my time.

Mr. PELL. Mr. President, the Senate has presently before it the nomination of Mr. James R. Schlesinger to be Secretary of Defense. It is with real reservations that I would consider this nomination, for, Mr. President, during the past week I was present for 2 full days and testified before the Military Construction Subcommittee on Armed Services, and it was apparent to me as well as to others that our Department of Defense needs a Secretary of Defense who is responsive to the needs of the Nation and to the Congress.

We in the Rhode Island and Massachusetts delegations have been outraged by the decisions to close the Newport Naval Station, Quonset Point Naval Air Station, the Naval Air Rework Facility at Quonset, and the Boston Naval Yard. For 2 days the Senate Subcommittee on Military Construction on Armed Services heard testimony in which it was clearly illustrated that the interests of national defense, our economy, and indeed the efficiency of DOD would best be served by the continuance of these strategic and economic naval bases in Rhode Island and Massachusetts. These hearings were replete with the political overtones that surrounded the decisionmaking process in regard to base closings.

The Defense Department although quick to close these bases has dragged its feet in supplying those interested Senators and Congressmen with the facts encompassing their decisions.

It would appear that while the Defense Department is projecting a $25 million savings in regard to the Rhode Island naval bases and their closure that this misguided decision may well cost the taxpayers of this country one-quarter of a billion dollars.

What I am most critical of, Mr. President, is the system that the Defense Department uses to determine which bases should be closed and the manner in which they close them. There either is no system at all or otherwise there is a particularly insensitive one to human needs.

If Mr. Schlesinger and the White House allows this decision to stand notwithstanding the pages and pages of testimony before Mr. SYMINGTON'S Subcommittee on Military Construction, then it will be apparent to all that this administration may well go down in history as the most inhuman, indifferent, insensitive administration since the very beginning of our Nation.

It was brought out in the hearings that the list of base closings prior to their announcement was reviewed by White House employees. I think the Congress has the right to know just who in the White House had access to this list—a list that was compiled in secrecy and kept in secrecy from the Governors and the congressional delegations of the States involved. Furthermore, I would hope that the new Secretary of Defense might be able to tell us whether any revisions were made in this list by White House employees.

It seems to me more than coincidence that a list of base closings is drawn up in an election year but does not surface until 6 months after election. What particularly disturbs me is that the Defense Department called for the largest amount of money to be spent in Rhode Island since World War II knowing at the same time that firm plans were in being for closing these same bases. I believe this waste of taxpayers' money for what would at least in part appear to be political reasons is particularly galling and outrageous.

Last, I would hope, Mr. President, that Mr. Schlesinger, if he is at all concerned with the integrity of the Department of Defense, would do his best to reverse this determination, and it is with that hope and that plea that I speak today on his nomination.

The PRESIDING OFFICER. Do all Senators yield back their time?

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

Mr. THURMOND. Mr. President, I yield back whatever time I may have.

The PRESIDING OFFICER. All time has been yielded back. The vote on the confirmation of the nomination of Mr. Schlesinger to be Secretary of Defense will take place at 12:30 p.m. today.

LEGISLATIVE SESSION

By unanimous consent, the Senate returned to the consideration of legislative business.

DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AND CONSUMER PROTECTION AGENCIES APPROPRIATIONS, 1974

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Senate will now turn to the consideration of H.R. 8619 which the clerk will report.

The assistant legislative clerk read as follows:

Calendar No. 239 (H.R. 8619), a bill making appropriations for agriculture and environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, without the time coming out of either side on the bill, there be a brief period at this time for the transaction of routine morning business.

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Moss) laid before the Senate the following letters, which were referred as indicated:

APPROVAL OF LOAN TO BRAZOS ELECTRIC POWER COOPERATIVE

A letter from the Acting Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, on the approval of a loan to Brazos Electric Power Cooperative, Inc., of Waco, Tex. (with an accompanying paper). Referred to the Committee on Appropriations.

PROPOSED LEGISLATION FROM THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to permit not more than 30 persons at a time from foreign countries to receive instructions at the U.S. Merchant Marine Academy (with accompanying papers). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the act of June 13, 1933 (P.L. 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Industrial Management Reviews of Defense Contractors' Operations," Department of Defense, dated June 26, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Social Services: Do They Help Welfare Recipients Achieve Self-Support or Reduced Dependency?", Social and Rehabilitation Service, Department of Health, Education, and Welfare, dated June 27, 1973 (with an accompanying report); to the Committee on Government Operations.

REPORT OF BOARD OF GOVERNORS, U.S. POSTAL SERVICE

A letter from the Chairman, Board of Governors to the U.S. Postal Service, transmitting, pursuant to law, a report entitled "The Private Express Statutes and Their Administration," relating to statutes restricting the private carriage of letters, dated June 29, 1973 (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORT OF NATIONAL COMMISSION ON MATERIALS POLICY

A letter from the Chairman, National Commission on Materials Policy, transmitting, pursuant to law, a report entitled "Material Needs and the Environment: Today and Tomorrow," dated June 1973 (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Moss):

A joint resolution of the Legislature of the State of Utah. Referred to the Committee on Agriculture and Forestry:

"SENATE JOINT RESOLUTION No. 6

"A joint resolution of the 40th Legislature of the State of Utah requesting the President of the United States to relax restraints on the use of certain specific canine toxicants

"Be it resolved by the Legislature of the State of Utah:

"Whereas, the sheep, cattle and wildlife industries are a valuable source of food and fiber for the American public and also an important source of income vital to the economy of the State of Utah; and

"Whereas, predation by coyotes has caused substantial losses of sheep and forced many sheep men out of the livestock business and is now threatening the entire sheep industry in Utah; and

"Whereas, at times predation may become a limiting factor in wildlife populations; and

"Whereas, a Presidential Executive Order dated February 8, 1972, restricted the use of chemical toxicants in predator control and which, combined with the prohibition in interstate shipments of chemical products registered for predator control by the Environmental Protection Agency has deprived livestock producers and game managers of their most effective, economical and highly selective predator control; and

"Whereas, the Presidential order was issued contemporaneously with the Cain Committee Report without promised hearing and public review of the report; and

"Whereas, no documented evidence exists to indicate that use of the chemical toxicant 1080 and coyote-getters reduces coyote populations to the point of making them an endangered species or poses on environmental threat through secondary killing of other species and, to the contrary, evidence indicates that such toxicant is highly specific for canines; and

"Whereas, research is being conducted to ascertain alternative methods for predator control but at present, alternatives are not effective and future alternatives from research are at least four to five years away, and uncontrolled predation for that time is intolerable.

"Now, therefore, be it resolved, by the 40th Legislature of the State of Utah that the President of the United States relax the strict ban on canine toxicants to provide that such toxicants may be used in properly supervised predator control programs in areas of urgent need on both public and private lands until such time as effective alternatives to predator toxicants are available.

"Be it further resolved, that the Secretary of State send copies of this resolution to the President of the United States and to each member of the congressional delegation from the State of Utah."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Appropriations, with amendments:

H.R. 8825. An Act making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes (Rept. No. 93-272).

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 902. A bill to amend section 607 (k) (8) of the Merchant Marine Act, 1936, as amended (Rept. No. 93-273).

By Mr. BAYH, from the Committee on the Judiciary, with an amendment:

S. 1083. A bill to amend certain provisions of Federal law relating to explosives (Rept. No. 93-274), together with additional views.

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, with an amendment:

S. 1977. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes (Rept. No. 93-275).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.J. Res. 636. Joint resolution making continuing appropriations for the fiscal year 1974, and for other purposes (Rept. No. 93-277).

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

S. 2101. An original bill to amend the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices, and for other purposes (Rept. No. 93-278). Placed on the calendar.

Mr. PROXMIRE. Mr. President, from the Committee on Banking, Housing and Urban Affairs, I report a committee bill to amend the Truth in Lending Act. I ask unanimous consent that the committee be given until midnight, July 10, 1973, to file a copy of the committee report.

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

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

H.R. 6187. An act to amend section 502(a) of the Merchant Marine Act, 1936 (Rept. No. 93-279).

REPORT ENTITLED "THE IMPACT OF CRIME ON SMALL BUSINESS—PART V (CARGO THEFT—RAILROAD INDUSTRY)"—REPORT OF A COMMITTEE (S. REPT. NO. 93-276)

Mr. BIBLE. Mr. President, from the Select Committee on Small Business, I submit a report entitled "The Impact of Crime on Small Business, Part V," summarizing today's costly problems of cargo thievery and losses in the railroad industry and based on our hearings and investigations. I ask that the report be printed.

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

Mr. BIBLE. Mr. President, this report is the fifth submitted to the Senate by our committee, since December 1969, dealing with crime and its effects on the Nation's 8 million small business establishments. This document, as have its predecessors about the airline, maritime, and motor freight transport modes, seeks to assess the economic impact of railroad activity and losses on small businesses who compete in the marketplace despite the social and economic disadvantages of our times. And as crime victims, small business men and women are 35 times harder hit than larger businesses according to a nationwide Federal survey. And it must be borne in mind that the country's railroad industry, our oldest form of surface transport, is itself a substantial victim of crime and has other substantive economic problems of its own in these changing times.

In 1970 our committee estimated that cargo theft losses from air, truck, maritime and rail carriers were in excess of $1½ billion per year. At that time we estimated the railroad industry suffers theft and other losses up to $250 million per year. An even more alarming factor, focused on by the committee during its investigations, is that the rate of increase in crime is greater in the rail industry than in other transport modes. In fact, between 1970 and 1971 there was, according to industry figures, a 100 percent-increase in the extent of railroad cargo crime.

As Gus Welty, senior editor of Railway Age Weekly, recently stated:

With mounting outrage and more than a little frustration, railroad security forces are adding up a steadily increasing cost of theft

and vandalism—running all the way up to the looting of whole freight trains.

This is serious business—and it's getting worse. Acts of vandalism have caused death and serious injury to employees and to rail passengers. Criminal acts are draining millions of dollars from an industry that can ill afford any drain at all.

I believe this is a succinct description of the problem covered by this report.

There is also another aspect of railway crime which has far too long been ignored. That is the indirect cost of crime paid for by the shipping industry generally and the consumer public specifically. Crime causes inflated prices as George Stafford, Chairman of the Interstate Commerce Commission, testified during our committee's hearings on rail cargo losses:

The economic loss from cargo theft and pilferage directly affects the viability of this (railroad) industry and is ultimately reflected in the rates paid by the shipping and consuming public.

Mr. President, one problem area this report discusses is the absence today of a uniform loss reporting system, either industry or governmental, to determine the actual losses suffered by the railroad industry. For a sophisticated industry or Government not to have statistics on cargo thievery and losses, valuable for many purposes, is an admission that all of us have more work to do before we can deal effectively with problems of society's own makings.

As a result of our hearings, I wrote to Chairman Stafford urging that the Interstate Commerce Commission establish mandatory uniform loss reporting for the rail carriers to determine the true impact of this crime and loss problem. On April 3, 1972, Chairman Stafford responded to my appeal and advised that the Interstate Commerce Commission had "established a target date of January 1, 1973, as the effective date for railroad reporting of these data."

Even though we are in the sixth month of 1973, we have been advised that serious discussions between the ICC and railway and shipper representatives are now in progress. We hope for their success because we are confident that effective solutions cannot be forthcoming until such time as accurate data have been collected. Thereafter, they must be analyzed by the ICC and acted upon affirmatively by the Commission, where possible, and by the carriers, who should by hard data know their own security and loss problems much better.

One significant finding of this report is that the railroad industry has failed to demonstrate a recognition of the seriousness of the theft and loss problem. In my judgment, until the industry does and joins with shippers, the Federal Government and local law enforcement agencies to do something about it, there cannot be effective crime prevention and control programs.

Another significant finding of the report is that law enforcement in general, including the Federal Bureau of Investigation, State and local railroad police, has been inadequate in preventing the increase in railroad cargo theft and losses. The report cites a multiplicity of jurisdictional responsibilities as encouraging lapses in information exchanges and in prevention and apprehension efforts.

Our committee's crime reports on the airline, maritime, and motor freight industries have been a basis for legislation we have offered and have seen passed. We have also tried to energize concerned executive departments and regulatory agencies to focus on key areas within their jurisdiction and thereby provide some assistance in dealing with the crime and loss problem and in helping carriers, shippers, and the purchasing public involved in the commercial chain.

During the last Congress, our cargo security bill, S. 942, was passed by the Senate. The other body, during the final days of the last Congress, passed a bill significantly different from the Senate-passed proposal. Unfortunately, there was no opportunity for a conference to reconcile the differences between the two versions.

Presently, I am preparing a cargo security bill which I hope will be acceptable and yet deal affirmatively with the problems of crime losses from the transport modes.

Recently, our Committee on Small Business has initiated hearings and investigations into the criminal redistribution—fence—systems. Their purpose is an attempt to determine the method by which thieves dispose of the $1½ billion or more of goods stolen from the different modes of transportation each year and the manner in which they are reintroduced back into legitimate commercial channels. I believe strongly that if we can destroy the marketing ability and thereby the profitability of these middlemen fences and also institute basic preventive and security programs in each of the different modes of transportation, particularly the railroad industry, we can control this upward spiral of cargo thievery.

Mr. President, I ask unanimous consent that a summary of the committee's findings and recommendations be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY

COMMITTEE FINDINGS RE RAILROAD CARGO THEFT

Similar to the problems described in the air, maritime and truck cargo industries, the Committee finds that:

1. The frequency of railroad cargo transportation thefts and loss is increasing at an alarmingly rapid rate;

2. Law enforcement personnel find it difficult to cope with this increase;

3. The task of apprehending and convicting criminals is made more difficult by the absence of systematic prevention programs by shippers, allied transport modes, rail freight forwarders, and railroads to reduce railroad cargo theft and loss; and

4. Physical security, documentation, and personnel policies of the railroad industry are lax and negligent, and unnecessarily facilitate criminal activity.

COMMITTEE RECOMMENDATIONS RE RAILROAD CARGO THIEVERY

1. That Federal legislation be enacted to provide Federal police commissions for members of the railroad police forces to permit those officers to cross state boundaries in furtherance of their specific duties. Also, legislation should be enacted which would enable members of the railroad police forces to participate in Federal police training programs.

2. That Federal support for research and development of new techniques and equipment for railroad security be increased. The Department of Transportation's Office of Transportation Security and the Federal Railroad Administration should institute a more effective research and development program for the protection and security of rail cargo.

3. That closer cooperation between the police and security forces of the railroad industry and Federal, state, and local law enforcement authorities be supported.

4. That a proposed model state railroad police statute—which would authorize state governors to enter into reciprocal agreements empowering any police officer to perform railroad police functions within that state—be developed and encouraged.

5. That the Justice Department, the Federal judiciary, and the U.S. Congress cooperate to improve the administration of justice involving crimes against the railroads, both interstate and intrastate, especially those involving juveniles.

6. That the Interstate Commerce Commission establish a uniform cargo loss reporting system for all Class I railroads similiar in content and scope to that presently required of Class I motor carriers.

7. That Federal legislation be considered which would require all rail carriers to provide for the safety and security of cargoes while in the possession of such carriers.

8. That your Committee continue its investigations into the criminal redistribution systems which support rail cargo and other transport thievery, and seek enactment of a civil damage remedy* designed to dislocate markets for stolen goods.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service:

Robert E. Hampton, of Maryland, to be a Civil Service Commissioner.

(The above nomination was reported with the recommendations that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Fred Charles Ikle, of California, to be Director of the U.S. Arms Control and Disarmament Agency;

Amrom H. Katz, of California, and Robert M. Behr, of Michigan, to be Assistant Directors of the U.S. Arms Control and Disarmament Agency; and

John Hugh Crimmins, of Maryland, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary to Brazil.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

*S. 13 passed U.S. Senate on March 29, 1973. S. 800, Title IV, passed U.S. Senate on April 3, 1973.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGOVERN (for himself, Mr. DOLE, Mr. MCGEE, Mr. MANSFIELD, Mr. NELSON, and Mr. CRANSTON):

S. 2094. A bill to amend the Economic Stabilization Act of 1970. Referred to the Committee on Banking Housing and Urban Affairs.

By Mr. HUMPHREY:

S. 2095. A bill to provide that local educational agencies shall not receive Federal financial assistance unless they provide educational services to all handicapped children at levels of expenditure at least equal to expenditures for other children. Referred to the Committee on Labor and Public Welfare.

By Mr. SCOTT of Pennsylvania:

S. 2096. A bill for the relief of Marta C. DeJesus; and

S. 2097. A bill for the relief of Angelo Luciano Colavita, his wife Maria Carmela Colavita, and their son Antonio Colavita. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. 2098. A bill for the relief of Antonio O. Sales and his wife Emma Sales. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 2099. A bill to prohibit the public disclosure of Federal election returns during Presidential election years prior to midnight, eastern standard time. Referred to the Committee on Rules and Administration.

By Mr. ERVIN:

S. 2100. A bill for the relief of Miss Veronica Dorothy Anthony. Referred to the Committee on the Judiciary.

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

S. 2101. An original bill to amend the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices, and for other purposes. Placed on the calendar.

By Mr. MATHIAS (for himself, Mr. BAYH, Mr. HUMPHREY, Mr. ROTH, and Mr. BROCK):

S. 2102. A bill to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens who are residing or domiciled outside the United States. Referred to the Committee on Rules and Administration.

By Mr. JAVITS:

S. 2103. A bill to amend the Housing and Urban Development Act of 1970 to provide a more effective approach to the problem of developing and maintaining a rational relationship between building codes and related regulatory requirements and building technology in the United States, and to facilitate urgently needed cost-saving innovations in the building industry, through the establishment of an appropriate nongovernmental instrument which can make definitive technical findings, insure that the findings are made available to all sectors of the economy, public and private, and provide an effective method for encouraging and facilitating Federal, State, and local acceptance and use of such findings. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MATHIAS:

S. 2104. A bill for the relief of Trevor D'Andrade. Referred to the Committee on the Judiciary.

By Mr. JACKSON:

S. 2105. A bill to amend Public Law 90-335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGOVERN (for himself, Mr. DOLE, Mr. MCGEE, Mr. MANSFIELD, Mr. NELSON, and Mr. CRANSTON):

S. 2094. A bill to amend the Economic Stabilization Act of 1970. Referred to the Committee on Banking, Housing and Urban Affairs.

PROTECTING FOOD PRODUCERS AND FOOD CONSUMERS

Mr. McGOVERN. Mr. President, on behalf of myself and the Senator from Kansas (Mr. DOLE), the Senator from Montana (Mr. MANSFIELD), the majority leader; the Senator from Wisconsin (Mr. NELSON); the Senator from California (Mr. CRANSTON); and the Senator from Wyoming (Mr. MCGEE), I introduce for appropriate reference a bill to require an adjustment in the price for agricultural commodities in those situations where the Secretary of Agriculture determines that the current price freeze will produce a shortage of a commodity and there is no alternative means for increasing the supply.

Mr. President, if things remain as they are, consumers will soon find it as hard to buy certain agricultural products such as eggs, chickens or milk, as they do now to get gas on a Sunday afternoon. This is because the costs of producing these products, particularly feed grains, has gone up even faster than the costs of living. The result of the price freeze is that the farmer cannot get from the middleman or the store a price sufficient to cover his costs.

A few days ago we saw on television a farmer destroying 100,000 baby chicks. Because they also depend on high intensity feed, the same thing will happen to countless young hogs and lambs. The dairy farmer will sell off his herd if milk production continues to mean losses. And the cattle rancher will not put yearling steers and heifers on the feedlot, if he knows his costs will exceed sales price.

In the end, it is the consumer who will pay the most for these shortages unless we act promptly now. The pattern reported in the press for broiler chickens is already being seen in eggs. For example, an egg producer in South Dakota told me this week that his cost of soybean meal has increased from 5 cents per dozen eggs to 25 cents in the past year. He will not continue producing eggs, even for a short time, if he is likely to lose money on every case of eggs he ships. And other products raised on high intensity feeds are not far behind.

So the Government must move promply to insure that the consumer has food products to buy.

The bill we are introducing today offers the quickest and, in the long run, least expensive way to do this. It would require in emergency situations an adjustment in the maximum price for agricultural commodities whose supply is being reduced by the freeze. This would provide the sufficient incentive to keep farmers producing products consumers need.

Of course, there are other methods too.

The administration announced last night that it has prohibited further exports of soybeans and cottonseed and their products, in an effort to stem the export of feed grains. Let us hope that these actions will retard the catastrophic increases in the prices of processed feeds which have occurred in recent weeks; however, it may be some days before we can know its effect.

Another method might be to determine immediately how phase IV can operate for food, and move rapidly to a special phase IV for food while working out the details for other sectors of the economy. The administration is working toward that goal, but it appears some time off.

Yet another method might be to institute an emergency supplemental payment from the Treasury to food producers who are forced to sell at less than cost. Such an approach is not without merit, but it, too, involves complexities and may require some time to implement.

But none of these methods would be able to take hold for some time. By then it would be too late to bring back to life countless young animals needlessly slaughtered.

Our bill, Mr. President, offers a simple and effective method of dealing with a problem of potentially major proportions. It deserves the support of my urban colleagues, whose consumer constituents need an adequate food supply; it deserves the support of my colleagues from farm States, where adequate income is of paramount concern.

Mr. President, the other members of the Agriculture Committee and I are meeting with John Dunlop, the Director of the Cost of Living Council later today. We hope to convince him of the need to take the actions we suggest right away. But if we fail to get him to take the appropriate action, the cosponsors of the bill and I will offer it as an amendment to an appropriate bill before the Senate recesses for the July 4 holiday.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. McGOVERN. Yes, I yield.

Mr. DOLE. Let me, first of all, indicate that I am pleased to cosponsor this measure with the distinguished senior Senator from South Dakota.

To underscore even more what the Senator has said, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article published in today's Wall Street Journal, entitled "Bare Cupboards."

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

(See exhibit 1.)

Mr. DOLE. The article quotes one source after another as saying that we face food shortages—whether in poultry or eggs or meat or whatever—unless there is some immediate relief from the price freeze. That will be discussed, as the Senator has indicated, very soon with Secretary Shultz and Mr. Dunlop and others.

I can only underscore what the distinguished Senator from South Dakota has said. I think it is important that we have action now. I am pleased that the Senator has moved quickly to obtain passage of this bill.

I invite attention to one excerpt from the article to which I have referred:

"Ceiling prices for many feeds are $20 to $50 a ton below the cost of production," says Mr. Ray of the Feed Manufacturers Association. Ralston Purina, one of the biggest companies in the industry, has withdrawn more than 300 feed products from the market. "Others are simply closing," Mr. Ray adds. "It's the greatest crisis our industry has ever faced."

I think this indicates the problem we have and the necessity for quick action.

EXHIBIT 1

BARE CUPBOARDS: FOOD SHORTAGES LOOM AS FIRMS, FARMS CUT OUTPUT UNDER PHASE 3½

(By John A. Prestbo)

CHICAGO.—The nation's food-production machinery is starting to grind to a halt under Phase 3½.

Across the country, flour millers, feed manufacturers, corn processors, salad-oil refiners and other food companies are either slowing down or closing their plants because their prices are frozen below the cost of their raw materials.

For the same reason, broiler-chicken and egg farmers have been cutting production sharply, even to the extent of killing baby chicks rather than going to the expense of feeding them. Hog farmers are barely keeping pace with last year's output and are marketing pregnant sows rather than allowing them to farrow. More dairy farmers are selling their cows for beef to cut feed expenses, and some dairymen predict that milk supplies could be scarce when school resumes in the fall.

Yesterday, the government took one step in easing high production costs by embargoing all exports of soybeans and cottonseed and the products made from them. Strong foreign demand for these products has been instrumental in ballooning domestic prices for many foods, including meat, milk and eggs. But the freeze itself remains in effect.

"If these price-freeze rules continue for the full 60 days, the nation's supplies of meat, milk and eggs are going to be scarce for a long time to come," warns Oakley Ray, president of the American Feed Manufacturers Association.

BAD NOW, WORSE LATER

"Things are bad enough now, but it's the long-range ripple effects that worry us most," says a spokesman for the National Association of Food Chains. "We can put up with short supplies of lettuce and other produce for a while but what happens if the canners don't can and freeze as much as they might—what will we do for food six months from now?"

Indeed, Nixon administration officials have indicated that food rationing is a possibility. "For the first time in our history, there might be great, gaping blank spaces on our supermarket shelves, says C. J. Tempas, president of Green Giant Co.

Adds Dale D. Wolf, sales manager of Joan of Arc Food Co. in Peoria, Ill., which last week stopped selling its canned pork and beans: "If consumers were complaining before about high food prices, they're going to complain even more now because they won't be able to get things. Price becomes secondary when you can't get the product.

Not everyone is crying gloom and doom, of course, and the Cost of Living Council apparently plans to grant relief to a few especially hard-pressed companies. Because the distribution pipelines are filled, shortages of food items haven't yet been reported—though even the government acknowledges that the U.S. may run out of soybeans before the season ends Aug. 31.

A PANDORA'S BOX

Nonetheless, Phase 3½ is turning out to be a Pandora's box for the food industry. One rule is particularly nettlesome because many food products are sold at an agreed-upon price for delivery several weeks or months later. The freeze rules say that prices of goods delivered in the June 1–8 base period can't go any higher, even though those prices may be months old and raw-material costs may have skyrocketed in the meantime.

As a result, some food-processing and manufacturing companies say they find themselves forced to price their products at levels below the current cost of production. Evans Milling Co. in Indianapolis, for instance, closed its doors last Saturday because of freeze-imposed losses of 20 cents a bushel on the corn it milled. Flour millers, soybean processors and others are similarly affected.

"At least three soybean plants have closed, and more than a dozen others have cut back because they were locked into unprofitable prices," says a spokesman for the National Soybean Processors Association. "Some of our members have base prices of less than 16 cents a pound for oil and little more than $200 a ton for meal," he says, "and it's simply impossible to sell at those prices when soybeans bring nearly $12 a bushel." Based on 19 cents a pound—when it can be bought at current soybean prices, oil costs more than all—and meal brings $390 a ton.

GREATEST CRISIS EVER

"Ceiling prices for many feeds are $20 to $50 a ton below the cost of production," says Mr. Ray of the Feed Manufacturers Association. Ralston Purina, one of the biggest companies in the industry, has withdrawn more than 300 feed products from the market. "Others are simply closing," Mr. Ray adds. "It's the greatest crisis our industry has ever faced."

On Tuesday, the Cost of Living Council announced that it had decided not to revise its rule concerning the price freeze on transactions as of the delivery date. Changing the transaction rule, the council decided, would only move the price squeeze further up the production ladder.

But the squeeze is already climbing that ladder. Earlier this month, Anderson, Clayton & Co., Houston, cut production of salad oil, shortening and margarine that it sells in bulk to other food companies. Supermarket executives say they are being cut off by their suppliers of private-label salad oil and expect to be soon for margarine. The flow of products containing flour also is slowing down, supermarket-industry sources say.

Meat processors, which were saddled with price ceilings in April, also are slowing production. Missouri Beef Packers, for instance, has cut back by 20%, and Green Giant has stopped its slaughtering operations in Alabama and reduced operations at its Florida plant to two days a week from six. Iowa Beef Processors says it hasn't had to cut production yet, but a spokesman says that "it's getting more and more difficult to get enough cattle."

The freeze isn't slowing production of some food items, but it is distorting the marketing of them. Retail prices of some seasonal fruits and vegetables, for instance, are still pegged at last year's levels because no sales were made during the base period; wholesale prices, however, had climbed sharply higher to reflect smaller crops caused by bad weather.

Plums, for example, may not be stocked in many markets this summer because of the freeze. Last year's retail price, which is this year's ceiling, was $9 a box, but the wholesale price ceiling under Phase 3½ is $20 a box, the National Association of Food Chains says. Another example: Florida tomatoes were selling for 18 cents a pound in New York during the base period, but now those supplies are gone, and California tomatoes are coming into season—costing about 30 cents a pound. Stores that had been selling the Florida tomatoes may have to stop carrying any, while those in the West normally dependent on California supplies could be so glutted with them that they would feature them on special.

The anomalies aren't limited to fresh produce. General Foods Corp. says that it has stopped selling frozen red raspberries and that when present supplies of frozen strawberries are exhausted, it will stop selling those, too. Some canning-industry sources worry that smaller canners faced with the prospect of paying higher raw-material prices but not being able to sell the finished product at a profit will simply choose not to can. The packing season for many items is just getting under way and inventories of canned fruits and vegetables are sharply lower than normal because of increased demand. No canner has announced such a move, however.

Earlier this week, the government said it may ease the ceiling on certain food products if it appears that shortages are developing. It was obvious that the publicity about farmers' killing baby chicks caused some consternation among price controllers, and hints began circulating that the price freeze may be lifted on broiler chickens and selected other food items sooner than on other products.

Yesterday, for instance, a Paris, Ill., corn-processing plant, Illinois Cereal Mills Co., said it plans to reopen today after pleading its case to the government. The company said in a statement: "We have reviewed our situation with the Price Commission (and) we are optimistic that an early favorable reply will be forthcoming. So we are starting up our plant and will attempt to operate on a day-to-day basis until it is resolved."

The Cost of Living Council apparently is reviewing other pleas for exemptions to the freeze case by case. Illinois Cereal is an important supplier to major breakfast-cereal makers, including Kellogg Co., which said it would lay off workers if the processing plant had remained closed.

Technically, the price freeze doesn't apply to farmers but becomes effective after the farmer sells to a wholesaler or processor. But commerical firms, of course, resist paying any more for the raw product than they can recoup in the selling price, so the farmers have de facto ceilings, too. That's why poultry, dairy and livestock farmers are cutting production until either ceilings are removed or feed costs go down enough to make their operations profitable.

The Nixon administration is working toward both ends. The embargo on soybean and cottonseed exports will remove some of the upward price pressure on these commodities, though it isn't certain yet whether it will be enough to bring costs below Phase 3½ ceilings.

Meanwhile, the Cost of Living Council apparently is speeding its efforts to formulate Phase 4 and end the freeze. Presumably, Phase 4 would resemble Phase 2 in that some price increases would be permitted under stringent conditions—such as short supplies resulting from bad weather.

"If Phase 4 doesn't come soon, I don't see how we can avoid rationing and black-marketeering," says one food executive, whose company makes sausage, among other things. "Any day now I expect a meat supplier to tell me that at the ceiling price he can give me only 500 pounds when I need 10,000. Then he'll let me know that maybe he could provide the other 9,500 pounds at an additional charge. If I don't take it, my competitors will. If we come to that, God help us all."

Mr. McGOVERN. I thank the Senator.

Mr. President, my understanding is that a bill such as this could lie at the desk for several days for additional cosponsors.

The PRESIDING OFFICER. Not unless there is unanimous consent.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the bill—

The PRESIDING OFFICER. The Chair informs the Senator that there is established precedent against it.

Mr. McGOVERN. I know that other Senators are interested in the bill. Perhaps later in the day I can ask unanimous consent that their names be added as cosponsors.

Mr. McGEE. The Senator from Wyoming would like to have his name added, by whatever means.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the name of the Senator from Wyoming (Mr. McGEE) be added as a cosponsor.

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

By Mr. HUMPHREY:

S. 2095. A bill to provide that local educational agencies shall not receive Federal financial assistance unless they provide educational services to all handicapped children at levels of expenditure at least equal to expenditures for other children. Referred to the Committee on Labor and Public Welfare.

EDUCATION FOR HANDICAPPED CHILDREN

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to assure that every handicapped child is provided educational service at least equal to expenditures for other children in that school district.

My bill, identical to legislation introduced by Representative CHARLES A. VANIK, of Ohio, on April 11, 1973, would amend the Education of the Handicapped Act by adding a new part E, providing that a local educational agency shall not receive Federal financial assistance for which it is otherwise eligible if it does not provide educational services to handicapped children, as further defined under this bill, within its jurisdiction. My bill makes further provision to permit a parent of a handicapped child who is denied such educational services to institute a civil action in an appropriate district court of the United States. Subject to making a finding that the local educational agency is making a bona fide effort to provide such services, the court shall order the Commissioner of Education to refrain from granting or continuing Federal financial assistance to the local educational agency.

Mr. President, I have concluded that such decisive measures are required on behalf of 4½ million handicapped children of school age who are excluded from public schools in America. These children constitute about three-fifths of all school-age handicapped children in the United States—an incredibly high proportion who are being isolated and denied the opportunities of education to which every child has a right under the laws of the several States.

I was a sponsor of original legislation in the current Congress—S. 6, the Education for All Handicapped Children Act, introduced by the Senator from New Jersey (Mr. WILLIAMS)—which provided for Federal financial assistance incentives to the States for improved educational services for handicapped children. And I have stated my full support of enactment of the Education of the Handicapped Amendments, S. 896, passed by the Senate on June 25, 1973. Under this important legislation, the goal of Federal assistance will now be the provision of full educational opportunity for all handicapped children. State plans, to be in effect by June 30, 1975, must provide for the identification and evaluation of all handicapped children and for affirmative action toward the achievement of this full-opportunity goal.

But I believe that the implementation of such State plans must be accelerated by firm pressure—the loss of other Federal assistance for education if these educational services for handicapped children are not provided, coupled with civil action relief on behalf of these children. This is the clear purpose and intent of my bill.

The immediate enactment of S. 896 is essential. But it must be recognized that the funding authorizations under this bill have been substantially reduced in response to budgetary pressures by the administration. Moreover, the language of this bill calls for the eventual achievement of educational goals for handicapped children—in other words, the States are to promise that sometime in the future full and equal educational opportunity will be established for all children, including the handicapped.

In my remarks during Senate debate on S. 896, I argued in the strongest possible terms that this is simply not good enough—that the handicapped individual deserves a full measure of justice now; that there is no area of human need that is greater than this; and that the time has come for Congress to face up to the responsibility of helping those who really need the help, through providing for adequate program appropriations.

The fact is that inadequate efforts by the States on behalf of handicapped children have been met with indifference by the executive branch of the Federal Government, which requested only $37.5 million of the $220 million authorized by Congress, for the grants to the States program for fiscal 1973 under the Education of the Handicapped Act. And further reductions in funds available for education programs serving handicapped children resulted from the correction of illegal activities by the Office of Education in back-dating to fiscal year 1972, grants and contracts actually processed in the early part of fiscal 1973—a cover-up for inexcusable bureaucratic delays in processing applications.

To make up this short-fall, it was recently necessary for Congress to enact $13.8 million in supplemental appropriations, to remain available until September 30, 1973. However, the President has just vetoed this appropriations bill. It is profoundly wrong that handicapped children should suffer because of bureaucratic bungling, but it is an unconscionable act of irresponsibility for the President to disapprove these further appropriations, intended to right this wrong.

However, beyond achieving an effective level of Federal assistance, Congress must also insist that the States fulfill their responsibilities for the education of handicapped children. Even granting the allegation of States that funds required for special educational services for handicapped children are inadequate, the evidence strongly suggests that States too often are failing to make a determined effort to assure that handicapped children have opportunities for decent care and development. Too often, parents confront long waiting lists in seeking counseling services for their handicapped children; too often, handicapped children are denied access to public schools, whether because of the lack of adequate professionally trained staff or because these children are simply viewed as an extra burden; and too often, the children are left with no alternative to being sent to an institution or to being shut up in their homes, because of the limited availability and higher costs of private schooling.

I am advised that, in point of fact, State and Federal authorities were only able to identify, counsel, and place in educational facilities some 40 percent of handicapped persons under 21 years of age in 1971.

Mr. President, at the conclusion of my remarks I request unanimous consent to include in the RECORD a listing by the Department of Health, Education, and Welfare of the estimated number of handicapped children served and unserved during 1971–72 in the respective States. This listing does not indicate the quality of training and care for those who were served, which only emphasizes the serious lack of information about handicapped children across the Nation. In turn, this lack of information is clear evidence of a basic failure to give the needs of handicapped children the priority attention that must now be demanded.

There are presently pending more than 20 "right to education" suits in Federal district courts on behalf of handicapped children. Therefore, it is clear that the time for decisive action is at hand. We are confronting an extensive case of what has rightly been called taxation without service. Our Federal, State, and local governments tax handicapped people, their parents and relatives, but fail to provide services for them. Parents of handicapped children pay school taxes, yet cannot send their children to public school.

Under my bill, the details of educational services for the handicapped will be determined in light of local needs, with the flexibility needed for efficiency. But educational opportunity will be required for every child.

I urge that Congress take the leadership on this vital issue by mandating the provision of educational services to handicapped children across America.

Mr. President, I ask unanimous consent that in addition to the previously mentioned State-by-State listing of handicapped children served and unserved, the following items be included in the RECORD: The text of the bill, and an article entitled "Handicapped Pupils Face Schooling Crisis," appearing in the May 30, 1973, issue of the Washington Post.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2095

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Education of the Handicapped Act is amended by adding at the end thereof a new part E as follows:

"PART E—EDUCATIONAL SERVICES FOR HANDICAPPED CHILDREN

"PROVISION OF APPROPRIATE EDUCATIONAL SERVICES TO HANDICAPPED CHILDREN

"SEC. 671. (a) Federal financial assistance which the Commissioner is otherwise authorized to extend to a local educational agency by way of grant, loan, or contract, other than a contract of insurance or guarantee, shall not be granted or continued to any local educational agency which does not provide educational services to handicapped children within its jurisdiction.

"(b) For purposes of this section, the term 'educational services to handicapped children' means such services as are provided by a local educational agency, either directly through public elementary or secondary schools, or indirectly through programs in cooperation with a State educational agency or other State agency, with one or more other local educational agencies, or with private institutions, which are appropriate to the educational needs of handicapped children, at levels of expenditure at least equal to such agency's expenditures for other children in public elementary or secondary schools within its jurisdiction, as determined by the head of the bureau for the education and training of the handicapped established under section 603.

"CIVIL ACTION FOR WITHHOLDING OF FEDERAL FINANCIAL ASSISTANCE

"SEC. 672. (a) A parent (including any person standing in loco parentis) of a handicapped child within the jurisdiction of a local educational agency receiving Federal financial assistance in violation of section 671(a) may institute a civil action in an appropriate district court of the United States against such parties as may be appropriate. If the court finds that such agency is receiving Federal financial assistance in violation of such section, the court shall order the Commissioner to refrain from granting or continuing such assistance until such time as such assistance will no longer constitute a violation of such section. The court may, in its discretion, stay the taking effect of such order for no more than one year from the date of such finding, if the court finds that such agency is making a determined effort to provide educational services to handicapped children, as defined in section 671(b).

"(b) Each district court of the United States shall have jurisdiction of actions brought under subsection (a).

"(c) In any civil action instituted under subsection (a), the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorneys' fee as part of the costs, and the United States shall be liable for costs to the same extent as a private person."

ESTIMATED NUMBER OF HANDICAPPED CHILDREN SERVED AND UNSERVED, 1971–72 (AGED 0 TO 21 YEARS)

State	Total served	Total unserved	Grand total
1 Alabama	22,384	88,765	111,149
2 Alaska	1,875	3,175	5,050
3 Arizona	12,678	27,318	40,059
4 Arkansas	12,492	109,173	121,665
5 California	321,765	219,320	541,085
6 Colorado	37,566	38,289	75,855
7 Connecticut	35,544	54,322	89,866
8 Delaware	8,351	7,371	15,722
9 District of Columbia	9,568	12,334	21,907
10 Florida	105,021	34,822	139,843
11 Georgia	65,061	64,803	129,864
12 Hawaii	9,106	10,484	19,590
13 Idaho	3,395	28,166	36,561
14 Illinois	180,877	74,504	255,381
15 Indiana	86,599	58,492	145,091
16 Iowa	36,521	58,210	94,731
17 Kansas	27,713	26,853	54,566
18 Kentucky	24,336	54,050	78,386
19 Louisiana	45,056	77,288	122,344
20 Maine	6,758	23,985	30,743
21 Maryland	66,259	57,380	123,639
22 Massachusetts	63,460	45,152	108,612
23 Michigan	165,018	123,279	288,297
24 Minnesota	70,423	52,242	122,665
25 Mississippi	16,587	99,479	116,066
26 Missouri	65,110	156,468	221,578
27 Montana	5,358	18,242	23,600
28 Nebraska	23,734	69,834	93,568
29 Nevada	6,300	7,340	13,640
30 New Hampshire	6,070	13,304	19,374
31 New Jersey	99,189	131,866	231,055
32 New Mexico	8,655	44,471	53,126
33 New York	221,219	151,592	372,811
34 North Carolina	73,739	98,841	172,580
35 North Dakota	9,470	38,268	47,215
36 Ohio	175,300	160,578	335,898
37 Oklahoma	23,746	120,840	144,586
38 Oregon	26,274	21,770	48,044
39 Pennsylvania	156,830	108,619	265,449
40 Rhode Island	13,475	26,000	39,475
41 South Carolina	38,275	68,230	106,505
42 South Dakota	4,414	13,381	17,795
43 Tennessee	49,173	82,730	131,903
44 Texas	175,622	602,069	777,731
45 Utah	27,079	17,100	44,179
46 Vermont	4,612	16,019	20,631
47 Virginia	44,768	101,980	146,748
48 Washington	64,223	15,071	79,294
49 West Virginia	15,161	65,400	80,561
50 Wisconsin	66,230	89,583	155,813
51 Wyoming	5,665	12,810	18,475

Source: U.S. Department of Health, Education, and Welfare.

[From the Washington Post, May 30, 1973]

STILL IN SPARTA?—HANDICAPPED PUPILS FACE SCHOOLING CRISIS

(By Andrew Barnes and Bart Barnes)

In ancient Sparta, authorities had a singular way of dealing with children who were born with crippling deformities.

They took those children out of the city to the mountainside and left them to die.

In 20th Century America, there are those who argue that society's treatment of the handicapped hasn't changed that much since the days of the ancient Greeks.

Despite a spate of court decisions and laws to the effect that the handicapped now have a right to an education, there is still a strong tendency simply to put them away, it is argued.

Although that attitude is now being challenged and, in some cases, rejected in courts across the country, the tradition of excluding the handicapped is deeply rooted in custom and law.

In a landmark case in Wisconsin in 1919, a judge sanctioned the exclusion of a blind, but otherwise normal, child from school on the grounds that his handicap had a "depressing and nauseating effect on teachers and students."

Until recently, there was a statute in North Carolina making it a misdemeanor punishable by law for the parent of a handicapped child to persist in trying to have the child admitted to school once the schools had certified they had no program for him.

When the state of Pennsylvania signed a court order in the fall of 1971 stipulating that no retarded child could be excluded from a publicly supported education, the response of one local school board was immediate.

It adopted a regulation that no retarded child would be eligible to try out for the high school cheerleading squad.

An estimated one in every 10 Americans suffers from some type of handicap. Those handicaps range from crippling physical deformities to mental retardation to nervous disorders that impede the ability to communicate and learn.

Approximately 7 million are of school age. It is these children, 60 per cent of whom are not receiving the specialized kind of educational services they need, and their parents who are now demanding an education as a matter of constitutional right.

In this, Washington is a microcosm for what is happening elsewhere in America. Last Aug. 1, U.S. District Court Judge Joseph C. Waddy ordered the city's school system to stop telling handicapped children there was no place for them in the public schools.

Even if it is expensive, the judge said, the handicapped have a right to a suitable education at public expense. If proper instruction cannot be provided in a normal classroom setting, then it is the obligation of the public school system to see that every child gets whatever instruction he needs, either in a special school, special class, remedial program or home instruction.

If there is no suitable program available under any of those methods, the judge directed, then the city is obligated to pay the full cost of the child's tuition at a private school.

As of last February, the last time a count was taken, there were 8,113 children in the District of Columbia public school system enrolled in programs of special education. That figure is nearly twice the number enrolled in special education programs before the judge's order. And the number continues to increase as more and more of the handicapped are identified among the city's school population of 140,000.

Judge Waddy's order came in response to a lawsuit filed by the parents of a number of handicapped children who either had been excluded from the public schools altogether or had been denied special programs they needed.

It grew out of years of frustration and agony on the part of the parents of handicapped children struggling against an unresponsive bureaucracy to get what was best for their children.

Dorothy Banks, the mother of an aphasic child, is one who spent 15 years doing battle with the system on her son's behalf. "If you can't raise hell, you can cry," is how she sums up her attitude towards the system.

Aphasia, which also afflicts adult stroke victims, is an impairment of the power to communicate with words. It is also known as one of the specific learning disabilities.

When Keith was somewhat more than 1 year old, Mrs. Banks remembers, "I knew he couldn't talk." The well baby clinic at Freedmen's Hospital told her she was "expecting too much. Some kids talk late."

Time passed, and things were still not right. Further tests showed Keith "couldn't see very well. Hardly at all."

Still, "nobody knew quite why he couldn't talk." One doctor told Mrs. Banks that Keith's only trouble was his "hysterical mother—in so many words. That's the way they put most mothers down."

The doctor "told me to put him in a camp. He couldn't speak a word—fearful of everything, because nobody knew he couldn't see. This fool tells me put him in a residential camp. As usual, I ended up raising hell."

The complete diagnostic workup took many months. Each clinic visit meant a day off work at the Pentagon for Mrs. Banks.

Mrs. Banks says she encountered many helpful, sympathetic people in the search for ways to help Keith, but the hardest for her to take were the bureaucrats who told her: "I don't know what you're going to do, but don't sit there and bug me."

"I do get very impatient with people who do not do their job," Mrs. Banks says.

Mrs. Banks only chanced to see a display in a down town department store window that put her on the track of the private school Keith has attended for the last several years.

"I did know the word aphasia," she remembers, "but I hadn't thought about the necessary retardation from lack of communication." The school offered individual attention. They visited it and it seemed suitable.

But it cost $1,200, far more than Mrs. Banks could pay. "I was ready to beat somebody to death, but I didn't have anybody to beat."

There's a law on the books, a friend told Mrs. Banks, that the public schools must pay private school tuition if there is no

suitable public school. "That's where the fight began."

She ended up going before the board of education, which voted the tuition money.

Keith has gone from a child whose eyeballs just wiggled the whole time to six feet two, walking down the street, you would never think there was anything wrong with him.

"In most cases there is somebody in the education world who could help a child," Mrs. Banks says. She feels sorry for parents. "There are so many that get burdened down so they can fight for themselves for their kids."

For those handicapped who do make it through the system, it takes unusual strength and an ability to withstand society's contempt and indifferences, along with the best therapy and education.

At 23, Andy Cowin is a college graduate, just beginning his first job. He is a victim of a form of cerebral palsy that makes the muscles of his right hand and arm uncontrollable. His speech is sometimes difficult to understand, particularly when he gets excited, which is often, and the palsy causes him to walk somewhat carefully, though swiftly.

He can remember standing, slapping his thighs as hard as he could and shouting his frustration: "You're not a goon, walk straight, be normal."

Nobody is more determined to achieve normality than a handicapped person, yet just walking down the street can be an ordeal. "People laugh all the time," Cowin says. "They are afraid.

"How dare you be out of the cage?" he feels people ask. "You don't belong on the street."

Despite the handicap of cerebral palsy, Andy Cowin had the advantage of being bright, yet year after year his teachers in school wanted to hold him back because he was unable to write with a pencil. (He types now, but still can only use his left hand.) His mother refused, pointing out that he understood the content of the school work.

By a combination of summer tutoring and sheer push, he stayed in his regular public school classes until he was 11, when he left his Boston home and went to the Massachusetts Hospital School.

He took regular academic courses and did first-class work. He also had regular speech therapy and learned to type 25 words a minute with his left hand.

Cowin graduated with his regular academic high school degree at 17. He has trouble with written tests, he says, but does well on spoken ones.

He had attended four colleges before getting his degree—bachelor of business administration—from George Washington University last August.

Cowin remembers the judgment of one of his first college teachers: "You need help, but you are smart."

He ended up with A's and B's, immensely proud. "I was an honor student. What the hell is a goon?"

But the stories of Cowin and Mrs. Banks and her son Keith are of handicapped people who got an education by perseverance, in spite of, not because of the established public school systems. Now, in the District of Columbia, the schools are under court order to see that all handicapped get such an education.

That order directing a public education for all handicapped children has been met, for the most part, through a program whose underlying philosophy is called "mainstreaming."

Increasingly in use across the country, mainstreaming is a program to keep children in regular classes whenever possible. They are taken out only to provide therapy, small group instruction or special individual assistance required by each particular child.

Proponents of mainstreaming say it prevents the stigmatization of being set apart from "normal" children. They are handicapped children who will emerge better prepared for adult life because they will not fear to deal with the real world.

But there are also people who say it doesn't work.

"I really think we are going in the wrong direction," says Elwood Swarmer of the Montgomery County Cerebral Palsy Association. The handicapped are "accepted while they're in school, but they are a lot of trouble. I don't think we are ever going to make them normal."

There are many teachers and administrators of the D.C. public school systems who are among the most unhappy about keeping handicapped children, particularly the emotionally disturbed, in regular classes.

Under the Waddy decree, they can no longer suspend and expel "troublemakers," and yet they feel they have not been given sufficient help in handling these children in school.

School principals filled a public meeting recently, complaining loudly that they cannot teach anybody with disruptive children in the classroom.

Children with special problems, they argued, should be sent to special schools so that normal children can get on with their school work.

This is opposed by Merle Van Dyke, the George Washington University professor now in charge of special education for the city and a firm believer in mainstreaming.

Often, he argues, special schools represent the "take them out for special magic approach."

Special magic, he said, just does not exist. Instead, he said, dealing with the handicapped effectively means identifying the problem early and then working with it. For some children it can be simply the routine of drill: moving the eyes from left to right in preparation for reading or the use of colors to help a child to identify letters. For hundreds of others who defy inclusion in the mainstream, it is a matter of learning to feed themselves and use the toilet at the city's institution for mentally retarded in Laurel.

In Pennsylvania, the courts have explicitly ruled that if feeding himself is the most a person can learn, that is the education he has a constitutional right to receive.

Beginning today and continuing through Wednesday, the House District Committee's education subcommittee headed by Rep. Ronald V. Dellums (D-Calif.), will hold hearings on the implementation of the Waddy decree in Washington.

There are also efforts underway to aid the handicapped in places where there is no litigation pending.

Bernice Munsey in Arlington, for example, has led a campaign there to provide special education for every child needing it. Fairfax County's public schools have expanded their special education program so that now they hope to include all handicapped children.

In ancient Greek mythology, there is the story of Hephaestus, born ugly and lame of Hera into a community of beautiful gods. As an offense to the community, Hephaestus was cast out from heaven.

In Washington in 1973 the belief is still widespread that the handicapped should be put away in their own institutions, says Yetta Galiber of the Information Center for Handicapped Children.

Only a few months ago at a meeting on how to improve the public schools, one woman rose to address the gathering:

"I don't want my child in school with a handicapped child," she said. "My child is normal."

SOURCE OF INFORMATION

One source of information concerning the many programs available in the Washington area for handicapped children is the Information Center for Handicapped Children, located at 1619 M St., NW. The phone number is 347-4986. The center's referral service is free.

By Mr. BELLMON:

S. 2099. A bill to prohibit the public disclosure of Federal election returns during Presidential election years prior to midnight, eastern standard time. Referred to the Committee on Rules and Administration.

Mr. BELLMON. Mr. President, today I am introducing a bill which will make it unlawful for election officials to publicly disclose the election returns for President, Vice President, and Members of Congress prior to midnight, eastern standard time, during Presidential election years.

This proposal was originally presented on June 27 as an amendment to S. 343, the Federal elections bill, and later withdrawn with the understanding that this measure will later be considered by the Rules Committee or as an amendment to S. 372 which should be considered by the Senate sometime before the August recess.

This bill would rectify an election abuse which occurs every Presidential election year, the publicizing of Presidential and congressional election results before the polls close in our Western States. Because of the differences in time zones and voting hours in various parts of the country, the polls in the east coast States close far earlier than do those in the west coast. This variance in publicizing election returns works a detriment to the free election process because of the bandwagon influence which comes from the broadcasting and prediction of congressional and Presidential election results in Western States long before the polls have closed.

Many citizens are concerned because of the likelihood that the present practice of publicizing returns influences the way many votes are cast, and discourages others from voting because of the belief that the outcome of the election has already been decided.

In fact, in my State of Oklahoma, we have a State law against revealing election results in any particular precinct until the polls are closed. It seems to me to be entirely inconsistent that we do not have a similar law for national elections where results are now publicized while some polls are still open.

Few would contend that the broadcasting of election results while citizens are voting has anything but a negative impact.

My bill, if enacted, would accomplish the following:

First, it would make it a Federal offense for any state or local election official to publicly disclose any information in regard to the number of votes cast for President, Vice President, or Members of Congress in any Presidential election year before the hour of midnight eastern time.

Second, violation of this prohibition could result in a fine of not more than $5,000 and imprisonment for not more than 1 year or both.

Third, State law would continue to govern the "hour of voting" as distinguished from the time for public disclosure as established by this bill.

Mr. President, the net effect of my bill will be to prevent the publicizing of election results or predictions based on actual returns tabulated in eastern States until after 9 p.m., Pacific coast time, or 1 hour after the polls have closed in California. Because polls in Hawaii close at 6:00 p.m. local time those polls would have been closed 1 hour. Delayed broadcasting in Alaska would avoid serious problems in Alaska where one-half the voters would still have 1 hour to vote.

This bill represents a simple, direct approach to the correction of an election abuse whose time for solution is long overdue.

By Mr. MATHIAS (for himself, Mr. BAYH, Mr. HUMPHREY, Mr. ROTH, and Mr. BROCK):

S. 2102. A bill to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens who are residing or domiciled outside the United States. Referred to the Committee on Rules and Administration.

THE OVERSEAS CITIZENS VOTING RIGHTS ACT OF 1973

Mr. MATHIAS. Mr. President, I rise this morning to offer with my distinguished colleagues, Senators BAYH, HUMPHREY, ROTH, and BROCK, a bill to extend effectively the Federal franchise to overseas American citizens.

I have been concerned to learn that there are by one count some 750,000 American civilians residing abroad who are barred from participating in Presidential or congressional elections. These civilians include thousands of businessmen, as well as church officials, teachers, lawyers, accountants, engineers, and other professional people serving the interests of their country abroad and subject to U.S. tax laws and the other obligations of American citizenship. It seems remarkable that in a day when so many Americans pursue commercial, educational, and cultural interests overseas, these numerous citizens are disenfranchised. This occurs because the majority of States impose rules which require a voter's actual presence or maintenance of a home in the State; or which raise a doubt of voting eligibility of nonresident domiciliaries whose date of return is uncertain; or because the citizen is unsure whether he or she will return to the State of last residence or be assigned to a different State; or the State has confusing absentee registration or voting forms that appear to require the maintenance of a home or other abode in the State. I have recently been given the following illustration of a typical American residing abroad:

A qualified voting resident left the State a number of years ago to work abroad in a business or professional capacity. His former home in the State has been sold and he now only has a physical residence in a foreign country. However, he looks upon this as temporary and intends eventually to return to his State. He considers that his last residence before departure from the State remains his domicile or legal residence for voting in Federal elections, even though he has no present place of abode within the State.

What are the chances for this typical American residing abroad to vote in elections back home?

It appears that nearly two-thirds of the States effectively disenfranchise or impair the ability of a nonresident domiciliary to vote in congressional elections.

In elections for President, I understand that barely half of the States—26 and the District of Columbia would clearly allow him to register and vote absentee. A number of these States have adopted the form 76 Federal post card application form—FPCA—for absentee registration and voting by Americans abroad.

Certain other States, such as Illinois, would clearly allow the citizen abroad to vote in Presidential elections as a result of legislative history developed by my distinguished colleague Senator GOLDWATER of Arizona for title II of the Federal Voting Rights Act amendments of 1970. The remaining States taking a position have either given a qualified response, or have otherwise indicated some reluctance to go along with the Senate interpretation of the 1970 amendments set forth so eloquently in the legislative history by my friend from Arizona. In short, the opportunity to vote even for President in nearly half the States still seems to be shrouded in confusion and ambiguity. Under present law, moreover, if our typical American citizen abroad does not have an intent to return to the State of his last residence, in other words is not a domiciliary of that State, it would appear that he would presently not be entitled to vote in any State of the Union. This would be the case, for example, if his employer transferred him overseas from one State, but could give him no assurance what State he might be transferred to upon his return.

These figures on voting in Presidential and congressional elections are based on State-by-State surveys conducted by the bipartisan committee for American voters overseas. The Bipartisan Committee is an organization of distinguished business and professional people in Europe of both political parties who have been seeking the enfranchisement of American citizens residing abroad. At this time, I ask unanimous consent to have printed in the RECORD following my remarks a copy of these surveys.

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

(See exhibit 1.)

Mr. MATHIAS. Mr. President, the findings in these materials have been confirmed by firsthand reports from frustrated American citizens as close as Canada or Mexico, and as far away as France or Brazil. As an illustration of this, I ask unanimous consent to insert in the RECORD a New York Times article indicating the frustration Americans in Mexico City faced in seeking to vote in the 1972 election.

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

(See exhibit 2.)

Mr. MATHIAS. The need for specific new legislation to enfranchise overseas Americans was pointed out last March in an opinion letter sent by the Department of Justice to the Bipartisan Committee on Absentee Voting—now renamed the Bipartisan Committee for American Voters Overseas. In brief, the Department concludes that a State may still require maintenance of an abode or other address as a requirement for voting in Presidential elections "in the absence of clear and unequivocal language" in the statute. It is the purpose of our legislation to provide this clear and unequivocal statutory language for congressional as well as Presidential elections. At this point, I ask unanimous consent to insert this opinion letter from the Justice Department in the RECORD following my remarks.

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

(See exhibit 3.)

Mr. MATHIAS. The legislation we propose today would allow the American citizen residing overseas to vote in Federal elections in the State in which the citizen had last voted or registered to vote, or if the citizen had not so voted or registered, in the last State in which the citizen maintained a domicile before departing from the United States as long as the individual is otherwise qualified to vote in that State and complies with the absentee ballot requirements of the State and provided the citizen does not qualify as a voter in any other State, territory, or possession of the United States. This is the crux of the legislation we are introducing today. The present checkerboard pattern of domicile rules among the States should no longer be permitted to deny Americans overseas the franchise in Federal elections.

The legislation would also establish as Federal law, in clear and unequivocal statutory language, the principle that the exercise of the right to register and vote by a U.S. citizen abroad should not constitute an act which would affect the determination of his or her actual residence—as distinguished from his or her place of voting for Federal, State, or local tax purposes. The Internal Revenue Code and the laws of all but a handful of the States offer Americans currently residing abroad an income tax exemption, in whole or in part, for income earned abroad. The legislation I am introducing today would help assure that the exercise of the right to register and vote absentee by such a citizen would not jeopardize any such income tax exemption. The Internal Revenue Service has already indicated, most recently in an August 28, 1972, ruling letter to Senator GOLDWATER, that the exercise of absentee registration and voting rights will not jeopardize the nonresident Federal income tax exclusion available to a U.S. citizen residing abroad. The legislation being introduced today would enact this administrative interpretation into law for Federal income tax purposes and would assure that the States would not make an inconsistent interpretation of their own income tax laws. I ask unanimous consent at this time to have printed in the RECORD the Internal Revenue Service ruling letter sent to Senator GOLDWATER by subject.

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

(See exhibit 4.)

Mr. MATHIAS. The legislation proposed today would also provide a form

which the States may accept as an application for an absentee ballot to vote in a Federal election and as an application for registration to vote in such election if registration is required by the laws of the State. The form is modeled after the Federal Post Card Application Form—FPCA—now used in most States as an application for registration and ballot for overseas military personnel and certain other groups which vary from State to State. Although the States are not required to adopt this form it is our hope that wherever feasible they will do so.

Strong enforcement provisions are contained in the bill to guard against fraudulent voting. Although, I might add, fraudulent voting has never been a real problem with overseas ballots, since each application for registration and for a ballot must be notarized. The legislation we introduce today would continue that practice.

Mr. President, I might add that I was gratified to see, upon examination of the previously mentioned surveys by the bipartisan committee, that my own State of Maryland is one of the States that has adopted the simplified registration and voting procedures recommended by the Federal Voting Assistance Act of 1965, as amended in 1968, allowing U.S. citizens temporarily residing abroad to use the simplified Federal post card application form for both absentee registration and absentee voting in Federal, State, and local elections.

I am pleased at the progress made in the use of the Federal post card application form in Maryland and the other States, and the good work of the Federal voting assistance task force in encouraging State adoption of the FPCA. And I know that all Americans residing abroad are enormously grateful to Senator GOLDWATER for his efforts in connection with the Federal Voting Rights Act Amendments of 1970. It is apparent, however, that much more yet needs to be done until we reach the time when every American citizen residing abroad may actively participate in the election process at the congressional as well as the Presidential level. We hope that the legislation being introduced today will be a helpful step in that direction.

EXHIBIT 1

SURVEY OF STATE LAWS AND PROCEDURES FOR ABSENTEE REGISTRATION AND VOTING IN PRESIDENTIAL ELECTIONS BY AMERICAN CITIZENS RESIDING ABROAD

The Bipartisan Committee on Absentee Voting has recently undertaken a survey of the laws and procedures in the various states to determine the eligibility of U.S. citizens residing abroad for absentee registration and absentee voting in Presidential elections. The survey involved (i) the sending of letters dated February 4, 1972 to the Attorneys General (or equivalent officials) of all of the states and the District of Columbia; (ii) consultation with the staff of the Federal Voting Assistance Task Force; and (iii) independent research by counsel for the Bipartisan Committee. In this survey, the Bipartisan Committee asked whether the person described in the following example would be eligible for absentee registration and voting in the 1972 Presidential election:

A qualified voting resident left the state a number of years ago to work abroad in a business or professional capacity. His former home in the state has been sold and he now only has a physical residence in a foreign country. However, he looks upon this as temporary and intends eventually to return to his state. He considers that his last residence before departure from the state remains his domicile or legal residence for voting in national elections, even though he has no present place of abode within the state.

The survey took into account two recent federal laws which were expected to expand absentee registration and voting rights of Americans temporarily residing abroad. First, the Federal Voting Assistance Act of 1955, as amended in 1968, recommended that the states adopt simplified registration and voting procedures for military personnel and other U.S. citizens temporarily residing abroad. One of the principal recommendations in the Federal Voting Assistance Act is the adoption of the simplified Federal Post Card Application (FPCA), which can serve as an application both for absentee registration and for an absentee ballot. As of now, 24 states and the District of Columbia have adopted the FPCA for U.S. citizens temporarily residing abroad, and the form may be used in those states for all elections—federal, state and local.

Second, Title II of the Federal Voting Rights Act Amendments of 1970 (the "1970 Amendments") endeavored (1) to abolish completely the durational residency requirement as a precondition to voting in Presidential elections; and (2) to establish uniform national standards for absentee registration and voting in Presidential elections. The language of Title II does not appear to deal specifically with absentee registration and voting rights of Americans residing abroad. During Senate debate on the 1970 Amendments, however, Senator Barry M. Goldwater interpreted Title II to provide that the retention of state domicile (*i.e.*, intent to return) is sufficient to assure these rights for all "civilian citizens who are temporarily living away from their regular homes," even if they are working or studying overseas, 116 Cong. Rec. 3539 (daily ed. March 11, 1970). Only two states (Connecticut and Illinois) appear to have clearly adopted the Goldwater interpretation of Title II. As noted above, 24 states and the District of Columbia accept the FPCA; and Michigan has a statute modeled on the Federal Voting Assistance Act of 1955, as amended, but has not formally adopted the FPCA. The remaining states taking a position have either given a qualified response, or have refused to go along with the Goldwater interpretation entirely.

Below is a state-by-state breakdown of the Bipartisan Committee survey of the eligibility of Americans temporarily residing abroad for absentee registration and voting in Presidential electons, with the totals for each category (the District of Columbia being listed as a state):

ABSENTEE REGISTRATION

States (including the 25 FPCA states)—"Yes"	27
States—Qualified "Yes"	8
States—"No"	6
States—Unclear	10

ABSENTEE VOTING

States (including the 25 FPCA states)—"Yes"	27
States—Qualified "Yes"	11
States—"No"	5
States—Unclear	8

[Letters from state authorities were addressed to the Bipartisan Committee unless otherwise noted. The states for which the Bipartisan Committee has not yet received a reply from the Attorney General or other official are shown in the survey by an (*).]

State	Absentee registration	Absentee voting	FPCA for citizens temporarily abroad	Comments
Alabama	No	No	No	Letter from Attorney General, Feb. 9, 1972: Unable to give opinion to private party. [See Title 17, § 26 (Supp. 1969 (absentee registration problem); Title 17, § 64(16), (23), (24a) (Supp. 1969) (absentee ballot problem).]
Alaska	Yes	Yes	Yes	
Arizona	Unclear	Unclear	No	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return uncertain. A.R.S. § 16–925 (Supp. 1971). Confusing registration form appears to require presence in State. A.R.S. § 16–143(A), (B) (Supp. 1971).
Arkansas	Yes	Yes	Yes	
California	Yes	Yes	Yes	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return uncertain. West's Ann. Elec. Code § 14287 (1961).
Colorado	Yes	Yes	Yes	
Connecticut	Yes	Yes	No	Letter from Secretary of State, Feb. 24, 1972: Agrees that under the 1970 amendments a former Connecticut resident "who temporarily resides in Europe" may register in absentia for presidential (elector) elections, and may maintain his voting residence in Connecticut for such elections.
Delaware	Yes	Yes	Yes	
District of Columbia	Yes	Yes	Yes	
Florida	Yes	Yes	Yes	
Georgia	Yes	Yes	Yes	
Hawaii	Yes	Yes	Yes	
Idaho	Yes	Yes	Yes	
Illinois	Yes	Yes	No	Letter from Attorney General to the county attorney of Peoria, Mar. 13 1972: Under the provisions of the 1970 amendments, a U.S. citizen and resident of Illinois may vote in the presidential (electors) election in his precinct by absentee ballot "even though he is living in a foreign country." The county clerk is required to allow absentee registration of such citizens.
Indiana	Unclear	Unclear	No	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return uncertain. Ann. Ind. Stat. § 29–4803 (1969).
Iowa	Yes	Yes	Yes	
Kansas	Yes	Yes	Yes	
Kentucky	Qualified yes	Qualified yes	No. Indicated to Federal Voting Assistance Task Force intention to adopt FPCA by administrative rule in the future.	Letter from Attorney General, Feb. 11, 1972: Under the 1970 amendments, "American citizens living abroad who have established residence in Kentucky will be permitted to register in absentee. . . . Certainly a person does not have to be physically present in the State in order to vote, but on the other hand he must have some specific residential address in order to register. Thus, concerning the example you present, if the voter cannot cite or declare a particular place within a precinct as being his legal residence in Kentucky, we cannot see how he can legally qualify to register and vote." [See K. R. S. Ann. § 117.610 (1969).]

State	Absentee registration	Absentee voting	FPCA for citizens temporarily abroad	Comments
Louisiana	No	No	Legislation pending	Letter from Attorney General, July 29, 1966, verified by telephone, Oct. 27, 1971: "The place where one regards as his home is unimportant; where he actually resides is the determining factor." [See LSA–R. S. § 18:40 (1969) (absentee registration problem).]
Maine	Qualified yes	Qualified yes	No	Letter from Deputy Attorney General, Feb. 7, 1972: "This office has no quarrel with [your] example," but cannot speak for the several hundred registrars or boards of registration of voters in the State. [See 21 M.R.S.A. § 71 (Supp. 1970) (absentee registration problem).]
Maryland	Yes	Yes	Yes	
Massachusetts	Yes	Yes	Yes	Letter from Assistant Attorney General, Feb. 9, 1972: If a voter's name has been stricken from the list of registered voters as a result of the annual voting census and the voter seeks to reregister and can give no street and number which he maintains as a physical place of residence, "I think the voter would encounter grave difficulties."
Michigan	Yes	Yes	No	Letter from Attorney General, Mar. 10, 1972: Statute now provides for absentee voting for U.S. citizen temporarily residing abroad. Mich. Stat. Ann. § 6.1759(1). [Election clerks might accept FPCA as application for absentee ballot (and affidavit).]
Minnesota	Yes	Yes	Yes	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return is uncertain. M.S.A. § 201.26 (1962).
Mississippi	Yes	Yes	Yes	
Missouri	No	No	No	Letter from Attorney General, Feb. 16, 1972: Legislation pending to incorporate requirements of the 1970 Amendments in Missouri statutes. [See U.A.M.S. § 113–240 (Supp. 1971); cf. U.A.M.S. § 112.310 (Supp. 1971) (absentee registration problem).]
Montana	Yes	Yes	Yes	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return is uncertain. Rev. Code of Mont. 1947, § 23–3022 (Supp. 1971).
Nebraska	Yes	Yes	Yes	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return is uncertain. R.R.S. 1943, § 32–475 (1968).
Nevada	No	No	No	Letter from Attorney General, Feb. 18, 1972: "In light of the presumptions created by the Nevada Statute as well as the fact that the individual in question has broken up his home and moved to a foreign location it would appear that under the presently existing Nevada law the individual fitting your hypothetical situation would not qualify for an absentee ballot in this State." [See NRS § 293.500 (1969). See also NRS 293.517, 293.553 (1969) (absentee registration problem).]
New Hampshire	Qualified yes	Qualified yes	No	Letter from Attorney General, Feb. 15, 1972: "[W]here the right to vote involves a temporary absence [from the State] it is a question of fact whether the voter has the requisite 'intention of returning thereto as his home." [Case raises doubt of voting eligibility of nonresident domiciliary whose date of return uncertain. Felker v. Henderson, 78 N.H. 509, 102 Atl. 623, 624 (1917).]
New Jersey	Qualified yes	Qualified yes	No	Letter from Attorney General, Apr. 5, 1972: "It is the position of this office that New Jersey domiciliaries temporarily residing abroad must be afforded an opportunity for both absentee registration and voting in presidential elections. Enabling legislation to this effect is being introduced in the New Jersey Legislature in order that New Jersey domiciliaries can exercise their legitimate right of franchise in the presidential election while residing temporarily abroad." [But see N.J.S.A. § 19:31–6 (1964) (absentee registration problem).]
New Mexico	Yes	Yes	Yes	
New York	No	No	No	Letter from Attorney General to Department of Defense, May 27, 1969, verified by telephone, Oct. 27, 1971: "[F]or a civilian to vote by absentee ballot he must retain a permanent residence within the State of New York [unless voter is employed by the United States". Letter from Attorney General, Mar. 30, 1972: Unable to give opinion to private party. "I recommend that you direct your efforts to the legislative bodies which have the power to make changes in New York Law."
North Carolina	Qualified yes	Qualified yes	No	Letter from Attorney General, Feb. 11 1972: "[I]f a person goes into another State or country for temporary purpose without the intent of making that country his permanent residence and with the intent of returning to this State and particularly where he continues to vote absentee ballots in this State then he would not generally be considered as having lost his residence in North Carolina." The North Carolina statute, Gen. Stat. § 163–57, makes clear that a person shall not be considered as having lost his residence if he goes into "another State or county of this State." However, the Attorney General appears to have liberally construed this language to include "another country." Note also that the statute raises some doubt as to the voting eligibility of a nonresident domiciliary whose date of return is uncertain. Gen. Stat. § 163–57 (Supp. 1969). See also Gen. Stat. §§ 163–67, 163–68, 163–245 (Supp. 1969) (absentee registration problem).]
North Dakota	Yes	Yes	Yes	
Ohio	Qualified yes	Qualified yes	No	Letter from Secretary of State, Feb. 15, 1972: "From the facts given in your hypothetical situation, it would appear that the citizen would be eligible to vote by absentee ballot if he otherwise qualifies, i.e., 6 months residence in the State, 30 days residence in the county and precinct, and registered if required." [Ohio appears to impose a 3-year cutoff on absence from the State in determining eligibility to vote. Ohio Rev. Code Ann. § 5303 02 (1960). See also Ohio Rev. Code Ann. §§ 3503.11, 3503.27 (Supp. 1970) (absentee registration problem).]
Oklahoma	Yes	Yes	Yes	
Oregon	Yes	Yes	Yes	
Pennsylvania	Qualified yes	Qualified yes	No	Letter from Deputy Attorney General, Feb. 22 1972: As a result of the 1970 amendments, "The Pennsylvania Elections Bureau has made provisions for registering electors as absentee electors who consider Pennsylvania their domicile. Requests for absentee registration will be handled by the Elections Bureau in the Department of State. From there they will be forwarded to the elector's home county where he will be enrolled. It is important that the elector designate the county in which he wishes to be enrolled. Requests for absentee ballots will, as usual, be handled at the county level." Legislation is pending to incorporate requirements of the 1970 amendments in Pennsylvania statute. [Note that the present statute raises some doubt as to the voting eligibility of a nonresident domiciliary whose date of return is uncertain. 25 P.S. § 2815 (1963). See also 25 P.S. §§ 951–18, 951–18.1, 951–18.2 (Supp. 1970) (absentee registration problem).]
Rhode Island	Unclear	Unclear	No	See General Laws of Rhode Island § 17–9–7 (1969); cf. § 17–9–10, 17–9–11, 17–9–25 (1969) (absentee registration problem).
South Carolina	Unclear	Qualified yes	No	Letter from Assistant Attorney General, Feb. 9, 1972: As a result of the 1970 amendments, a citizen domiciled in South Carolina who is temporarily absent from the State during the 1972 presidential election will be able to vote by absentee ballot. Legislation is pending to incorporate the requirements of the 1970 amendments in the South Carolina statute. In the event that legislation is not enacted, the Attorney General and State Election Commission "shall, by necessity, devise some emergency procedure to ensure compliance with the mandate of the Congress and the United States Supreme Court." [See South Carolina Code Law § 23–63 (absentee registration problem).]
South Dakota	Qualified yes	Qualified yes	No	Letter from Assistant Attorney General, Feb. 29, 1972: "[N]o citizen of South Dakota loses his right to vote here unless he has established legal residence elsewhere." [However, confusing registration form appears to require presence in State. S.D.C.L. § 12–4–7 (Supp. 1971). See also S.D.C.L. §§ 12–19–16, 12–19–22 (1967) (absentee registration problem).]
Tennessee	Unclear	Qualified yes	No	Letter from Assistant Attorney General, Feb. 9, 1972: "The question whether [a person temporarily out of this country is] a bona fide resident, entitled to register and vote in this State, is a factor to be determined by each local county election commission." [However, there may be a problem with absentee registration, Tenn. Code Ann. § 2–306 (1971), and confusing form of absentee ballot appears to require presence in State, Tenn. Code Ann. § 2–1604 (1971).]
Texas	Yes	Yes	Yes	
Utah	Unclear	Unclear	No	Statute raises doubt of voting eligibility of nonresident domiciliary whose date of return is uncertain. Utah Code Ann. § 20–2–14 (1969). Confusing registration form appears to require presence in State. Utah Code Ann. § 20–2–11 (Supp. 1971).]
Vermont	Unclear	Unclear	No	Confusing registration form of absentee ballot appears to require presence in State. 17 V.S.A. § 126 (1957).
Virginia	No	Qualified yes	Qualified yes	
Washington	Yes	Yes	Yes	
West Virginia	Unclear	Unclear	No	Confusing form of absentee ballot appears to require presence in State. W. Va. Code Ann. § 3–3–5 (1971).
Wisconsin	Unclear	Unclear	No	Letter from Attorney General to the Secretary of State of Wisconsin, Jan. 20, 1972: "[I]t does not appear that Wisconsin Statutes provide authority for allowing former residents of the State who now reside permanently in a foreign country to vote by absentee ballot in a presidential election in the election district of the former residence in the state of Wisconsin, simply because the person has retained their U.S. citizenship." Letter from Attorney General to the Secretary of State of Wisconsin, June 7, 1971: "[I]t can be generally stated that a vague general determination to return to Wisconsin in the distant future, may very well be insufficient to support a contention that residency elsewhere is only for temporary purposes."
Wyoming	Unclear	Unclear	No	Moreover, confusing form of absentee ballot appears to require presence in State. W.S.A. § 6.87 (Supp. 1971) Confusing registration form appears to require presence in State. Wyo. Stat. § 22–158 (Supp. 1971).

APPENDIX A

COMPENDIUM OF STATE LAWS LEADING TO THE DISENFRANCHISEMENT OF AMERICAN CITIZENS RESIDING ABROAD IN NON-PRESIDENTIAL ELECTIONS

Thirty-three states effectively disenfranchise or impair the ability of nonresident domiciliaries to vote in elections other than for President and Vice President. Illinois, Louisiana, and New York require a voter's actual presence or maintenance of a home in the state, thereby rendering overseas domiciliaries ineligible. Ohio allows temporary absentees to vote for three years but no longer. Thirteen states appear to recognize the voting eligibility of nonresident domiciliaries but have statutes, decisions or an Attorney General's Opinion which raise doubts regarding that eligibility. Ten states require the execution of absentee registration or voting forms which confuse voters by requiring a state "residence", thereby inducing nonresident domiciliaries to forego the franchise for fear of perjuring themselves. Finally, eighteen states disenfranchise these voters by failing to provide absentee registration or absentee ballots.*

1. The laws of the following three states appear to require physical presence or the maintenance of a home within the state in order to vote in non-Presidential elections:

State and authority:

Illinois, *Stein* v. *County Board of School Trustees*, 85 Ill. App. 2d 251, 229 N.E. 2d 165 (1967); *Clark* v. *Quick*, 337 Ill. 424, 36 N.E. 2d 563 (1941).

Louisiana, *Estopinal* v. *Michel*, 121 La. 879, 46 So. 907, 908 (1908); Opin. Att'y Gen. to Bipartisan Committee (July 29, 1966) (verified by telephone Oct. 27, 1971): "The place where one *regards* as his home is unimportant; where he actually resides is the determining factor."

New York, Letter from Secretary of State to Office of Information, Department of Defense (May 27, 1969) (verified by telephone Oct. 27, 1971): ". . . for a civilian to vote by absentee ballot he must retain a permanent residence within the State of New York (unless voter is employed by the United States)".

2. Ohio permits a voter to retain his eligibility to vote while absent from his home "for temporary purposes." However, "temporary purposes" is defined as "a period of absence not in excess of 3 years." (Ohio Rev. Code Ann. Sect. 3503.02 (1960).)

3. Thirteen states appear to recognize the voting eligibility of nonresident domiciliaries but have statutes, decisions, or the opinion of an Attorney General which raise doubts regarding that eligibility. Twelve of those states have a statute or decision approximately as follows: "If a person removes to another state as a place of permanent residence, with the intention of remaining for an indefinite time, he loses his residence in this state, notwithstanding that he entertains an intention of returning at some future period."

State and authority:

Arizona, A.R.S. Sect. 16-925 (Suppl. 1971).

California, West's Ann. Elec. Code Sect. 14287 (1961).

Indiana, Ann. Ind. Stat. Sect. 29-4803 (1969).

Kentucky, K.R.S. Ann. 117.610 (1969).

Minnesota, M.S.A. Sect. 201.26 (1962).

Montana, Rev. Code of Mont. 1947 Sect. 23-3022 (Supp. 1971).

Nebraska, R.R.S. 1943 Sect. 32-475 (1968).

Nevada, NRS 293.500 (1969).

New Hampshire, *Felker* v. *Henderson*, 78 N.H. 509, 102 A. 623, 624 (1917).

North Carolina, Gen'l Stat. N. Car. Sect. 163-57 (Suppl. 1969).

Pennsylvania, 25 P.S. Sect. 2815 (1963).

Utah, Utah Code Ann. 20-2-14 (1969).

*The sub-total add up to more than 33 states because several states fit into more than one category.

Although New Jersey's decisional law indicates that residence equals domicile for voting purposes, the Attorney General of the State of New Jersey wrote to the Bipartisan Committee on May 11, 1966 (verified by telephone Oct. 28, 1971), as follows: ". . . in order to have a voting residence in this State it is necessary that a person possess an intention to make this State his home for an indefinite period and, in addition, he must have a residence to which he is entitled to return at will. For instance, if a person rents an apartment and subsequently leaves the State, and that person no longer has a fixed address in New Jersey, he is not a domiciliary who is entitled to vote irrespective of his intentions."

4. Ten states require the execution of absentee registration or voting forms which confuse voters by requiring a state "residence," thereby inducing nonresident domiciliaries to forego the franchise for fear of perjuring themselves:

State and form:

Arizona, A.R.S. Sect. 16-143(B) (Supp. 1971) (Absentee Registration): "My place of residence is _____ precinct, _____ street, city of _____ _____, county of _____, state of Arizona." Sect. 16-143(A) (Supp. 1971) describes the required residence as "actual place of residence."

Idaho, Idaho Code Sect. 34-411 (Supp. 1970) (Application for Registration—Contents): "The period of time . . . during which [I] have resided in the state . . ." See also Idaho Code Sect. 34-410 (Supp. 1970).

Minnesota, M.S.A. 207.19 (Supp. 1971) (Absentee Ballot): "His home and place of residence is and on said election days will be at _____ in the _____ (town, city, or village) of _____ County of _____ State of Minnesota."

South Dakota, S.D.C.L. (Supp. 1971) Sect. 12-4-7 (Absentee Registration): ". . . I reside in the ___ precinct in the city of _____ _____, at _____ (street number), _____ street (or town, or _____ township), and in the _____ independent school district, in _____ county; . . ."

Tennessee, Tenn. Code Ann. Sect. 2-1604 (1971) (Absentee Ballot): "I, _____ _____, hereby declare that my fixed residence is _____ (street address), _____ (city or town), _____ (county), _____ Tennessee;"

Utah, Utah Code Ann. Sect. 20-2-11 (Supp. 1971) (Absentee Registration): "4. Residency qualifications:"

A. Will you have resided in Utah six months continuously prior to the next election? _____ yes _____ no.

B. Will you have resided in _____ County sixty days continuously prior to the next election? _____ yes _____ no.

"I do solemnly swear . . . that I will not vote a ballot from any other state or election district under penalty of law."

Vermont, 17 V.S.A. Sect. 126 (1957) (Absentee Ballot): "State of Vermont, County of _____

. . . I am a resident, a citizen and a legal voter of the town (city) of _____, county of _____."

West Virginia, W. Va. Code Ann. Sect. 3-3-5 (1971) (Absentee Ballot): "I, _____, _____ hereby declare that I am now, or will have been, a resident of the State of West Virginia for twelve months, and of the county of _____ for sixty days next preceding the date of the ensuing election to be held on the _____ day of _____, 19__; that I now reside at _____ (give full address) in the magisterial district of _____ in said county." (Form ambiguous on whether voting right of a citizen temporarily residing abroad requires maintenance of a state "residence".)

Wisconsin, W.S.A. 6.87 (Supp. 1971) (Absentee Ballot) ". . . I am a resident of the _____ precinct of the (town) (village) of _____, or of the _____ ward in the city of _____, residing at _____ in said city, the county of _____, state of Wisconsin, . . ."

Wyoming, Wyo. Stat. Sect. 22-158 (Supp. 1971) (Absentee Registration): "I do solemnly swear . . . that I will have actually and not constructively been a bona fide resident of [Wyoming] one year and of said county sixty days, and of election district No. _____ in said county ten days preceding the next election; that I am an actual resident of ward No. _____ . . . that my address is _____ (within) (not within) the limits of an incorporated city or town . . ."

5. Eighteen states do not appear to provide the U.S. citizen overseas (in a nongovernmental capacity) with absentee registration or an absentee ballot in non-Presidential elections:

(a) Absentee ballot:

Alabama, Title 17 Sect. 64(16)(23) (Supp. 1969); Title 17 Sect. 64(24a) (Supp. 1969).

Mississippi, Miss. Code Sect. 3196-01 (1957); Sect. 3203-11 (Supp. 1971).

South Carolina, Cf.S.Car. Code Law Sect. 23-441 *et seq.*, 23-449.31 *et seq.* (Supp. 1970).

(b) Absentee registration:

Alabama, Title 17 Sect. 26 (Supp. 1969).

Connecticut, Conn. Gen'l Stat. Ann. Sect. 9-20 (Supp. 1971).

Delaware, Del. Code Ann. 15 Sect. 1722 (Supp. 1970); cf. 15 Sect. 1901 *et seq.*

Idaho, Idaho Code Sect. 34-410 (Supp. 1970).

Louisiana, LSA-R.S. 18:40 (1969).

Maine, 21 M.R.S.A. Sect. 71 (Supp. 1970).

Mississippi, Miss. Code Sect. 3196-06 (1957).

Missouri, V.A.M.S. Sect. 113.240 (Supp. 1971); cf. 112.310 (Supp. 1971).

Nevada, NRS 293.517; cf. 293.553 (1969).

New Jersey, N.J.S.A. 19:31-6 (1964).

North Carolina, Gen'l Stat. N. Car. Sects. 163-67, 163-68 (Supp. 1969); cf. Sect. 163-245 (Supp. 1969).

Ohio, Ohio Rev. Code Ann. Sect. 3503.11 (Supp. 1970); Sect. 3503.27 (1960).

Oklahoma 26 Okl. St.Ann. Sect. 93.4 (Supp. 1970); cf. 26 Okl. St. Ann. Sect. 345.1 (Supp. 1970).

Pennsylvania, 25 P.S. Sect. 951-18 (1963); cf. 25 P.S. Sects. 951-18.1, 951-18.2 (Supp. 1970).

Rhode Island, Gen'l Laws of R.I. Sects. 17-9-7 (1969); cf. Sect. 17-9-10, 17-9-11, 17-9-25 (1969).

South Carolina, S.Car. Code Law Sect. 23-63 (Supp.)

South Dakota, S.D.C.L. Sect. 12-19-16 (1967); cf. Sect. 12-19-22.

Tennessee, Tenn. Code Ann. Sect. 2-306 (1971).

Virginia, Code of Va. Ann. Sect. 24.1-47 (Supp. 1971).

EXHIBIT 2

[From the New York Times, Sept. 10, 1972]

AMERICANS OVERSEAS FACE DENIAL OF VOTE UNDER LAW

(By Richard Severo)

MEXICO CITY, September 9—Thousands of Americans living abroad are apparently being denied the right to vote in the 1972 Presidential election, despite a new Federal law intended to provide for the first time absentee ballots for all citizens living or traveling overseas.

Although both political parties are actively organizing campaigns in foreign countries for the first time on any scale, their efforts are being frustrated at home by a combination of ignorance, complex legal questions and a bureaucratic vacuum.

In Mexico, where some 100,000 Americans are living on a permanent or semipermanent

basis, dozens of people have already been notified by local voting officials in the United States that they are not "qualified" to vote under the laws of their states.

Still others, making similar applications to different states and different election officials, have been welcomed as voters and told that their ballots would be approved.

The inconsistencies and confusion have so upset Senator Barry Goldwater, who was largely responsible for the Voting Rights Act Amendments of 1970, that he has sent one of his legislative aides, Terry Emerson, on a swing through France, Germany, Switzerland and Holland to catalogue voter problems. Mr. Emerson is scheduled to visit Mexico next Monday.

There are estimated to be 1.5 million Americans living outside the United States, and for years they have been unable to vote because they had no legal residence in the states.

It was Mr. Goldwater's intention to permit every holder of an American passport to vote, no matter where he was abroad. The law is by no means being completely ignored. Mr. Emerson, who was reached by telephone in Phoenix, Ariz., estimates that there is little or no trouble for voters who apply to about three-fifths of the states.

But among the problem states—New York, California and Ohio, to name three—are the most populous.

The new voting law requires, for the first time, that states must register "duly qualified residents" up to 30 days before the Presidential election. It also prohibits states from denying the right to vote for President to residents who are outside the state on Election Day but who comply with absentee voting requirements.

Problems arise, according to Justice Department officials in Washington because the states have 50 different definitions of what constitutes a "resident." These are based on statutes, court decisions and sometimes on the off-hand administrative judgment of a state or local official.

UNRESOLVED QUESTIONS

Although the new Federal statute apparently gurantees all American citizens abroad the right to vote, no one who has been denied that right has yet brought a court action that might define more clearly the responsibilities of the state and local election boards—how far they have to go.

Completely unresolved, for example, is whether the new law is intended to cover American citizens who have lived abroad for years and who have no visible intention of returning to the United States.

And what about the Americans in Canada who are either servicemen absent without leave or draft evaders? In many states, felons are not permitted to vote, and it is up to election officials now to determine whether a man charged with desertion but never brought to trial should be classed as a felon.

In any event, Washington officials assume that many local boards of election, who must approve applications for absentee ballots, remain unaware of the 1970 law altogether or, at the least, uncertain as to how to interpret its broad mandate.

"ACT IS MEANINGLESS"

For example, Mrs. Helen Whittlesey, wife of a businessman here, received a form letter this week from George Mann, registrar of voters in Santa Clara County, Calif., who told her that unless she resided in Santa Clara County he could not permit her to vote there.

Mrs. Whittlesey was born in Santa Clara County, but left before she was 21 years old and has lived in Mexico for years. She has never been permitted to vote in a national election.

"I've never been interested in voting for sheriff or dog catcher," she snapped. "But I do think we ought to be allowed to vote in national elections."

Mrs. Whittlesey complained to the office of the United States Attorney General. In a response received from David L. Norman of the Civil Rights Division, she was informed that "the question of whether an individual presently residing abroad is a bona fide resident of a state for voting purposes is . . . to be determined by state officials according to state election laws and procedures."

"All of which means," said Mrs. Whittlesey, "that this voting rights act is meaningless."

But Mrs. Whittlesey's husband, Horace, had an entirely different experience when he applied to register in the town of his birth, Emporia, Kan.

One of Mr. Whittlesey's ancestors, Nelson Whittlesey, was the first Mayor of Emporia. It is impossible to determine what effect this may have had on officials in Emporia, but they responded to Mr. Whittlesey's application with a warm, personal note, welcoming him as an Emporia voter.

"Well, you know the bureaucratic mind," said Harry Wright 2d, secretary of the Mexico City Republican Club and one of the city's most prominent Republican boosters.

"A lot of them don't know about the law where they don't like the work involved in registering a foreign resident," he said of the local election officials.

M'GOVERNITES CONCERNED

For James Trowbridge and Alex Smith, cochairmen of the local Democrats for George McGovern, the apparently capricious criteria for voter acceptance or rejection is quite serious.

"I think this may very well be a close election." Mr. Trowbridge said, "and I see no reason why George McGovern should lose even a single vote because some clerk is ignorant of Federal law."

New York is emerging as a particularly troublesome place for Americans living abroad.

Mr. and Mrs. Robert Lockwood and Miss Dorothy Gast have received letters from Albert T. Haydick, commissioner of the Board of Elections of Westchester County, denying their applications for absentee ballots.

From the information you present, the indication is that you are not a duly qualified resident of New York State," Mr. Haydick wrote to Miss Gast, a guidance counselor in the schools here who was a teacher in Hawthorne about seven years ago.

Miss Gast is a native of Chicago and decided to claim an address in Hawthorne because that was her last address in the United States.

What angers the New Yorkers living in Mexico is that some upstate counties—such as Putnam—have honored requests and are apparently going to permit people to vote, but Westchester and some New York City election boards appear to be inflexible on the issue.

Mrs. Diana Anhalt, who was born in the Bronx but has lived in Mexico for many years, was told in a letter from Beatrice Berger, clerk of the Bronx Borough Office, that her application would be honored if an "appeal is upheld by the Supreme Court."

The letter did not specify the appeal, Mrs. Anhalt does not know what it is and not even in the office of Senator Goldwater did anyone know about a pending Supreme Court decision on the 1970 law.

In Mexico City, applications for absentee ballots were prepared by the United States Chamber of Commerce and thousands have been printed up at no cost to voters by the United States Embassy.

The embassy has also offered to notarize the applications for voters at no charge, although one embassy worker admitted there was a great deal of confusion over what each state would and would not accept.

Thus far, the embassy has processed more than 2,000 applications and they are coming in at a rate of about 40 a day.

George Munro, executive director of the American Society of Mexico, is receiving mounting complaints about the rejections, which he feels are coming from "clerks who haven't heard about the law."

Among the most troublesome in this respect are Alabama, Arkansas, Kansas, Louisiana, Massachusetts, Mississippi, Missouri, North Carolina, Oregon and South Carolina. Some voters here have sent in applications only to receive state tax forms in the return mail.

At present, an American with a permanent address abroad working with private industry can be exempt from as much as $25,000 a year in Federal taxes. Many Americans earn much more modest salaries than that, working in foreign countries as school teachers and interpreters. Frequently, they justify their lower income on the ground that it is tax-free and that the cost of living may be less than in most areas of the United States.

One American living here was warned by his accountant in New York City not to vote.

"Mark my words," the accountant said, "the state will come after you for taxes, and if that happens, can the Feds be far behind?"

Traditionally, Congress has regarded voting as entirely within the states' legal jurisdiction, only approaching the question to set minimum age limits and prohibit discrimination based on race or sex. In 1955, Congress approved a law urging but not requiring states to provide absentee ballots for servicemen overseas.

Subsequently, some states extended the same privilege to civilian government employees stationed abroad and other specified groups. But it was not until 1970 that all citizens abroad were given the right to vote for President—if their state regarded them as residents.

A complication in the inconsistency among election clerks is that some states and the District of Columbia are threatening to collect taxes from Americans who attempt to establish a voting address in them.

In some countries, partisan blocks of American citizens are already organizing to combat resistance to their voting by hometown election officials. In Toronto, where some 40,000 Americans live, a group supporting Mr. McGovern met last week for some strategic instructions.

TOLD TO WRITE THEIR SENATORS

These expatriates were advised to write to their Senator if an application for an absentee ballot should be denied. In at least one instance, they were told, a citizen living in Canada had written to Mr. Goldwater, who referred the problem to the home-state Senator, who then got the election board to reverse its position.

Estimates of the potential impact of the overseas vote vary widely. Richard McAdoo, special ballot director of the Committee to Re-elect the President, who is now on a European campaign tour, has estimated that there are 2.5 million Americans living abroad, which he contrasts with the 500,000-vote Nixon majority in 1968.

EXHIBIT 3

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, D.C., August 28, 1972.

HON. BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GOLDWATER: This is in reply to your letter August 16, 1972, regarding the possible effect that voting by absentee ballot by United States citizens residing abroad may have on their claiming the exclusion from gross income provided by section 911 (a) (1) of the Internal Revenue Code of 1954.

Section 911(a)(1) of the Code provides, in relevant part, that the following items shall not be included in gross income and shall be exempt from Federal income taxation. In the case of an individual citizen of the United

States who establishes to the satisfaction of the Secretary or his delegate that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, amounts received from sources without the United States (except amounts paid by the United States or any agency thereof) which constitute earned income attributable to services performed during such uninterrupted period.

You forwarded with your letter a copy of a report prepared by the American Chamber of Commerce of Venezuela. That report and your letter indicate concern that if a United States citizen residing abroad signs an application for registration to vote in one of the States and represents in such application no more than that he intends to return to that State as his domicile, he may thereby jeopardize or forfeit his entitlement to the section 911 exclusion from gross income based on his claim of bona fide residence in a foreign country. You are referring in particular to Internal Revenue Service Publication 54 (10–71) *Tax Guide For U.S. Citizens Abroad,* 1972 Edition, which provides on page 4:

"A U.S. citizen living abroad may vote by absentee ballot in elections held in the United States (national, State, and local) without jeopardizing his eligibility for tax exemption as a bona fide resident of a foreign country. Such voting will not, of itself, nullify the taxpayer's status.

However, where a U.S. citizen makes a representation to the local election official regarding the nature and length of his stay abroad that is inconsistent with his representation for purposes of the tax exclusion, the fact that he made the representation in connection with absentee voting will be considered in determining his status for the exclusion, but will not necessarily be conclusive.

You are concerned that the "inconsistent representation" language of the above-quoted material might be interpreted to mean that a representation by a taxpayer of domicile in a State and of an intent to ultimately return there is not compatible with the taxpayer's claim of bona fide residence in a foreign country for purposes of section 911 of the Code.

The Service has held in a recently published ruling, Revenue Ruling 71–101, C.B. 1971–1, 214:

"[G]enerally the exercise by a citizen of the United States of his right to vote in National, state, or local elections in the United States by absentee ballot is not an action that would affect the length or nature of his stay outside the United States and consequently would not jeopardize the exemption under section 911(a)(1) of the Code. However, where absentee voting in the United States involves a representation to the local election official regarding the nature and length of the taxpayer's stay abroad that is inconsistent with the taxpayer's representation of intention for purposes of section 911 of the Code, the fact that he made the representation in connection with absentee voting will be taken into account in determining his status under section 911 of the Code, *but will not necessarily be conclusive.*" (Emphasis added.)

It is our conclusion that "inconsistent representation" as referred to in the above cited publications does not refer to a mere statement by a taxpayer that he considers himself a voting resident of a State and ultimately intends to return to that State as his domicile. Such a statement is not incompatible with a taxpayer's claim of bona fide residence in a foreign country. Instead, "inconsistent representations" refer to other representations which the taxpayer may have made to the Service regarding the *specific* nature and length of his stay in a foreign country. If a taxpayer in support of his claim to the section 911 exclusion from gross income makes certain *specific* representations as to the purpose, nature, and intended length of his stay in the foreign country, and in an application for absentee voting makes other statements which appear inconsistent with those specific representations, the Service must take such inconsistent statements into account *in determining the true facts* upon which the taxpayer bases his claim to bona fide residence in a foreign country. Further, as stated in Revenue Ruling 71–101, even such inconsistent statements will not necessarily be conclusive.

However, the mere representation by a taxpayer made in support of an application for absentee voting that he considers himself a voting resident of a particular State and that he intends to ultimately return to that State, will not by itself in any way affect his claim to the section 911 exclusion from gross income based on bona fide residence in a foreign country.

We hope that this letter will clarify any ambiguities that may have existed with respect to this situation. We hope that no United States citizen living abroad will hesitate to exercise his voting right out of concern that this action may jeopardize his claim to the section 911 exclusion from gross income.

Sincerely yours,

A. FEIBEL,
Acting Chief, Corporation Tax Branch.

EXHIBIT 4

DEPARTMENT OF JUSTICE,
Washington, March 13, 1972.

J. EUGENE MARANS, Esquire,
Cleary, Gottlieb, Steen & Hamilton,
Washington, D.C.

DEAR MR. MARANS: This is in response to your discussion with members of my staff on February 1, 1972, and your letter of February 3, 1972, concerning the Voting Rights Act Amendments of 1970, 42 U.S.C. 1973aa–1, particularly the provisions of Sections 202(d) and (f) pertaining to absentee registration and absentee balloting in presidential elections. As counsel for the Bipartisan Committee on Absentee Voting, you have asked whether, in our judgment, the 1970 Amendments require a state to provide absentee registration procedures and absentee ballots to former residents of that state new temporarily residing abroad.

In brief, our conclusions are (1) that the 1970 Amendments do not *per se* preclude a state from applying a requirement of residency to those seeking to register within that state and (2) that the question of whether a person outside a state is a resident of that state for voting purposes is, at least in the first instance, a question of that state's law.

The United States Constitution reserves to the federal government the power to regulate the time and manner of federal elections (Article I, section 2; Article I, section 4; Article II, section 1) while reserving to the states the power to determine voter qualification. (*Beachman* v. *Braterman,* 300 F. Supp. 182 (S.D. Fla.), affirmed 396 U.S. 12 (1969); *Lassiter v. Northampton County Board of Elections,* 360 U.S. 45, 50–51 (1959)). Traditionally, this right has included the power to determine bona fide residency. (*Hall* v. *Beals,* 396 U.S. 45, 53 (1969) (Marshall, J., dissenting); *Carrington* v. *Rash,* 380 U.S. 89 (1965)). The Congress and the states acting together have, through the amendment process, placed additional restrictions on the powers of the states so that they may not now establish procedures violative of the equal protection clause nor deny or abridge the right to vote on account of race, color, or sex or age if the age is eighteen or more. Legislation passed by Congress to implement the equal protection clause and the voting amendments, such as the suspension of literacy tests, has placed additional limitations on the powers of the states. It is with this constitutional scheme in mind that we must look to the 1970 Amendments to determine what, if any, limitations Congress placed upon the traditional right of the states to determine voter qualifications.

At the beginning, it is necessary to distinguish between two general types of voter qualifications, durational residency requirements and bona fide residency. The former require an individual to have resided in a certain state or political subdivision for a specified length of time before he can be qualified to vote, while the latter is a determination of whether an individual is a bona fide resident of the state or political subdivision regardless of the length of his residency.

Congress expressly dealt with durational residency requirements in Section 202(c) of the 1970 Amendments (hereafter cited by section only) by prohibiting a state from imposing such a requirement to deny or abridge the right of a citizen otherwise qualified to vote in a presidential election. The Amendments provide that applictaions for registration or other means of qualification must be accepted up to the 30th day before the presidential election. (Section (d)). The limitation of this section, however, does not supersede the power of the states to require a citizen to be a bona fide resident of that particular state as a qualification for registration and voting in that particular state.

Section (e) is, to a limited extent, a restriction on the power of the states to require bona fide residency as a condition to obtaining a ballot. Under that Section, when a citizen moves from one state or political subdivision to a new state or political subdivision within 30 days of a presidential election and is unable to register at his new residence because the registration deadline has passed, he must be allowed to vote, either in person or absentee, in the place of his former residence. Section (e) did not expand or qualify the concept of bona fide residency in any other manner.

With regard to the absentee provisions, Section (c) provides that if a citizen of the United States has complied with the requirements of state law providing for the casting of absentee ballots, no state may deny such citizen the right to vote in a presidential election because of his failure to be physically present in such state or political subdivision at the time of such election. A state is, accordingly, prohibited from restricting the availability of absentee ballots to persons or classes absent for particular purposes, but this language does not appear to preclude a state from establishing bona fide residency as a requirement for obtaining an absentee ballot in that state.

Sections (d) and (f) establish standards for absentee registration and the casting of absentee ballots. Under Section (f), each citizen "who is otherwise qualified to vote by absentee ballot in any State or political subdivision" in an election for electors for President or Vice-President must be given the opportunity, if registration or other qualification is necessary, to register or qualify absentee. The provision applicable to absentee balloting. Section (d), requires each state to provide precedures for the casting of absentee ballots by "all duly qualified residents of such state" who will be absent from the state on election day and who have applied for an absentee ballot not later than seven days prior to a presidential election and return the ballot up to the time of the closing of the polls.[1]

Since anyone who is qualified to vote absentee may also register absentee, we must

[1] Section (g) provides generally that any state or political subdivision may adopt voting procedures which are less restrictive than those contained in Section 202.

look to Section (d) to determine which citizens are covered by the absentee provisions of the Amendments. This Section requires the state to provide absentee ballots to each "duly qualified resident of such state." While Sections (c) and (e), by prohibiting durational residency requirements, as discussed above, expressly limit the power of the states in certain situations, there is no language in Section (d) placing additional limitations on the right of the states to ascertain the residency of an individual. Since there is no language in Section (d) restricting the states' right to determine bona fide residency, we must, under this Section, follow the constitutional scheme of reserving to the states the power to determine which citizens are "duly qualified residents" according to state law.

From our reading of the legislative history of the 1970 Amendments, it appears that Senator Goldwater was, among other things, concerned with instances in which states did not accord civilians the same absentee registration and voting privileges they gave military personnel. However, in light of the general reservation of power to the states to determine voting qualifications, we do not consider it appropriate to assume Congressional intent to preclude the states from having a requirement of bon fide residency, or to enact a federal standard for measuring bona fide residency, in the absence of clear and unequivocal language. While a state may not conclusively presume that a certain class of citizens may never be considered bona fide residents, each state must determine, on a case-by-case basis, the true intent and residency of the individual requesting to register absentee or obtain an absentee ballot. (See *Carrington* v. *Rash, supra.*) Under Sections (c), (d) and (f) a State may not deny absentee registration procedures and absentee ballots to individuals outside the country if such person has been determined by the state or local officials to be a "duly qualified resident of such state."

Sincerely,

DAVID L. NORMAN,
Assistant Attorney General,
Civil Rights Division.

VOTING BY AMERICAN CITIZENS RESIDING OVERSEAS

Mr. ROTH. Mr. President, I join the distinguished senior Senator from Maryland (Mr. MATHIAS) in cosponsoring legislation to insure that qualified voters residing abroad are not denied their right to vote in Federal elections.

At present, over three-quarters of a million American civilians residing abroad are effectively barred from voting in Federal elections by complex and restrictive State laws applicable to voting by nonresidents. Some States require a voter to be physically present at the time of voting; others require him to maintain a home in the State. Another State allows temporary absentees to vote for 3 years but no longer. Several States disenfranchise civilians abroad by failing to provide absentee registration or absentee ballots.

Recognizing the inequity that may exist under current Federal law, the Delaware General Assembly amended the election laws of my State to insure that civilians temporarily living outside the United States, who are otherwise eligible to vote, would not be denied suffrage. It is important to remember, however, that many Delawareans, such as those employed by large corporations, may be transferred to States which still have restrictive voting laws.

For this reason, Congress should enact the proposal offered today by Senator MATHIAS and extend to all U.S. citizens residing abroad—who otherwise qualify to vote under the election laws of their State—the same protection afforded such former residents of Delaware.

I urge the Senate to enact this bill and extend to 750,000 Americans the fundamental right of suffrage.

By Mr. JAVITS:

S. 2103. A bill to amend the Housing and Urban Development Act of 1970 to provide a more effective approach to the problem of developing and maintaining a rational relationship between building codes and related regulatory requirements and building technology in the United States, and to facilitate urgently needed cost-saving innovations in the building industry, through the establishment of an appropriate nongovernmental instrument which can make definitive technical findings, insure that the findings are made available to all sectors of the economy, public and private, and provide an effective method for encouraging and facilitating Federal, State, and local acceptance and use of such findings. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL INSTITUTE OF BUILDING SCIENCES

Mr. JAVITS. Mr. President, I send to the desk and introduce for appropriate reference a bill to establish a National Institute of Building Sciences.

The absence of an authoritative national source to advise the housing industry and local authorities as to the latest technological developments in building materials and construction techniques and to propose nationally acceptable standards for local building codes has proven to be a great obstacle to efforts to meet the national housing goals set forth in the Housing and Urban Development Act of 1968. Moreover, the lack of a system of uniform building code standards increases the cost of construction and inhibits innovation in building techniques. The resulting fragmentation in the housing industry is clearly not in the public interest.

This bill seeks to meet the problems in the housing area by establishing a nongovernmental nonprofit corporation which would develop and publish standards affecting building materials and local building codes; would promote and coordinate tests and studies of new building products and construction techniques, would provide research and technical services with respect to such materials and techniques; and would assemble and coordinate, to the extent practicable, all present activities in this area.

The bill carries authorization for appropriations for 5 years starting at $10 million a year, and scaling down to $4 million a year at the end of the 5-year period. After that time the Institute is expected to be self-supporting.

This bill is similar to S. 2368 which I introduced in the last Congress except that Federal agencies would be required to make use of the standards, techniques, and developments which have been certified as acceptable by the Institute and the same requirements would apply to all programs and projects which are dependent upon Federal financial or other assistance.

I believe that this bill meets a very important need and should have the support of all groups who are involved in the housing and construction industry. I would hope that this legislation will receive prompt and favorable consideration in the Senate. I would like to point out that this measure passed the Senate last year as part of S. 3248, the omnibus housing bill, which did not pass the House. However, this measure was also included in the housing bill reported by the House Banking Committee. The bill I am introducing today is basically the same as the bill which passed the Senate but the authorization has been doubled.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Housing and Urban Development Act of 1970 is amended by adding at the end thereof the following new title:

TITLE X—NATIONAL INSTITUTE OF BUILDING SCIENCES

SEC. 1001. (a)(1) The Congress finds: (A) that the lack of an authoritative national source to make findings and to advise both the public and private sectors of the economy with respect to the use of building science and technology in achieving nationally acceptable standards and other technical provisions for use in Federal, State, and local housing and building regulations is an obstacle to efforts by and imposes severe burdens upon all those who procure, design, construct, use, operate, maintain, and retire physical facilities, and frequently results in the failure to take full advantage of new and useful developments in technology which could improve our living environment; (B) that the establishment of model building codes or of a single national building code will not completely resolve the problem because of the difficulty at all levels of government in updating their housing and building regulations to reflect new developments in technology, as well as the irregularities and inconsistencies which arise in applying such requirements to particular localities or special local conditions; (C) that the lack of uniform housing and building regulatory provisions increases the cost of construction and thereby reduces the amount of housing, and other community facilities which can be provided; and (D) that the existence of a single authoritative nationally recognized institution to provide for the evaluation of new technology could facilitate introduction of such innovations and their acceptance at the Federal, State, and local levels.

(2 The Congress further finds, however, that while an authoritative source of technical findings is needed, various private organizations and institutions, private industry, labor, and Federal and other governmental agencies and entities are presently engaged in building research, technology development, testing, and evaluation, standards and model code development and promulgation, and information dissemination. These existing activities should be encouraged and these capabilities effectively utilized wherever posible and appropriate to the purposes of this section.

(3) The Congress declares that an authoritative nongovernmental instrument needs to be created to address the problems and issues described in paragraph (1), that the creation of such an instrument should be initiated by the Government, with the advice and assistance of the National Academy of Sciences-National Academy of Engineering-National Research Council (hereinafter referred to as the "Academies-Research Council") and of the various sectors of the building community, including labor and management, technical experts in building science and technology, and the various levels of govenment.

(b)(1) There is authorized to be established, for the purposes described in subsection (a)(3), an appropriate nonprofit, nongovernmental instrument to be known as the "National Institute of Building Sciences" (hereinafter refered to as the "Institute"), which shall not be an agency or establishment of the United States Government. The Institute shall be subject to the provisions of this section and, to the extent consistent with this section, to a charter of the Congress if such charter is requested and issued or to the District of Columbia Nonoprofit Corporation Act if that is deemed preferable.

(2) The Academies - Research Council, along with other agencies and organizations which are knowledgeable in the field of building technology, shall advise and assist in (A) the establishment of the Institute; (B) the development of an organizational framework to encourage and provide for the maximum feasible participation of public and private scientific, technical, and financial organizations, institutions, and agencies now engaged in activities pertinent to the development, promulgation, and maintenance of performance criteria, standards, and other technical provisions for building codes and other regulations: and (C) the promulgation of appropriate organizational rules and procedures including those for the selection and operation of a technical staff, such rules and procedures to be based upon the primary object of promoting the public interest and insuring that the widest possible variety of interests and experience essential to the functions of the Institute are represented in the Institute's operations. Recommendations of the Academies-Research Council, shall be based upon consultations with and recommendations from various private organizations and institutions, labor, private industry, and governmental agencies and entities operating in the field, and the Consultative Council as provided for under subsection (c)(8).

(3) Nothing in this section shall be construed as expressing the intent of the Congress that the Academies-Research Council itself be required to assume any function or operation vested in the Institute by or under this section.

(c)(1) The Institute shall have a Board of Directors (hereinafter referred to as the "Board") consisting of not less than fifteen nor more than twenty-one members, appointed by the President of the United States by and with the advice and consent of the Senate. The Board shall be representative of the various segments of the building community, of the various regions of the country, and of the consumers who are or would be affected by actions taken in the exercise of the functions and responsibilities of the Institute, and shall include (A) representatives of the construction industry, including representatives of construction labor organizations, product manufacturers, and builders, housing management experts, and experts in building standards, codes, and fire safety, and (B) members representative of the public interest in such numbers as may be necessary to assure that a majority of the members of the Board represent the public interest and that there is adequate consideration by the Institute of consumer interests in the exercise of its functions and responsibilities. Those representing the public interest on the Board shall include architects, professional engineers, officials of Federal, state and local agencies, and representatives of consumer organizations. Such members of the Board shall hold no financial interest or membership in, nor be employed by, or receive other compensation from, any company, association, or other group associated with the manufacture, distribution, installation, or maintenance of specialized building products, equipment, systems, sub-systems, or other construction materials and techniques for which there are available substitutes.

(2) The members of the initial Board shall serve as incorporators and shall take whatever actions are necessary to establish the Institute as provided for under subsection (b)(1).

(3) The term of office of each member of the initial and succeeding Boards shall be three years; except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, one-third at the end of one year, one-third at the end of two years, and one-third at the end of three years. No member shall be eligible to serve in excess of three consecutive terms of three years each. Notwithstanding the preceding provisions of this subsection, a member whose term has expired may serve until his successor has qualified.

(4) Any vacancy in the initial and succeeding Boards shall not affect its power, but shall be filled in the manner in which the original appointments were made, or, after the first five years of operation, as provided for by the organizational rules and procedures of the Institute.

(5) The President shall designate one of the members appointed to the initial Board as Chairman; thereafter, the members of the initial and succeeding Boards shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of their number as Vice Chairman. Terms of the Chairman and Vice Chairman shall be for one year and no individual shall serve as Chairman or Vice Chairman for more than two consecutive terms.

(6) The members of the initial or succeeding Board shall not, by reason of such membership, be deemed to be employees of the United States Government. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this title, be entitled to receive compensation at the rate of $100 per day including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(7) The Institute shall have a President and such other executive officers and employees as may be appointed by the Board at rates of compensation fixed by the Board. No such executive officer or employee may receive any salary or other compensation from any source other than the Institute during the period of his employment by the Institute.

(8) The Institute shall establish, with the advice and assistance of the Academies-Research Council and other agencies and organizations which are knowledgeable in the field of building technology, a Consultative Council, membership in which shall be available to representatives of all appropriate private trade, professional, and labor organizations, private and public standards, code, and testing bodies, public regulatory agencies, and consumer groups, so as to ensure a direct line of communication between such groups and the Institute and a vehicle for representative hearings on matters before the Institute.

(d)(1) The Institute shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Institute shall inure to the benefit of any Director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(3) The Institute shall not contribute to or otherwise support any political party or candidate for elective public office.

(e)(1) The Institute shall exercise its functions and responsibilities in four general areas relating to building regulation, as follows:

(A) Development, promulgation, and maintenance of nationally recognized performance criteria, standards, and other technical provisions for maintenance of life, safety, health and public welfare suitable for adoption by building regulating jurisdictions and agencies, including test methods and other evaluative techniques relating to building systems, subsystems, components, products, and materials with due regard for consumer problems.

(B) Evaluation and prequalification of existing and new building technology in accordance with paragraph (A).

(C) Conduct of needed investigations in direct support of paragraphs (A) and (B).

(D) Assembly, storage, and dissemination of technical data and other information directly related to paragraphs (A), (B), and (C).

(2) The Institute in exercising its functions and responsibilities described in paragraph (1) shall assign and delegate, to the maximum extent possible, responsibility for conducting each of the needed activities described in paragraph (1) to one or more of the private organizations, institutions, agencies, and Federal and other governmental entities with a capacity to exercise or contribute to the exercise of such responsibility. monitor the performance achieved through assignment and delegation, and, when deemed necessary, reassign and delegate such responsibility.

(3) The Institute in exercising its functions and responsibilities under paragraphs (1) and (2) shall (A) give particular attention to the development of methods for encouraging all sectors of the economy to cooperate with the Institute and to accept and use its technical findings, and to accept and use the nationally recognized performance criteria, standards, and other technical provisions developed for use in Federal, State, and local building codes and other regulations which result from the program of the Institute; (B) seek to assure that its actions are coordinated with related requirements which are imposed in connection with community and environmental development generally; and (C) consult with the Department of Justice and other agencies of government to the extent necessary to ensure that the national interest is protected and promoted in the exercise of its functions and responsibilities.

(f)(1) The Institute is authorized to accept contracts and grants from Federal, State, and local governmental agencies and other entities, and grants and donations from private organizations, institutions, and individuals.

(2) The Institute may, in accordance with rates and schedules established with guidance as provided under subsection (b)(2, establish fees and other charges for services provided by the Institute or under its authorization.

(3) Amounts received by the Institute under this section shall be in addition to any amounts which may be appropriated to provide its initial operating capital under subsection (h).

(g) (1) Every department, agency, and establishment of the Federal Government, in carrying out any building or construction, of any building- or construction-related program, which involves direct expenditures, and in developing technical requirements for any such building or construction, shall be encouraged to accept the technical findings of the Institute, or any nationally recognized performance criteria, standards, and other technical provisions for building regulations brought about by the Institute, which may be applicable.

(2) All projects and programs involving Federal assistance in the form of loans, grants, guarantees, insurance, or technical aid, or in any other form, shall be encouraged to accept, use, and comply with any of the technical findings of the Institute, or any nationally recognized performance criteria, standards, and other technical provisions for building codes and other regulations brought about by the Institute, which may be applicable to the purposes for which the assistance is to be used.

(3) Every department, agency, and establishment of the Federal Government having responsibility for building or construction, or for building- or construction-related progams, is authorized and encouraged to request authorization and appropriations for grants to the Institute for its general support, and is authorized to contract with and accept contracts from the Institute for specific services where deemed appropriate by the responsible Federal official involved.

(4) The Institute shall establish and carry on a specific and continuing program of cooperation with the States and their political subdivisions designed to encourage their acceptance and its technical findings and of nationally recognized performance criteria, standards, and other technical provisions for building regulations brought about by the Institute. Such program shall include (A) efforts to encourage any changes in existing State and local law to utilize or embody such findings and regulatory provisions; and (B) assistance to States in the development of inservice training programs for building officials, and in the establishment of fully staffed and qualified State technical agencies to advise local officials on questions of technical interpretation.

(h) There is authorized to be appropriated to the Institute, over the first five fiscal years which end after the date of the enactment of this section, the sum of $10,000,000 for each of the first two such fiscal years, the sum of $6,000,000 for each of the next two such fiscal years, and the sum of $4,000,000 for the last such fiscal year (with each appropriation to be available until expended or until six years shall have passed), to provide the Institute with initial capital adequate for the exercise of its functions and responsibilities during such years; and thereafter the Institute shall be financially self-sustaining through the means described in subsection (f).

(i) The Institute shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress within sixty days of its receipt. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Institute deems appropriate.

By Mr. JACKSON:

S. 2105. A bill to amend Public Law 90-335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I introduce a bill that would amend Public Law 90-335—act of June 10, 1968, 82 Stat. 174. This act provided for the acquisition of lands within the Spokane reservation in the State of Washington by the Secretary of the Interior for the Spokane Indian Tribe. These lands so acquired are given trust status and are nontaxable as are other tribal and alloted Indian trust lands within the Spokane reservation.

In section C of this act it was provided that the value of lands acquired by the Secretary for the tribe in any 12-month period could not exceed the value of lands that passed out of trust, tax-free status from the tribe. This amendment would strike that provision from the act so that there would be no restriction on how much land the Secretary of the Interior acquires whether through purchase, gift, exchange or relinquishment within the boundaries of the Spokane reservation to be held in trust status for the benefit of the tribe.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 16

At the request of Mr. SCHWEIKER, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 16, the Broadcast License Act of 1973.

S. 1252

At the request of Mr. BAYH, the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 1252, a bill to amend the Controlled Substances Act to establish effective controls, including production quotas, stricter distribution and storage security, and more stringent import and export standards, against diversion and abuse of methaqualone, by placing this depressant substance on schedule II of such act.

S. 1535

At the request of Mr. BELLMON, the Senator from Kansas (Mr. DOLE) and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 1535, to amend the Internal Revenue Code of 1954 to provide for the recovery of reasonable attorneys' fees, as a part of court costs in civil cases involving the internal revenue laws.

S. 1604

At the request of Mr. BROCK, the Senator from Wyoming (Mr. HANSEN) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 1604, a bill to prevent discrimination on the basis of sex in housing.

S. 1605

At the request of Mr. BROCK, the Senator from New Mexico (Mr. DOMENICI), the Senator from Wyoming (Mr. HANSEN), the Senator from Hawaii (Mr. INOUYE), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 1605, to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit.

S. 1686

At the request of Mr. DOMINICK, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 1686, the Civilian Science and Technology Policy Act.

S. 1769

At the request of Mr. MAGNUSON, the Senator from Washington (Mr. JACKSON) and the Senator from Maryland (Mr. BEALL) were added as cosponsors of S. 1769, 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.

S. 1813

At the request of Mr. DOMINICK, the Senator from Arizona (Mr. FANNIN) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of S. 1813, relating to the impact aid program.

S. 1814

At the request of Mr. JAVITS, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1814, the Adult Education Amendments of 1973.

S. 1844

At the request of Mr. ABOUREZK, the Senator from Maryland (Mr. MATHIAS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Idaho (Mr. CHURCH), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 1844, to provide for the establishment of an American Folklife Center in the Library of Congress.

S. 1845

At the request of Mr. BAYH, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 1845, a bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities concerning the use of drugs and for other related educational purposes.

S. 2026

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. MONDALE), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Maine (Mr. MUSKIE) were added as cosponsors of S. 2026, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

SENATE JOINT RESOLUTION 1

At the request of Mr. BAYH, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of Senate Joint Resolution 1, proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States.

SENATE CONCURRENT RESOLUTION 37—SUBMISSION OF A CONCURRENT RESOLUTION ON NATIONAL AMERICAN INDIAN POLICY

(Referred to the Committee on Interior and Insular Affairs.)

Mr. JACKSON. Mr. President, I am reintroducing today on behalf of Mr. NELSON, Mr. ABOUREZK, and myself a Senate concurrent resolution on national American Indian and native American policy that I had originally submitted to the 92d Congress. While it was adopted by the Senate in December of 1971, it unfortunately was not acted upon in the House. Through it I propose a clear-cut break with past national Indian policy, at least as it is embodied in House Concurrent Resolution 108. That policy, adopted by the first session of the 83d Congress proposed to end the unique relationship between the Federal Government and its Indian "wards," using the guise of freeing Indian people from Federal control and granting him the same rights and privileges as other American citizens.

The resolution I submit today recognizes and reaffirms this unique Federal Indian relationship which gives rise to that important Federal responsibility of protecting Indian lands, resources, and personal rights as well as providing basic community services to Indian people. Most importantly, it specifically repudiates the termination policy outlined in House Concurrent Resolution 108.

As I stated when I first submitted this resolution to the 92d Congress, I feel that it is responsive to the kind of policy expression that American Indians and Alaska natives have asked the Federal Government to adopt on their behalf.

The concurrent resolution reads as follows:

S. CON. RES. 37

Whereas it is recognized by the Congress that the American Indian stands in a unique legal, social, and economic relationship to the Federal Government which is based upon the Constitution, treaties, statutes, Executive orders, agreements, judicial decisions, and history; and

Whereas it is further recognized that this unique relationship is the basis for the Federal responsibility to protect lands, resources, and rights of the American Indians as well as to provide basic community services to American Indians residing on reservations and in other areas considered to be within the scope of the trust relationship; and

Whereas it is understood that as citizens of the United States and the communities in which they reside, American Indians are entitled to share and participate on the same basis as all other citizens in the full range of social and economic development programs authorized by Federal, State, and local units of government; and

Whereas the Federal Government is responsible for assuring that the aforementioned rights of American Indians are fulfilled and that the eradication of adverse economic, education, health, and social conditions which prevent any American from achieving a life of decency and self-sufficiency is a priority national goal: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) our national Indian policy shall give full recognition to and be predicated upon the unique relationship that exists between this group of citizens and the Federal Government and that a governmentwide commitment shall derive from this relationship that will be designed to give Indians the freedom and encouragement to develop their individual, family, and community potential and to determine their own future to the maximum extent possible;

(2) this statement of national Indian policy replaces the policy set forth in House Concurrent Resolution 108, Eighty-third Congress (August 1, 1953);

(3) improving the quality and quantity of social and economic development efforts for Indian people and maximizing opportunities for Indian control and self-determination shall be a major goal of our national Indian policy;

(4) there should be a recognition of Federal responsibility to see that those Indians residing beyond the areas served by special Indian programs and services are given equal consideration with other citizens in the provision of services by other Federal, State, and local agencies.

(5) Indian property will be protected; Indian culture and identity will be respected; and Congress will commit and dedicate itself to support a policy of developing the necessary programs and services to bring Indians to a social and economic level of full participating citizens;

(6) the Office of Management and Budget should submit an annual report to the Congress showing combined expenditures made by all departments and agencies of the Federal Government for the social and economic betterment of Indians; and

(7) as used in this resolution the term "American Indian" or "Indian" shall include "Alaska Natives".

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. DOMINICK, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) was added as a cosponsor of Senate Concurrent Resolution 34, relating to the energy crisis, and the Department of Defense.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 89

At the request of Mr. BROCK, the Senator from Delaware (Mr. BIDEN), and the Senator from California (Mr. TUNNEY) were added as cosponsors of Senate Resolution 89, to study the Senate committee structure.

FEDERAL ELECTION CAMPAIGN ACT—AMENDMENT

AMENDMENT NO. 292

(Ordered to be printed, and referred to the Committee on Rules and Administration.)

Mr. DOMINICK submitted an amendment, intended to be proposed by him, to the bill (S. 372) entitled "The Federal Election Campaign Act."

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS, 1974—AMENDMENT

AMENDMENT NO. 293

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD submitted an amendment intended to be proposed by him to the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes.

FEDERAL ELECTION CAMPAIGN ACT OF 1973—AMENDMENT

AMENDMENT NO. 294

(Ordered to be printed and referred to the Committee on Rules and Administration.)

Mr. President, I submit an amendment to S. 372, the Federal Election Campaign Act of 1973, and ask that it be printed.

Mr. BENTSEN. Mr. President, all Senators are familiar with the astronomical and constantly increasing costs of financing campaigns for Federal elective office. The Federal Election Campaign Act of 1971, with its limitations on media expenditures and its disclosure requirements, was certainly an important first step toward getting political campaign financing out into the open and toward restoring the confidence of the American people in the democratic process.

I am convinced, however, that we must go farther. Too great a percentage of political contributions come from too small a percentage of the population; this is an unhealthy and dangerous situation. Politics in the United States should be less a game of big contributions and more an art of talent and ideas and dedication. Wealth must not be allowed to become the yardstick for political talent. The people must not be forced to choose among competing financial interests but should have a free choice of independent candidates, minimally influenced by the great financial sources which have the wherewithal to share their wealth in campaigns.

Mr. President, I strongly support placing limitations on campaign spending, as S. 372 does, but I question how a meaningful lid can be put on expenditures if the question of how much we are going to allow an individual to contribute to a campaign is not addressed. Limitations must be placed on contributions as well and my amendment is designed to accomplish this goal.

My amendment places a limit of $3,000 on aggregate contributions by any individual to a candidate for nomination to a Federal office and $3,000 to a candidate for a Federal office. This means that an individual may contribute a total of $6,000 to a candidate for nomination and election to a Federal office. I believe that this is a reasonable amount which will allow adequate campaign financing while limiting the role of the large contributor.

My amendment also specifies that any contribution over $100 must be in the form of a check drawn on the bank account of the person making the contribution. This is to eliminate the abuses of large cash contributions which cannot be traced.

Mr. President, the question of the constitutionality of limiting contributions to a political candidate has been raised as an infringement of the individual's right to participate in the electoral process. I believe that this is a spurious argument. The Congress has the right to establish guidelines for conducting Federal elections. Moreover, I am sure our Founding Fathers did not envision the extent to which participation in the electoral process could be abused through financial contributions.

They would undoubtedly have been

aghast at the scope of present-day contributions. I certainly am. Some may even argue that the limitations provided in my amendment are too high. But I believe that $3,000 per race per individual contributor will insure that a candidate can run for office without being forced to become or appear to become beholden to a few large contributors.

Mr. President, the American people are quite legitimately concerned about the influence that money can wield on candidates for political office. I believe my amendment would meet that concern.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 287 TO AMENDMENT NO. 248, TO H.R. 8152

At the request of Mr. BAYH, the Senator from New York (Mr. JAVITS) and the Senator from Nevada (Mr. CANNON) were added as cosponsors of Amendment No. 287 to amendment (numbered 248), to H.R. 8152, an act to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

George W. F. Cook, of Vermont, to be U.S. Attorney for the District of Vermont for the term of 4 years (reappointment).

John R. Wilks, of Indiana, to be U.S. Attorney for the Northern District of Indiana for the term of 4 years, vice William C. Lee, resigning.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, July 5, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, July 10, 1973, at 10:30 a.m., room 2228, Dirksen Office Building, on the following nominations:

John F. Nagle, of Missouri, to be U.S. District Judge for the Eastern District of Missouri, vice William H. Webster

William H. Webster, of Missouri, to be U.S. Circuit Judge for the Eighth Circuit, vice Marion C. Matthes, retiring

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN); the Senator from Nebraska (Mr. HRUSKA) and myself as Chairman.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, July 10, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nomination:

Thomas G. Gee, of Texas, to be a U.S. Circuit Judge for the Fifth Circuit, vice Joe McDonald Ingraham, retiring

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN); the Senator from Nebraska (Mr. HRUSKA) and myself as chairman.

NOTICE OF HEARING ON NOMINATION OF BURTON W. SILCOCK, TO BE FEDERAL COCHAIRMAN OF JOINT FEDERAL-STATE LAND-USE PLANNING COMMISSION FOR ALASKA

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate that a hearing has been scheduled before the Committee on Interior and Insular Affairs on the nomination of Mr. Burton W. Silcock, of Virginia, to be Federal Cochairman of the Joint Federal-State Land-Use Planning Commission for Alaska for Tuesday, July 10.

The hearing will begin at 10 a.m. in room 3110, Dirksen Senate Office Building. Anyone wishing to present testimony on the nomination of Mr. Silcock to this Commission which was created by the enactment of Public Law 92-203, the Alaska Native Claims Settlement Act, is welcome to do so.

Mr. Silcock is currently serving as Director of the Bureau of Land Management, having been appointed to that position in June 1971, and is quite familiar with matters relating to the State of Alaska.

I ask unanimous consent that a copy of his biographical data be included in the RECORD at this point in my remarks.

There being no objection, the biographical data was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF BURTON W. SILCOCK

Burton W. Silcock was appointed Director of the Bureau of Land Management on June 23, 1971.

He was born on July 29, 1922 in Burley, Idaho.

He joined the Bureau of Land Management in 1948 as a member of BLM's field parties assigned to Missouri River Basin studies, working mainly in the Big Horn Basin in Wyoming. Over the years, those studies developed into a comprehensive inventory of the Missouri River Basin's natural resources and economic outlook.

He has held three successive BLM costs in Wyoming, two years as Assistant District Manager in Lander; two years as District Manager in Pinedale; and six years as District Manager in Worland.

During his assignment at Worland he worked out and negotiated grazing use adjustments to maintain livestock in numbers consonant with the amount of available forage.

In 1959, he was named Chief of the Division of Range and Forestry in the BLM Idaho Office at Boise and in 1962, he became Assistant Director of the BLM Wyoming State Office, with responsibility for the Land Office and for the lands and minerals resource programs.

In 1965, he was named State Director of Alaska and was responsible for guiding the management public lands in the Nation's largest state. Under his leadership, the BLM Alaska State Office has sought the knowledge and views of all elements concerned wtih the future of land in Alaska.

In 1970, Silcock received the Presidential Management Improvement Award, in which President Nixon stated that "the noteworthy efforts and intense dedication required for this achievement exemplify the high performance needed to keep our country strong." Particular accomplishments for which he was cited were his progressive environmental management in preparation of the Alaska fire-fighting plan and his role in the development of stipulations for the proposed trans-Alaska oil pipeline right-of-way.

In 1969, he was cited by the Secretary of the Interior "for excellence of service in the preservation of Alaska's natural resources and fragile environment." He also received the American Motors Conservation Award of the Year for 1970.

In Alaska, Silcock also spearheaded initiation of BLM's HELITACK system for control of forest fires on public domain lands. Keys to this effort are a recently developed communication system, training each year of crews of native Alaska villagers who remain on standby for employment during the fire season, and the selection and placement of equipment, operators and supplies in the State's forested areas.

He served as representative of the Secretary of the Interior in a joint Canadian-United States study of the Yukon River. From 1967 to 1970 he served as Chairman of the Interagency Board of U.S. Civil Service Examiners for Alaska.

Silcock grew up on his father's southern Idaho farm at Burley, where he developed a strong interest in conservation and the use of land and water. He was a three-year varsity letterman in football and track at his local high school and later earned letters in these sports at Utah State University in Logan. Following military service in World War II he returned to Utah State, where he majored in range management and received a B.A. degree in 1947. During his college years, he worked as a seasonal employee of the U.S. Forest Service. His first full-time Federal position was in Texas in 1947 as a Range Service. A year later, he joined BLM.

He is married to the former Ruth Nordstrom, who also is a native of Burley, Idaho. They have two married daughters, Gloria (Mrs. Merlin Brinkerhoff of Calgary, Alberta, Canada) and Marlee (Mrs. Terry Hall of Salt Lake City). They also have a daughter, Penny, who graduated from high school in 1971; a son, Bill, who recently graduated from high school; and four granddaughters.

Silcock's professional associations include membership in the American Society of Range Management, the Society of American Foresters, and the American Forestry Association. He is an Elk.

ADDITIONAL STATEMENTS

AN ENGLISH VIEW OF WATERGATE

Mr. BROCK. Mr. President, in the midst of a controversy, it is frequently valuable to consider the views of intelligent persons who are removed from the scene.

In this regard, it has been of great interest to me to read the views from England on the Watergate affair. We share so many common traditions with our British friends that their perspective, being close enough in spirit, yet

distant enough to clearly distinguish forest from tree, can be extremely helpful as we seek to define our own views.

In this regard, I was quite impressed with an article written by a member of the British Parliament, the Honorable Angus Maude. Originally written for the London Express, the article has been carried in this country by several newspapers, including the Memphis Press-Scimitar.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITISH MP CHARGES WATERGATE INVESTIGATIONS BEING USED IN AN ATTEMPT TO DESTROY NIXON

(By Angus Maude)

LONDON.—Have the Americans taken leave of their senses? Looking objectively at the handling of the Watergate Affair and its ramifications, one is almost forced to the conclusion that they have.

It is pretty horrifying to watch the way in which supposedly responsible Americans in the higher echelons of politics and public affairs are going about the business of discrediting not only their President but the whole system of government in the United States.

The press and the other media are enthusiastically urging them on and revelling in the resultant mess. Every accusation against President Nixon and his staff, however untested and however tainted its source, is given the widest publicity.

Every possible innuendo is used to slant the impression given to the public, apparently in the hope of fixing the people's verdict before half the evidence has been heard.

Perhaps the most nauseating feature of the campaign is the self-righteous pretense of the smearers that they are only "acting in the public interest" and "helping to get at the truth." The only facts that they are interested in are those that can be used to discredit the President: and the way the campaign has been handled is not in the public interest at all, but deeply damaging to the United States and to all the best things for which America stands.

All the half-forgotten elderly whizz-kids of the Jack Kennedy era have been writing articles—many of them syndicated over here—viciously venting their traditional hatred of President Nixon, but adding sententiously that the whole horrible business is really a blessing in disguise which will lead to much-needed reforms in the system of government.

Clearly they see it as a heaven-sent bandwagon on which they can hitch a ride toward the ultimate triumph of Senator Edward Kennedy. That a victory for this deplorable man would be for them and for most of the Eastern American liberal establishment, a desirable consummation of the present campaign is a sufficient guide to their sense of values.

Of course, the Watergate Affair is a sorry mess. It is at least obvious that the President appointed some pretty strange people in his personal and political staffs. But the widespread assumption that he himself is guilty of corruption and illegal practices is still unsupported by convincing evidence.

In default of this, his detractors have resorted to the argument that if he were not guilty he would already have proved himself innocent—which is a typical inversion of the principles of fairness and justice for which they purport to stand.

The important point, however, is this. Whatever truth emerges at the end of the inquiries, whether the President is vindicated or brought down, the whole business is being handled and exploited in a way calculated to do the most not the least, lasting damage to America and to the true interests of its people.

Mr. Nixon's enemies, of course, are saying smugly that it is his handling of the affair that is doing all the damage; but even a cursory study of the American press coverage makes it clear that this is not true.

They are out to destroy him, and they do not seem to care who or what suffers in the process.

Of course I do not know what, if anything, the President has to hide. But at this critical juncture for both the American economy and his own foreign policy, he carries a burden of responsibility that must make him hesitate to become personally involved too deeply in the comparative irrelevancy of the Watergate inquiries. Any responsible householder is more concerned about an imminent threat to the fabric of his building than about a temporary smell in the drains.

You would have thought that any educated American could foresee the desperate consequences of a major constitutional crisis at this time. And that any responsible commentator over here would hesitate before light-heartedly handling out more ammunition to America's enemies in this country. Yet the B.B.C. seems to be positively revelling in it.

Let us remember one or two things about President Nixon.

He won his landslide election victory because the American people recognized his practical achievements and wanted him to complete the job.

He seemed to be halting the hopeless drift toward anarchy and violence in which the country was involved. Peace had returned to the chaotic university campuses. A stand was at last being made for law and order. He was getting to grips with the problem of inflation.

Mr. Nixon brought to its ownly possible end, the hopeless bloody struggle in Vietnam—a struggle to which Kennedy and Johnson had committed America at the wrong time and on the wrong terms. He has laid the foundations of detente with Russia and China.

America, and indeed the whole Western world, already owes him quite a lot. If he survives we may yet come to owe him a great deal more. No possible successor is likely to be a statesman of anything like his caliber.

About all, let us pray that if Mr. Nixon is brought down by the rabble now pursuing him, the damage to America and its friends may be less than they seem determined to inflict. Perhaps they will at least have the grace to stop appearing to enjoy it all so much.

OUR SENIOR CITIZENS DESERVE BETTER

Mr. McGOVERN. Mr. President, as Senator CHURCH, the distinguished chairman of the Senate Special Committee on Aging has pointed out, the administration's new set of medicare proposals boil down to a callous attempt to make senior citizens pay $1 billion more a year than they currently pay for health care. The administration's proposals are presented under the guise of "fiscal responsibility." Nothing could be further from the truth.

Under the present medicare regulations, the patient pays for the first day of hospitalization—an average of $72—and medicare pays for the next 60 days. The rates increase to $18 per day between the 60th day and the 90th day, and thereafter to $36 per day.

Of course, few people remain in the hospital for as long as 60 days. In fact, the average hospital stay for medicare patients is 13 days. So the overwhelming majority of beneficiaries pay a total of $72 for each hospitalization.

Now, the administration proposes to increase the patient contribution by more than 200 percent. They want medicare patients to pay the first day's cost—$72—and 10 percent of the cost for each additional day. So under the administration plan the average medicare patient would pay the hospital $163, instead of the present $72.

For outpatients, by far the majority of medicare beneficiaries, the news is not much better. The administration wants to increase the present rate of the first $60 of a doctor's bill and 20 percent of the remainder to the first $85 and 25 percent of the remainder. This would mean that a doctor's bill would cost a patient $188.75 instead of the present $148.

If the administration proposal passes, each of South Dakota's 82,000 senior citizens would have to pay an average of $43 a year more for health care.

For most senior citizens these increases would be more than they could bear. They now live on fixed incomes already badly eroded by rising inflation. Many have difficulty in making ends meet. When they get sick, they have to cut their budgets for other essentials.

The average senior citizen now pays more than $275 a year for health care—more than they were paying before medicare went into effect—thanks to the inflation in health costs over the last 5 years.

So, in justice, we should be considering a proposal to increase benefits such as covering prescription drugs and eliminating deductibles rather than increasing costs for the present inadequate services.

Many of my constituents have asked me, "Why?" Why should the cost of their health care increase more than 15 percent when the value of their income has been decreased at an annual rate of nearly 10 percent this year.

The administration's answer of "fiscal responsibility" is no answer at all.

I agree with the President that the spiraling cost of government must be held in check to hold down inflation. In fact, I have joined with Senator PROXMIRE and other Senators in proposing that the President's budget be reduced by $4.7 billion. But the place to cut the budget is not in health care for senior citizens. Instead, let us cut the waste from the military budget and eliminate other unnecessary programs.

Let us put first priorities first. I support Senate Resolution 124 and I trust that funds necessary for America's senior citizens to have the health care they need and deserve will be provided at a cost they can afford.

LEE T. MORGAN

Mr. DOLE. Mr. President, I wish to extend my thanks and appreciation to a native Kansan, Lee T. Morgan, who retires June 30 at Salina after 38 years of notable service with the U.S. Department of Agriculture.

Mr. Morgan's civil service career has

taken him to many points of the Nation, and for the last 2½ years he has directed the work of the USDA Soil Conservation Service in Kansas.

Born and raised on his family's wheat-livestock farm in Stevens County near Hugoton, Kans., Mr. Morgan has experienced drought and other soil and water conservation problems, both as a farmer and as a technical expert.

From 1927 to 1934 Mr. Morgan combined tenant farming and attendance at Kansas State where he earned a degree in agricultural economics and quarterbacked the Wildcats' football team in 1932 and 1933.

He joined what was then the Soil Erosion Service in the Interior Department as a student trainee at 40 cents per hour in February 1935. While he was a trainee at Dalhart, Tex., the Soil Erosion Service was transferred to the Department of Agriculture and emerged as the Soil Conservation Service.

Mr. Morgan's first professional assignment with the Soil Conservation Service was in its Hereford, Tex., office. There he worked from 1935 to 1939 with the Deaf Smith County and Oldham County wind erosion conservation districts, predecessors of the present-day soil and water conservation districts.

Transferring from Texas to Washington, D.C., in 1939, Mr. Morgan worked in the Service's Project Plans Division until 1944. During the 1939–44 period many of the Nation's 3,000 soil conservation districts were formed by referendums under State soil conservation enabling acts. In this period Mr. Morgan helped establish policies, procedures, and working relationships between the U.S. Department of Agriculture and the soil conservation districts.

In 1944, he moved from Washington, D.C., to Fort Collins, Colo., to become assistant head of the work of the SCS in that State, and in 1950, he went to Albuquerque, N. Mex., to head the regional information division. He served as deputy State conservationist for Utah in Salt Lake City from 1954 to 1959 and then became State conservationist for Idaho. He worked in Boise until his transfer and promotion to Salina.

Throughout his career as one of the pioneers in the Soil Conservation Service, Mr. Morgan has staunchly supported local responsibility in the planning and carrying out of the national program of soil and water conservation through conservation districts; technical excellence in assistance of the Soil Conservation Service; strong working relationships with land-grant colleges and universities; and active public information programs on soil and water conservation problems and progress.

Mr. Morgan's career has spanned the whole life and growth of the Soil Conservation Service; he has contributed to the progress in halting soil blowing and washing, and in restoring beauty and improving the environment of many areas of rural America.

I would like to extend my congratulations to Mr. Morgan for his years of exemplary service in the U.S. Department of Agriculture, and wish him and his wife, the former Anna Bernice Cook, a native of Hutchinson, Kans., many enjoyable years of retirement.

ECONOMIC CONTROLS

Mr. BAYH. Mr. President, when President Nixon on June 13 announced the present price freeze I applauded his long overdue decision to take some forceful action to stem the rampant inflation which has plagued the country since he took office. But I warned at that time, and since, that a freeze of any sort inevitably results in economic distortions and inequities. For that reason, I urged that the President quickly move into a strong fair phase IV along the lines of phase II, and that he move to force companies which had raised prices in excess of the guidelines to roll their prices back to proper levels. I urged him, in short, to take out the stick which had been put in the closet during phase III and to put it to good use.

It is now 2 weeks since the price freeze went into effect. We still do not know what the plans for phase IV are. The administration has had almost 2 years experience with economic controls. There is no excuse for further delay. The administration must move—and move now—to lay out the guidelines for phase IV. The phase II guidelines provide an adequate model on which to base the new controls.

The price freeze—and the prospect that it may last another 6 weeks—has forced farmers in my State and elsewhere to destroy baby chicks and to sell laying hens for slaughter. The farmers are being squeezed between soaring prices for feed grains, up as much as 60 percent in the past 3 months, and the retailers and wholesalers in the food industry whose prices are frozen. If the destruction of chicks and hens continues—if the freeze continues without modification—the consumer will soon suffer from a shortage of supply of eggs and chickens which will make phase IV controls meaningless.

The poultry producer is not the only person caught in the squeeze. I have received complaints from many small, independent business and working people in Indiana about the economic distortions caused by the freeze. Keeping the current price freeze in effect for the full 60 days is unacceptable economic policy. There are only two responsible options open to the administration: grant individual exemptions from the freeze or move quickly into phase IV. I believe that of these two options, the far better course is to move to phase IV. For the grant of individual exemptions without a clear overall plan for combating inflation cannot possibly be successful or equitable.

Mr. President, I believe that only a concerted effort on a number of fronts will hold down inflation. The President should end the freeze and begin a strong, fair phase IV. Controls on food exports should be imposed so that agricultural products for which the farmer can get a fair price and which are needed here at home are not shipped abroad. The tax loopholes which grant huge profits to corporate giants, and which lead to inflationary budget deficits, should be closed. And the Congress and the President must hold Federal expenditures in all areas—military as well as domestic—to a minimum.

This is a program which can work. But no program like this can work unless it is implemented quickly.

DEATH OF MRS. MARIE McKINNEY PEDEN

Mr. THURMOND. Mr. President, the people of Greenville, S.C., recently lost an outstanding journalist and an invaluable member of the community, Mrs. Marie McKinney Peden.

Mrs. Peden joined the Greenville Piedmont Newspaper in 1955 and was soon appointed women's editor. She served in this position until her death.

Mrs. Peden possessed all the necessary ingredients of success: ability, integrity, character, and desire to entertain and inform her readers. Her professional accomplishments were matched only by her devotion to her community, church, and family.

The paper which she loved so dearly recently carried a story on her death and a subsequent editorial of her accomplishments. I would like to share them with my colleagues.

Mr. President, I ask unanimous consent that the article entitled "Women's Editor Marie Peden Dies," which appeared in the Greenville Piedmont, June 21, 1973, the editorial entitled "Marie M. Peden: Our Associate Earns Rest," which also appeared in the Greenville Piedmont, June 22, 1973, and the editorial entitled "Marie M. Peden," which appeared in the Greenville News, June 23, 1973, be printed in the RECORD.

There being no objection, the article and editorials were ordered to be printed in the RECORD, as follows:

[From the Greenville Piedmont, June 21, 1973]

WOMEN'S EDITOR MARIE PEDEN DIES

Funeral services will be held Friday at 11 a.m. at The Mackey Mortunary for Mrs. Marie McKinney Peden, women's editor of the Greenville Piedmont.

She died Wednesday afternoon in a local hospital after an illness of several months. She was the widow of Ralph Hutchings Peden and a resident of 18 Tomassee Ave.

Marie, as she was known to all of her associates, was both a skilled newspaperwoman and a community leader. She was South Carolina Newspaperwoman of the Year in 1961 and 1967, but she was more than her biography reveals.

In the nomination for that honor, it was stated, "She has the rare combination of a woman who shares the confidence of women in their daily pursuits while maintaining the respect of her fellow newsmen because of her professional knowledge in layout and techniques of production."

She was always seeking perfection in the women's pages of The Piedmont, but she had a sense of humor and could laugh at some of the inadvertent errors that sometimes crept into the type.

Marie joined The Piedmont in 1955 on a part-time basis, then became women's editor in 1958 where she soon pioneered in a broader concept of women's news. It was no longer "'society", but the world seen through the eyes of women and their families.

"Well, we'll manage somehow," Marie would say when a difficult situation was imposed on her. And she did, with an optimism and a skill.

She became known throughout the South for her firsthand reports on fashion and furniture shows. But she never lost her genuine interest in Greenville people and especially youth. The Piedmont had emphasized youth news and Marie supervised the high school columns that appeared in her section of the paper.

She was called on numerous times for speeches before civic groups and appeared at publicity workshops. She was one of 120 women in Canada and the United States invited to Bermuda for the introduction of a new perfume.

Marie received numerous awards, perhaps more than 30, in writing competition of the South Carolina Press Association women's division. A graduate of Brenau College, she was a charter member of the Greenville Woman's Club and Zonta Club of Greenville.

Perhaps her mark as a professional women's editor was best known through the weekly Friday layouts, sometimes in color, that represented her "special pride" in writing and reporting.

Marie was born in Greenville County, daughter of the late Marvin Ansel and Lillie Barton McKinney. She was a past president of the board for the S.C. Press Association women's division and was listed in Who's Who in Communications and American Women.

Surviving are a daughter, Miss Patricia Elaine Peden of Columbia; a son, Ralph Hutchings Peden Jr. of Atlanta; two sisters, Mrs. Flora McKinney Welch of Anderson; and Mrs. Lucille McKinney Perry of Greenville and a grandchild.

The family asks that any memorials be made to the Greenville County Cancer Society, 826 E. Washington St.

[From the Greenville Piedmont, June 22, 1973]

MARIE M. PEDEN: OUR ASSOCIATE EARNS REST

Shakespeare: "The time of life is short;
"To spend that shortness basely were too long."

Marie McKinney Peden: May she rest in the comfort deserving of a woman who used every minute of her life preciously.

The Piedmont joins thousands of her friends, associates and newspaper acquaintances in the mourning which comes from loss of a dear person whose life should not have been so short.

Our prime consolation is how tightly packed her time on earth was with virtually every good element of family, home, church, community activity—and a profession through which she reached the very highest points of accomplishment.

The latter is our overriding interest here, though we could fill several columns with her other fulfilling participation in and unfailing response to extraordinary outside demands.

She joined The Piedmont staff in 1955 and because of outstanding work was a natural choice as woman's editor three years later.

We quote from the professional viewpoint of one of her associate editors a few years after Mrs. Peden had taken over:

"She has played the major role in turning the paper's former Society Section into a well-rounded Woman's Section. Under her leadership, the women's pages reach into every section of this area and cover all phases of living and women's activities.

"The department deals with all segments of the community, regardless of economic or social position."

A large part of Mrs. Peden's success was due to the latter observation. It never was "just a job" for her, as also none of her other myriad undertakings was ever entered halfheartedly.

Whatever involved women—and for most of her years as editor the women were strong forces for total community betterment—Mrs. Peden was an important part of it, both as journalist and personal participant.

Because she was so active, because she was so much a part of everything around her, it is almost impossible to pick a particularly signal honor among the dozens she received for her civic and professional attainments.

Somehow we feel she may have derived the greatest pleasure and personal reward, however, in being chosen by the S.C. Press Association in 1961 and again in 1967 as South Carolina Newspaper Woman of the Year.

As we recall the 1967 events, on returning from the award ceremony she beamed that always-wonderful smile in a few moments of personal triumph before plunging again into her furious pace.

That was Marie Peden, bless her soul.

MARIE M. PEDEN

Marie M. Peden simultaneously pursued three careers as wife and mother, professional journalist and active community worker—and was an outstanding success in all three.

The happy home she and the late Ralph Peden maintained here and the lives of their two children, now grown, speak for themselves about her role as wife and mother.

Twice she was South Carolina Newspaperwoman of the Year. Her statewide journalistic awards would cover an entire wall. She was a prime mover in the Women's Division of the South Carolina Press Association. She promoted journalism constantly by appearing before school clubs and scholastic press associations.

She was an early and avid leader in the movement which transformed the old society sections of daily newspapers into women's and family interest sections, probing and reporting on every facet of human and community life.

As Women's Editor of the Greenville Piedmont, Marie Peden ranked near the top of the list of distinguished South Carolina journalists. She had the profound respect and admiration of her colleagues here and throughout this state.

Her pioneering work in civic club affairs made her an active participant in efforts aimed at community betterment in this county. She richly deserved her listing in Who's Who Among American Women.

Along the road of her life Marie made and kept countless friendships here and throughout the state. Her recent death brings sadness to this community and creates a void in the ranks of South Carolina journalists. We who knew her well feel the loss keenly.

COUNTIES ACROSS THE NATION FIND LIMITED FUEL AND HIGH PRICES

Mr. HUMPHREY. Mr. President, the National Association of Counties Task Force on the Fuel Crisis has just concluded a Washington meeting to discuss the growing fuel crisis. The results of the meeting, briefly summarized, are as follows:

Counties across the country are experiencing great difficulties in getting competitive bids for gasoline, diesel fuel, and heating oils. Counties that have supply bids find that prices are up from 25 to 66⅔ percent over the previous year and that the bids are replete with new restrictions, limitations, and requirements.

NACO has taken the position that fuel must, by law, be provided for essential public services in sufficient quantity and at reasonable prices. I agree completely with this position. A solution must be worked out immediately so that the Nation's counties will be able to continue to run their fire, police, and other public vehicles; heat their buildings, hospitals, schools, and continue other necessary public services during the coming winter. The solution to this urgent problem is found in S. 1570, the Emergency Petroleum Act of 1973, which passed the Senate June 5 by a wide margin, 85 to 10. Identical bills, H.R. 8597 and H.R. 8863, have been introduced in the House and referred to the House Interstate and Foreign Commerce Committee. I urge that committee to act speedily on this legislation. Each day the fuel situation becomes more alarming, and we in Congress have a great responsibility to push the administration to begin a mandatory plan to deal with existing shortages so that the public's health, safety, and welfare is not further jeopardized.

Mr. President, it is due to the urgency of this present energy situation that I ask unanimous consent that the National Association of Counties special report on "Counties and the Fuel Crisis" be printed in the RECORD.

There being no objection, the special report was ordered to be printed in the RECORD, as follows:

JUNE 22, 1973.

DEAR SENATOR: Our counties are experiencing great difficulties in getting competitive bids for gasoline, diesel fuel and heating oils. Counties that have supply bids find that prices are up from 25 to 66⅔% over the previous year and that the bids are replete with new restrictions, limitations and requirements.

NACo has taken the position—we want to do our part during the crises but that fuels must, by law, be provided for *essential* public services in sufficient quantity and at reasonable prices.

Enclosed you will find a special report on "Counties and the Fuel Crises" that we have put together as a result of a recent Washington, D.C. meeting of the National Association of Counties' Task Force on the Fuel Crises.

We want to share this information with you because the present crises appears to be affecting many counties in the United States. We want to work with Congress in finding a solution so that our counties will be able to continue to run their fire, police and other public vehicles; heat their buildings, hospitals and continue other necessary public services during the coming winter.

Sincerely,

BERNARD F. HILLENBRAND,
Executive Director.

COUNTIES AND THE FUEL CRISIS

(Bernard F. Hillenbrand)

NACo, under the leadership of Los Angeles County Supervisor Jim Hayes and NACo President Gladys Noon Spellman, has just concluded a Washington meeting which makes us most apprehensive about the ability of counties to secure gasoline, diesel fuel, and heating fuel in sufficient quantities and at reasonable prices.

We assembled representatives from 25 counties at random, and an amazing pattern emerged from their local reports. It can be summarized as follows:

NO BIDS

Many of our counties are unable to get bids of any kind for gasoline, diesel fuel or heating oil.

RESTRICTED BIDS

It has been the practice for counties to issue a single bid that would also supply fuels for towns, villages, cities, school districts and other smaller jurisdictions within the county. Without exception, the oil companies are rejecting that non-county portion of the bids.

PRICE

We have discovered that the oil companies are bidding at prices from 25 percent to 66⅔ percent above last year's quotes.

RESTRICTIONS

In many cases, the bids are providing that the oil companies can get out of the contract on 30 days notice.

NEW REQUIREMENTS

Many of the oil companies are using the bid form to institute new requirements on local government. These take the form of requiring the purchase of gasoline tanks and facilities; requiring the locality to move the fuel from refineries to their own outlets; restricting the number of new outlets that will be served; requiring larger tanks and storage facilities at acceptable fuel points.

HEATING OIL

To date, we have not had a report of any county that has been successful in getting bids for heating oils for public facilities for the coming winter season. This is a particularly aggravating point, because if we are unable to get sufficient supplies of heating oils by the first cold spell, we run grave risks of frost damage to the plumbing and structure of schools, hospitals and other buildings.

NATURAL GAS

While it was not discussed during our Washington meeting, we have subsequently learned that natural gas suppliers are requesting, and apparently it will be granted, a tripling of the price of gas at the well head. This will, of course, cause new financial hardships for those counties and other public agencies that use natural gas for heating public buildings.

In general, it would certainly seem to us that the pattern of response to the fuel crisis bodes very ill for the public sector. We must keep in mind that with our tight budgets every increase in the cost of fuel must be made up either with a cut back in some other service or an increase in taxation.

NACo's position is clear. Our Board of Directors (backed up by a similar action by the delegates to NACo's Western Region Conference) is clearly on record as wanting compulsory allocation of gasoline, diesel fuel, and heating oils for vital public functions such as police, fire, ambulance, school buses, transportation and heating public buildings. We also want these supplies to be provided to the public at reasonable prices.

We make one further observation. There is fragmentation of federal governmental effort in the fuel crisis response. NACo met, for example, with the Assistant Secretary of Interior for Energy and Minerals. This Agency is responsible for monitoring the voluntary allocation formulas now in effect.

We find, however, that this agency has no control over the prices. We must go to another agency, namely the Cost of Living Council, to adjudicate any claim of excessive fuel prices.

Finally, regardless of the short term problems, we obviously have a long range problem of providing fuels for the future. The leadership for this problem is under a third agency, located in the United States Treasury. It is called the President's Oil Policy Committee. Presumably this unit is responsible for developing policies about the Alaska Pipeline (which NACo is strongly supporting); more research into atomic energy and hydroelectric power; processing of shale oil; and conversion of coal to gasoline and other fuels.

We believe that we have both short term emergency and possibly a long-term problem in the energy crisis. We are awaiting the proposed action plan on energy that President Nixon has announced he is developing and will shortly release.

SENATOR ERVIN HONORED BY AMERICAN INDIANS

Mr. ROBERT C. BYRD. Mr. President, on June 25, 1973, one of our distinguished colleagues in the Senate was honored by the National Congress of American Indians, the Nation's oldest and largest national Indian organization.

Senator SAM ERVIN, of North Carolina, was named as one of two recipients of the first annual Henry M. Teller Awards for outstanding legislative achievements affecting the welfare of American Indians. Congresswoman JULIA BUTLER HANSEN, of Washington, was also honored.

The awards are named in honor of 19th century congressional champion of Indian people, Senator Henry M. Teller, of Colorado. So it is most appropriate that the efforts of Senator Teller be continued by SAM ERVIN, 20th century champion of the rights of all Americans. Of special importance in this connection was congressional enactment of the so-called "Indian Bill of Rights" in 1968, which was introduced by Senator ERVIN.

USER CHARGES ON AIRCRAFT

Mr. BROCK. Mr. President, a great deal has been said about Congress abdicating much of its power to the executive branch of Government. I, for one, have been a proponent of the theory that whatever the reasons advanced, we really have no one to blame but ourselves. Instead of Congress acting as a responsible body, it seems we have been content to sit idly by while the White House slowly usurps our powers.

A situation exists today, which unless attended to, threatens to do irreversible harm to the aviation community. I invite attention to it in hopes we will not sit idly by.

The aviation community has been advised that the Office of Management and Budget has directed the Federal Aviation Administration to impose administratively, effective July 1, 1973, a schedule of user charges, or selective taxation, designed to produce not less than $50 million in miscellaneous receipts to the Federal Treasury for FAA's safety regulatory activities.

Needless to say, the proposal has caused a great deal of consternation not only to aircraft owners, but to informed individuals fully aware of the consequences of such a measure. The Aviation Resources Corp. recently conducted a survey to determine the "probable impact" should the user charges be implemented. So that there could be no question as to the validity of the survey, the ARC canvassed twice the usual segment—20 percent versus 10 percent, and received a 40-percent response—over four times the usual expectancy. Those questioned were owners of airplanes presently worth $4,000 to $10,000, and the results are electrifying.

What it amounts to is that rather than face exorbitant costs, the owners would rather give up flying completely. For instance, when asked if Government were to impose an annual tax of 5 percent—$5 per $100—based on value of the aircraft, 78.6 percent said they would sell their planes and quit flying. These additional expenditures could obviously result in effectuating the end of virtually all civil aviation, as greater and greater costs are loaded on fewer and fewer people until no one could afford anything.

Apparently, the FAA is relying upon title V of the Independent Offices Appropriations Act of 1952 for its authority to impose these charges. Grave doubt remains that this vague piece of legislation provides a proper basis for establishment of user charges. In fact the American Bar Association has urged its repeal and advocated that no schedule of agency fees and charges specified under title V should be adopted unless first authorized by specific legislation dealing with the particular subject matter or agency.

Some of the doubt may be resolved by the Supreme Court review of title V now in process. Regardless of the outcome, however, Congress should be involved in determining its validity.

The Department of Transportation presently has an aviation cost allocation study in process to ascertain what portions of the Federal costs of the airport and airway system should be borne by users and by the general public. Thankfully, Congress will have an opportunity to have its say in this regard when the Department of Transportation, as required by law, eventually submits its report.

I firmly believe though, that the FAA should not be permited to establish user charges administratively until Congress has received the results of the cost allocation study and made its consequent decision on how much of the costs and taxes should be borne by users and the general public. To impose these charges at the whim of the OMB without adequate study of the consequences is ludicrous and represents an invasion of our basic rights.

To begin with, the user charge concept is an extremely complex issue. At present only about 7 percent of the total Federal revenue comes from user charges. Included are such charges as taxes on gasoline and tires, which go into a truck fund for highway development. This leaves 93 percent of Government financing from general taxation to provide programs in the total public interest.

One example of general taxation for programs in the public interest is education, where everyone contributes regardless of whether or not they have a child in the system. A program of user charges could alter this to where only those persons who are the direct users of the education system would bear the major portion of the expense.

It is exactly for this reason I am gravely concerned about these proposed charges. The user charge concept has such far-reaching implications that

it is time Congress makes a declaration of policy before things get out of hand. It is our responsibility and not that of the executive branch.

The House passed versions of the DOT appropriations bill has an amendment precluding for 1 year any use of funds for implementation or execution of any program in the DOT, including the FAA, to collect any fees, charges, or prices for approval, tests, authorizations, certificates, permits, registrations, or ratings which are in excess of levels in effect January 1, 1973. Mr. President, I earnestly hope you support this version. In doing so, we will then have the time to evaluate the alternatives and respond responsibly, and hopefully with an equitable solution, mutually respected by all parties concerned.

COUNTIES FIND LIMITED FUEL AND HIGH PRICE

Mr. HUMPHREY, Mr. President, county officials from across the Nation met last week in Washington with Assistant Secretary of the Interior, Stephen A. Wakefield, to discuss the current fuel crisis. The officials—all members of the National Association of Counties—related similar problems with respect to fuel supplies and prices. Their reports all point up the urgency of the fuel crisis this Nation is experiencing, and the need for the administration to begin an immediate mandatory allocation program to equitably distribute dwindling fuel supplies to all parts of the Nation, and to all vital services. The time for such action is now, as the reports by these county officials indicate.

I ask unanimous consent that excerpts of their remarks be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

COUNTIES FIND LIMITED FUEL AND HIGH PRICE

PRINCE GEORGES COUNTY, MD.

(By Gladys Noon Spellman, County Councillor and NACo President)

"I'll start, if I may, by introducing the resolution which was passed by the National Association of Counties when we met in Alaska. And I can tell you, we heard a great deal about pipelines out there, and we were very sympathetic.

"I'd like to present the situation as we see it right here in our own jurisdiction of Prince Georges. Now we have had admonitions through the news media that there was an approaching energy crisis. And so when, in February, we went to bid on our motor fuels, we were pleasantly surprised. We did have a bidder, and the fuel was only 2 cents a gallon more than we had paid before. Normally, that would have dismayed us, but we felt we were quite fortunate at that time. The bidding was extremely limited, and the normal discounts were substantially reduced.

"I might say, when I say we, that Prince George's County bids for the county government, the board of education, the police and fire companies, the municipalities, and the various agencies, boards and commissions. While the contractual commitments on all of our required fuels were obtained, our projections indicated that there was going to be an annual increase in cost for us, in the amount of $154,000.

"We got only one bid on diesel fuel and that was an interesting one because there was a proviso that the county purchase all of the underground diesel fuel tanks, which in the past we had just been able to have supplied to us—those had been furnished. Since these fuel tanks are used by the various fire companies around the county, there were a heck of a lot of fuel tanks that we had to buy. But that's what we had to do in order to get the diesel fuel.

"But that was back in February. In May, when we went out to bid for fuel oil, we got no bids. So at this moment, we won't have fuel oil to heat the schools and the public buildings this coming winter.

"Then in May, we received from our contract source for gasoline a letter indicating that due to the tight supply situation on gasoline, they were going to find it necessary during the month of May 1973 to limit our purchases of gasoline to 90 percent of the purchases of May of last year, and that in June they would take us back to 70 percent of the purchase of June of last year. Now when you consider that during that interim we've had an increase in the number of police cars alone of 66 percent—we've increased our police cars by 66 percent—yet we're being cut back to 70 percent. We have had 49 additional fire vehicles, we have 39 cars that the sheriff has on order, many of which have been delivered, that he can't put out on the street now because we've already had to cut back on gasoline, then you know we're in trouble. And you add to that that Prince George's County has been blessed with a forced busing system in our schools, and we have the largest private fleet of buses in the country—we've got problems."

ST. LOUIS COUNTY, MO.

(By Lawrence K. Ross, Chief Executive Officer)

"I won't throw out facts and figures because it would be merely repetitious, except our price increase has been more abrupt than yours (Prince George's County). We have used one technique which has brought forth rather excellent results, and which I think you at the local government level and conceivably the Department of the Interior might quietly bless as an effective means of getting these guys off dead center.

"That (technique) is that we all have the zoning power and we have frequent requests for large and small oil companies for new filling station locations in our large suburban county, and our county council has publicly expressed itself that it's totally illogical, if these people cannot meet their obligations to providing fuel for emergency services, to create more retail outlets. I can't tell you the extent of the response; however, these oil people are scared to death of being accused of collusion. They all call and say I'm calling as an individual company. But this is something—and I wonder whether we as an association couldn't really make some ripples by taking a position—and I don't mean to involve you all in this—why in the world create more retail outlets, why make it more possible for these people to serve the retail market more readily when they're ignoring their responsibilities to us? I think that's something we might think about."

MACOMB COUNTY, MICH.

(By Herbert McHenry, Vice Chairman, Board of Commissioners, and Roy McPeters, Chief Civil Counsel)

"Very briefly, we're going to focus our remarks on the fuel shortage experienced by Macomb County, since the expiration of our contract with our only supplier, Gulf Oil, on May 31, 1973. That briefly is this:

"Prior to the expiration of the contract we requested bids on two different occasions and received none. After the expiration of the contract, Gulf advised us orally that they would continue to supply us along the base period guidelines 63 percent of that requirement, for a period of 6 months, at a price differential of some 52 percent. We had requested that Gulf give us that commitment in writing, and Gulf has absolutely refused to put it in writing. They have just told us that we will continue to supply you along that line until such time as we make another decision. That very succinctly is our position in Macomb County."

SAN DIEGO COUNTY, CALIF.

(By Roger Honberger, Washington Representative)

"Despite the fact that our contract negotiations were settled earlier this year in gasoline, you will be hearing from us on diesel fuel. We have about 15 days left in our contract for diesel fuel. We've gone out for bids and have received none. We need approximately half a million gallons per year. Our supplier has told us, off the record, that there's no problem with the amount of diesel fuel that should be available to us, but the question is price. And until the price situation can stabilize, we will receive no bid."

ANNE ARUNDEL COUNTY, MD.

(By Randy Rosencrantz, Central Services Offcer)

"In Anne Arundel County it's our opinion that we've never really had a competitive situation as it relates to gasoline. For the last several years, it's been a one-bid type situation. The law requires that we bid gasoline. We have bid gasoline, but we usually only get response from one buyer. This is not unique just to our county. I understand that there are other counties in the state of Maryland who experience the same thing.

"By virtue that this has happened several years indicates to me that perhaps there's a need for some investigation of more than just the current prices, but perhaps some history that has developed up to this point and perhaps some effort made so that this kind of thing will be discontinued. We are required by law to be competitive, and I think that the gas companies should play ball with us and be competitive also.

"This year, we got in touch with the vendor that served us last year (the last two years for gasoline) and we were advised that there's no need to bid it because we won't bid on it, but if you want to bid, you can. If you don't get a bid, we will negotiate with you.

"The whole sum of that negotiation amounted to their telling us: that we will supply you probably with the same amount of gas next year that you receive this year, that it will cost you 56 percent more to get that amount of gas, and please do not ask us to deliver to any location that will accept less than $1000, or do not ask us to increase the number of locations delivered to presently within the county."

"In view of this, we feel that we're not really in a negotiating position—we just have to sit there and take the best that can be offered to us. I would also suggest to you that in the Baltimore area, there are 13 potential suppliers of gas, and I just cannot convince myself that only one is interested in our business.

"Additionally to this, I would remind the Secretary that, as other counties have, in the counties we are taking steps to conserve our fuel. We've even gone to the extent of asking people not to use the air conditioners in their cars. I don't know how this is going to be received. I even sent out a memorandum to the police chief and suggested about 8 different things, and I noticed that when he passed the memorandum on to his troopers, he deleted that suggestion."

HENNEPIN COUNTY, MINN.

(By Herbert Klossner, County Engineer)

"In our seven-county metropolitan area, I've polled most of the people in that area,

and it seems to me we're having problems in three categories:

"The first category is no bids whatsoever. The second category was bids with ten-day termination clause—not guaranteeing price or quantity in ten-day written notice. Or there were only bids for partial needs. And some of the tactics that apparently developed—of those that have received bids, they have all been between 40 and 50 percent higher than the previous contracts.

"In our own case, Hennepin County has a cooperative bidding procedure with some 26 municipalities and agencies within the county. We have a contract for 1973 with the Shell Oil Company. They have started an allocation process wherein they have said to us that 'Your June 1973 allocation volume will be the volume that you had in June of 1972.' And they have not given us any indication of what our July volume will be—they haven't figured that out yet. They're going to let us know.

"Another problem seems to be that several of our counties who have received no bids are able to get gasoline if they will go to a bulk plant and load up their own trucks. Under those conditions, they will receive a normal truckers discount of 3 percent. There are others that will deliver diesel oil at 1,000 gallons at a time—no limits as to the number of times.

"Generally, the feeling in the area is that fuel is available at an * * * find now a situation in fuel oil, gasoline and diesel fuel, that, what I gather at this meeting today, simply is this—it will be available.

"But we will not be able to determine, by any way, shape or form, what we're going to have to pay for it. Now, we are purchasing gasoline, and I won't go into any statistics because I'm sure the national statistics are staggering—but for the City of Alexandria, Falls Church, Town of Vienna, and several other municipalities, we are finding that in gasoline we were fortunate enough to early bid and come up with about a 39 percent increase.

"In fuel oil, which I think has been very lightly touched on today, we are experiencing no bids. Some of the major suppliers are indicating to us that because of their production on gasoline, that fuel oil will not be available in any large quantities. Now one can surmise from that, and we're in the same posture on school buses—we operate about 706 school buses, much to our chagrin—that we'll either have to educate the children in the school buses or we'll not have any heat in the school system.

"Now, I've talked with the governor's office, and several other members in the state, and several congressmen, and the interweaving of this issue has gotten us to a point of where I have to tell the county executive as late as yesterday, and the director of budget, that probably—and I believe this is going to occur in Maryland if it has not—we are going to have to bid on a per-tank basis for delivery of fuel oil.

"Now, fortunately or unfortunately, I'm not an elected official. But many elected officials in the commonwealth, and I'm sure in the country, are going to be awfully hard-pressed to defend this bidding process—and let's fact the facts of it, it's going to have to be passed on to the individual taxpayer in the municipality—without really a true explanation of what is occurring. Now I'm much enlightened after some of the previous discussion, but there are several factors that still are not clear to me.

"Number one—the major suppliers are not giving out consistent prices in this Metropolitan area. Now I could understand this west-coast prices differing, transportation prices differing, and this type of thing. But it's not happening in this metropolitan area. It's who gets there when, or on any given day what the price is going to be. And that seems to be inconsistent with the suppliers' argument that they must pass on their increased costs. We'll certainly be glad to pay increased costs. I cannot understand why Maryland has to pay more, per gallon than Virginia. And we're not that geographically dispersed. This is not logical, for us to go to the Cost of Living Council increase in price. And there is some doubt whether the shortage is real. The supplies seem to be there if you're willing to pay the price."

GENESEE COUNTY, MICH.

(By Edward Wiles, County Engineer)

"We are not receiving bids—only in partial bidding. Opposite to some of the comments I've heard today, we are receiving bids for our small tank-leg drop points and no bids for transport. We apparently are going to get the fuel if we negotiate the price, and still it won't be really excessive compared to some of the others. So the thing that I would be interested in now—we are naturally concerned about what may happen later—and you mentioned the Operational Centers is who should we contact?"

NASSAU COUNTY, N.Y.

(By James Baker, Deputy Commissioner of Purchasing)

"Mr. Secretary, we presently enjoy a contract with a major oil company which happens to be Chevron. Based on our allocation of 3.5 million gallons of gasoline, the executives of the Chevron Company assurred us, as of the moment, that they would try to furnish us with that estimate of product for the contract year, as far as and including the first of December.

"The problem with gasoline, as we experience it, is with our political subdivisions. By mutual agreement with them, they have asked us, due to the shortage, to relieve them of their obligation to furnish gasoline under our contract. So by mutual agreement, with a cut-off date of April 23, those political subdivisions who were on contract with them, they will still honor. Any new agencies or lesser political subdivisions will have to be denied at this time.

"For fuel oil, our contract will expire August 31, so we're just working up to this now. However, many of our villages, towns, special districts bid on their own. They have been receiving, again, single bids—and in some cases no bids. One large village in our community operates its own power plant, generates their own electricity. Their normal needs are 9 million gallons per year. They received one bid from Mobil—4.5 million gallons, or half their requirement—at 17 cents per gallon, which represents about a four-cent increase over what they paid last year."

FAIRFAX COUNTY, VA.

(By Jay Hamilton Lambert, General Services Director)

"Mr. Secretary, I'm from Fairfax County. We in the Commonwealth have historically been conservative-minded people. We (and I certainly don't want to belittle that), but how in the world could they determine whether Fairfax County per se, or Montgomery County, was taking the short end of the deal on a gasoline price, when we're very similar in geographic area and in number of vehicles, I assume. But yet already we're starting from a base that is different. I don't believe that is a fundamental that could be mathematically modeled?

"Now, if you maintained your fleet at the same level that it was last year—the same number of vehicles—and we've just run some computer programs that indicate to us that our gasoline consumption is still going to go up on an astronomical basis, primarily due to the federal restraints on air pollution and what they're having to do to police vehicles and schoolbuses and this type of thing. So this 80 percent allocation puts us in a bind even if we were to hold last year's level fleet and reduce vehicles.

"I cannot prepare a plan for emergency, other than to say generally what I imagine every jurisdiction is saying—fires, police and health, in that order, and the rest of it we'll have to let go. This is why I think really we are in a tremendous bind. I don't know how to plan for a gasoline shortage—not with any reasonable certainty."

THE DEBT CEILING BILL

Mr. TOWER. Mr. President, I strongly believe that the Senate has established a bad precedent in attaching nongermane amendments to the debt ceiling bill. I realize that the debt limit bill is made the vehicle for so many amendments of varying subject matters simply because it is considered veto-proof. While this may seem to be good strategy to some, in my opinion it is a very poor way of legislating.

Therefore, during consideration of H.R. 8410, I opposed all amendments in the first degree. I opposed them despite the fact that many of them are worthy of congressional approval. For instance an amendment was approved that would increase the retirement test under social security to $3,000. I have long championed this proposal, and only recently have introduced legislation to make this particular change as well as reducing the age of applicability of the test from 72 to 70.

I was also one of the first Senators to propose automatic cost-of-living increases in social security because I recognize that inflation is most damaging to those Americans living on fixed incomes. Additionally, improvements in the supplementary security income program and the postponement of the implementation of the social services regulations so that Congress can review them in more depth have my support.

Nevertheless, Mr. President, attachment of these positive proposals to a debt ceiling is not the best way for the Senate to legislate on subjects that everyone admits are deserving of individual attention. This is especially so when there is enough time remaining in the 93d Congress for the Senate to give adequate time to these issues.

The action taken by the Senate seriously jeopardizes the enactment of the legislation to continue the temporary debt limit. The ability of the Federal Government to function in an orderly fashion depends on this legislation being approved by midnight Saturday. This must be our primary concern during the waning days of the fiscal year. It is of course my hope that the Congress is able to fulfill its responsibility by meeting this deadline. Additionally, I personally would welcome a more comprehensive debate of the social security and related programs at a future date when we could all give them our full attention.

THE FLAG

Mr. BROCK. Mr. President, a student at Lawrence County High School in Lawrenceburg, Tenn., Vernon Sides, has written a moving and eloquent essay expressing his patriotic sentiments regarding the flag of our Nation.

It is popular to say that patriotic attitudes are out of fashion among our young people. My own experience does not support this feeling, but it is certainly true that expressions of dedication to America by youth have not received a great deal of publicity in recent years.

For that reason, and because of the quality of this work itself, I would like to ask permission to have Mr. Sides' essay printed in the RECORD.

There being no objection the essay was ordered to be printed in the RECORD, as follows:

THE FLAG

I have quite a story to tell. It's a story of life, of people living, working and playing together, but it's also a story of fighting and death. For you see I'm the flag of the United States of America.

I've grown over the years. Since I was first raised and flown over this great country, I've tried on various stars and stripes and will probably continue to do so. I've gone from 13 stars to 50 in only a matter of years.

I'm proud to be what I am. I laugh at my cousin the Union Jack. He thinks he's the best since I was copied from him, but that's not true. I'm the one that stands for freedom.

I've been all around this world. Right now I'm flying from thousands of poles, cars, and ships. I've been to the moon, but with the good goes the bad. I've been ripped and tattered and had a few songs written about me. I've been carried through eight major wars and through numerous skirmishes. My fabric has fluttered in the wind from the top of Mt. Suribachi on Iwo Jima and tears have been shed upon me by a mother who's son gave his life fighting for his belief. I've seen gay parades on the streets of San Francisco and I've been saluted by happy rejoicing men, POWs returning from Viet Nam.

I'm famous. Perhaps the most important symbol in America and the world, because I stand for liberty. I command everyone's respect and it makes me sad to see people who don't put their hands over their hearts or salute me as I pass in review. Nevertheless, I shall continue to wave over their heads—the symbol of liberty for all the world to see. The red, white, and blue, the flag of the United States of America. LONG MAY I WAVE.

VERNON SIDES.

AIR TRAFFIC BETWEEN THE UNITED STATES AND THE SOVIET UNION

Mr. CANNON. Mr. President, I am sure my colleagues noted that during last week's visit of Soviet Communist Party Chief Leonid Brezhniv to the United States, the United States and the U.S.S.R. announced an extension and a broadening of the bilateral air transport agreement which governs reciprocal air service between the two nations.

Aeroflot, the Soviet Union's state-owned airline was given access to Washington—it previously had access only to New York—in exchange for the right for the U.S. carrier, Pan American, to serve Leningrad. Currently, Pan Am is allowed to serve only Moscow. In addition, each carrier was given authority to operate an additional flight each week: Currently both Pan Am and Aeroflot offer twice weekly service between New York and Moscow. The new agreement, judged by an knowledgeable source, is of no significant benefit to the United States, on the contrary, the Russians are the chief beneficiaries.

While I generally applaud the President's initiatives to broaden trade and cultural relations with the Russians while at the same time seeking to lessen tension and the threat of nuclear war, experience with the Russians in relations to civil air services has been disappointing to say the least.

Mr. President, the Civil Aeronautics Board—the regulatory agency charged under the Federal Aviation Act of 1958 with regulating the economic structure of the air transportation industry, is about to announce a massive complaint and enforcement action against Aeroflot for what I am told are more than 100 separate violations of U.S. air Transportation law. What the CAB has discovered and is about to act upon is the fact that Aeroflot has apparently been selling cut-rate tickets at prices below the published and lawfully filed fare. This has been done, apparently, to widen the gap in an already inequitable situation in which Aeroflot is currently carrying more than twice as many passengers between the U.S. and the U.S.S.R. than is Pan American. This discounting, as it is called in the airline industry, of course, puts Pan Am at a tremendous disadvantage in that the traveling public, if it knows that the Soviet airline is offering discounts, will obviously jump at the bargain. This unlawful activity by the Soviet airline is only but one indication that the Soviets continually seek to obtain an unfair advantage for their own airline at the expense of the U.S. carrier certificated to serve the Soviet Union.

Mr. President, the CAB's enforcement action which I am told will be announced shortly has unfortunately been held up by the White House because of the fact that the announcement would have served to embarrass the Soviets if it had come before or during the recent visit of Mr. Brezhnev.

I think it is high time to stop worrying about embarrassing the Russians and time to stop making more concessions to them until they begin operating in compliance with the laws of the United States which all carriers—domestic and foreign—are obliged to comply with. Trade, like most relations between nations, is a two-way street or it is a deception which cannot endure. I note a deplorable tendency on behalf of U.S. diplomats and the executive branch to look the other way at Aeroflot's violations of U.S. laws and its well-documented attempts to engage in unfair practices, while at the same time encouraging the Russians by granting them new air rights which, because of their unfair and unlawful tactics, they have not earned.

Mr. President, there was no need whatsoever at this time to broaden and enlarge the scope of the U.S. air agreement with the Soviet Union. The talks served only to further the Soviet's interests and there was little of value to be gained in the agreement by the United States or Pan American. In fact, partially because of the Russians' tactics, Pan American continues to lose money on its operations to Moscow and those losses may well be exacerbated by the extension of new authority to Aeroflot.

Rather than sitting down to sign a new agreement making further concessions to the Soviets, I am troubled and disappointed that U.S. negotiators did not insist first that the Soviets start living up to the terms of the present agreement and cease using tactics both unlawful and unethical to gain an advantage for Aeroflot. The Russians understand our views, our laws, and our objections to the way they operate but I suspect they have concluded, perhaps rightly, that the United States will not be firm in insisting on adherence to our laws and practices as a condition to the rights granted to Aeroflot. This is not the way to do business with the Soviet Union or any other nation. This is not the method by which we should encourage trade, cultural exchange, and tourism. Indeed, it is detrimental to the best interests of the United States and to its flag carrier, Pan American. I suggest that before going another step further with the Soviets, the executive branch change its attitude and its approach if reciprocity and equality of opportunity is to be restored. The Executive must stop winking at Aeroflot's operations or some of us here in the Congress are prepared to take legislative action.

Mr. President, let me detail for a moment some of the abuses which presently occur in the reciprocal air service pattern between Pan American and Aeroflot.

The commercial relationship between Pan Am and Aeroflot is determined in outline by an airline commercial agreement approved by the two Governments within the framework of the overall bilateral air agreement. The problems are accentuated by the uniqueness of these agreements, by the differences in the social and economic systems of the two countries, by the priority of earning foreign convertible currency assigned to Aeroflot, and by stringent currency controls and security restrictions imposed by the Soviet Government. Although most of the traffic moving over the agreed services between the two countries is U.S. originating, most of Pan Am's business problems are related to traffic which originates or should originate in the U.S.S.R.

The airline agreement requires that all transportation documents sold in the U.S.S.R. must be issued by Aeroflot as general agency for Pan Am. On a reciprocal basis this provision serves to ballance and partially control Aeroflot's access to the lucrative travel market in the free U.S. economy, but in Moscow it allows Aeroflot to impede Pan Am's ability to secure business in the much smaller U.S.S.R.—originating market. Aeroflot may open its offices anywhere in New York, but in Moscow it practically takes a major investigation to locate the Pan Am sales office.

The Government agreement says that passengers and shippers will have freedom of choice of carrier, and will be able

to pay in the currency of the country where payment takes place, but in the Soviet world choice of carrier is the exception rather than the rule. Although in theory Aeroflot as Pan Am's general sales agent in the U.S.S.R. should prepare tickets for Pan Am customers upon request, in practice this process rarely works smoothly because Aeroflot's apparent goal is to hinder rather than facilitate the conduct of Pan Am's commercial activities in the U.S.S.R.

Incidents in which Aeroflot refuses to prepare tickets as requested for Pan Am customers continue to occur, particularly when they want to travel on an airline other than Pan Am or Aeroflot from Moscow to an intermediate point for connections to Pan Am services. Even when Aeroflot is to be used from Moscow to the intermediate point, ticketing is sometimes refused on the grounds that space is available on a direct Aeroflot flight to the United States.

Aeroflot continues to refuse to accept rubles from certain types of passengers such as foreign students resident in the U.S.S.R. Although there is significant amount of prepaid transportation, paid for in the United States in dollars, for travel which originates in the U.S.S.R., Aeroflot regularly refuses to process prepaid tickets in the Soviet Union for travel which originates outside the U.S.S.R. Recently Aeroflot has said only persons resident in the U.S.S.R. can purchase tickets with rubles.

Such harassments and roadblocks put in the way of passenger revenue generation in Moscow, which has been essentially static for the last several years, are disturbing when taken in the perspective that only the tip of the iceberg is seen under the best of conditions. An extremely small percentage of the population of the U.S.S.R. is permitted any foreign travel. A very small percentage of that group is permitted to travel across the Atlantic to the United States, and equally small percentages of trans-Atlantic travelers are reluctantly permitted to fly foreign carriers. Most Soviet citizens are government employees, and virtually all transportation paid for by the Soviet Government—including sports and theatrical groups—must fly on the national carrier. Only a small number of emigrants or older people visiting relatives in the United States, either paying for their own transportation or traveling on prepaid tickets, are permitted on Pan Am. I have heard that Americans of Russian ancestry are told in Moscow that conditions might improve for their Russian relatives if they traveled Aeroflot as a gesture of goodwill by a U.S. citizen.

It is interesting to note that most of these few Soviet passengers who do find their way to Pan Am's obscure, ill-identified second floor office in the old Metropol Hotel, and then manage to stick with Pan Am through the cumbersome Aeroflot ticketing process, are not Russians. They are largely members of minority groups such as Ukrainians, Armenians, Georgians, or people from the Baltic Republics who have relatives or friends in the United States. A big plus for Pan Am is its offer to advise these relatives in advance of the passengers' travel plans and the status of their exit visas. Aeroflot does not offer such service, and in fact will generally not even undertake reservations and ticketing formalities until exit documentation has been completed.

The situation is even more serious in the cargo field. Pan Am is virtually excluded from westbound cargo originating from Moscow, with the exception of U.S. Embassy shipments, and those of the few foreign residents, and tourists who have the perseverance to find Pan Am's office, and insist that their cargo move by the U.S. flag carrier. The bilateral air agreement notwithstanding, the Soviets have unilaterally decreed that Soviet citizens flying with Pan Am and who wish to ship personal effects may only do so on the services of Aeroflot.

Even holding onto U.S. Embassy shipments has been like pulling teeth. During the last 2 years another form of harassment has been placed in front of Pan Am. It is now required that the relatively small U.S. Embassy shipments must be submitted by the embassy to the Soviet Government agency responsible for handling such cargo 10 days in advance of the flight, largely defeating the purpose of air shipment.

Pan Am should be given a more equitable access to general cargo moving from the U.S.S.R. to the U.S.A., not limited to a few token embassy and foreign residents' shipments. Certainly, in the interest of our overall balance of payments problems, American businessmen should be able to specify that items ordered from the U.S.S.R. for export to the United States by air should be carried by the U.S.-flag carrier if the American consignee so prefers. If the spirit as well as the letter of the airline agreement is to be adhered to, Pan Am must be given more equitable treatment to bring its commercial opportunities in the small U.S.S.R. market closer to Aeroflot's unlimited opportunities to tap the huge U.S. market.

While these problems are serious enough, the more serious problem, and one that has been investigated by the CAB, involves the conduct by Aeroflot of its commercial activities in the United States. In addition to not fulfilling its commercial obligations under the airline agreement, Aeroflot engages in a number of illegal and unfair competitive practices, and, in effect, "buys" business in the United States in at least four ways:

First. By giving to travel agents and tour operators free transportation on domestic segments within the U.S.S.R., which they can in turn sell or provide free to their clients.

Second. By paying to tour operators and travel agents illegal commissions amounting to as much as $100 per passenger.

Third. By giving travel agents free transportation instead of collecting the 25 percent service charge required by IATA Resolution 203 (USA).

Fourth. By offering to the traveling public transportation on Aeroflot at fares discounted from the lawful traffic conference levels required to be charged under the airline agreement and approved by the CAB.

Mr. President, it is against this background that the United States last week authorized further expansion of Aeroflot's opportunities in the United States. Any reasonable man would ask why? He would ask why not force the Soviets to live up to the existing agreement and to U.S. law before any discussions whatsoever are held which are aimed at increasing Aeroflot's authority to serve the United States. I believe that the Executive has been derelict in its responsibility to maintain equity and fairness in this situation. Unless the matter improves by reason of a Soviet change in attitude, or further negotiation, then I plan to call hearings in my Aviation Subcommittee to explore whether the act should be changed or strengthened in order to more effectively deal with foreign air carriers who choose to ignore and flout U.S. law and practice. I hope such hearings will not be necessary. They should not be necessary because the Executive presently has a variety of tools with which to deal with the recalcitrant Aeroflot. The real question is, Does the Government want to deal with the situation?

I wonder what future there is in trade with the U.S.S.R. if those business exchanges are to be patterned after the Aeroflot-Pan Am experience.

I do not pretend to be an oracle of knowledge on commercial transactions between the two countries. But I do know that we need no more horrible examples such as the one I have described to the Senate today.

Nor is it in the interest of this country to burden our own citizens with any more wheat deals such as the one which imposed a frightful price upon American consumers earlier this year—the adverse effects of which are still being felt by our own people.

I also know that we need no more dumping of illegal, cutrate titanium on our shores such as happened a few years ago and dealt our own titanium a devastating blow which resulted in layoffs and plant closures in our own country.

Mr. President, we are a rich and powerful country, but we will be weak and impotent and our days of affluence numbered if we permit our business with Russia to be a massive giveaway of our rights and equities, despite the cosmetics of summitry and the heralding of great events of progress between the two countries which in examination are discovered to be one-sided, deceptive, and against the interests of the United States. Let us not confuse the rhetoric of peace, understanding and cooperation with the reality of things as they are.

GLADYS HARKNESS

Mr. DOLE. Mr. President, a native Kansan who established a national reputation in journalism recently died in Washington. Mrs. Gladys Harkness was widely read in her native State and throughout the country, and the rich background of her Kansas youth was a strong influence upon her throughout a long and productive career.

The people of our State are always proud of the achievements of its sons and daughters, and had good reason to find special satisfaction in the accomplishments of Mrs. Harkness.

A detailed description of her life and career was printed in the June 18 edition of the Washington Star-News, and I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GLADYS HARKNESS DIES; WROTE FOR MAGAZINES

Gladys Suiter Harkness, 65, wife of a longtime Washington newsman and coauthor with him of articles in national magazines, died Saturday at George Washington University Hospital after a long illness. She lived on Dumbarton Avenue NW.

Mrs. Harkness, known as "Daz," came to Washington in 1934 with her husband, Richard, then a reporter for the Old United Press. He later was with the Philadelphia Enquirer and then was an NBC newsman here.

She was born in Rock, Kan., in 1908, and was graduated in 1929 from Kansas State University.

"Graduating during the worst of the Depression," she once wrote, "I was one of the lucky few to find a job." She went to work as an editor for a book publisher in Kansas City and there met her future husband. They were married in 1934.

Her parents homesteaded in Kansas, progressing from a sod house to a frame home with a "large storm cellar where the children were gathered when the cyclone winds blew," she wrote.

"Life was simple" on the wide plains of Kansas. "My earliest memories are of riding in the family surrey behind high-stepping horses," she recalled.

". . . In what is variously described as the Bible belt, the Conscience or the Bread Basket of America, I grew up. It was a happy, self-contained community where families lived full, unrestrained, self-sufficient lives. We were virtually isolated. Thoughts were circumscribed, uncomplicated by events that took place beyond our range of vision. Our livelihood was dependent upon our own efforts and the weather . . .," Mrs. Harkness wrote.

"Complacency settled with summer gentleness upon the people and this land of beautiful emptiness. Social life was simple and centered about the churches and schools and family reunions."

"Our reading was limited to the classics, the Bible, the family medical book and the mail order catalogues . . . We were almost completely self-reliant and solitary." The Harknesses arrived in Washington in 1934 as the New Deal was radically shaking the old Southern town. She went to work on the public relations staff of one of the New Deal agencies, staying until the couple's first child was born.

During World War II, she was local chairman of the Women's Action Committee for Victory and Lasting Peace which grew out of Carrie Chapman Catt's Committee for the study of the Cause and Cure of War. The group attempted to promote an interest and knowledge of foreign affairs among women and to support postwar programs such as the Marshall Plan.

During the 1950s and 1960s she wrote with her husband articles for such magazines as the New York Times Sunday Magazine and Saturday Evening Post.

She was a member of the International Club, the Sulgrave Club and the Washington Press Club.

In addition to her husband, she leaves three sons, Richard, Peter, and Christopher; three grandchildren; and two sisters and a brother, all of Macksville, Kan.

A memorial service will be held tomorrow at 11 a.m., in the Bethlehem Chapel of the Washington Cathedral. The family requests that expressions of sympathy be in the form of contributions to the American Cancer Society.

GENOCIDE AND THE QUESTION OF EXTRADITION

Mr. PROXMIRE. Mr. President, the question of extradition as it pertains to the crime of genocide has often been raised as an argument in opposition to the ratification of the Genocide Convention. This matter is discussed in the treaty in article VII:

Genocide and the other acts enumerated in article III shall not be considered as political crimes for the purpose of extradition. The Contracting Parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

It should be clear that this section is not to be construed as an extradition treaty per se. Rather, as the Senate Foreign Relations Committee report states:

It obligates the contracting parties to grant extradition *in accordance with their laws and treaties in force* and neither U.S. law, nor any extradition treaty to which the United States is a party, covers genocide at this time." (emphasis supplied)

The chief concern resulting from article III is the fear that American citizens could be extradited for trial in a foreign court without the protection guaranteed by our Constitution. But this is a misinterpretation. By ratifying this convention, we are simply permitting genocide to be included among other crimes for which Americans may be extradited under formal extradition treaties.

At least 75 nations, including most of our NATO and SEATO allies, have ratified the Genocide Convention, and it is a disgrace to the United States not to be among them. This treaty will not violate any of the rights of our citizens, and it is sheer folly to believe that it will.

THE COURTS AND SPEEDY TRIAL—OUT TO LUNCH

Mr. ERVIN. Mr. President, a recent article which appeared in the New York Times strikingly underlines the speedy trial dilemma facing the criminal courts in this country. The article, based on studies by the Economic Development Council and the Judicial Data Processing Office of the city of New York, provides a statistical analysis of the amount of time that New York Supreme Court justices handling cases in New York City actually spend on the bench each working day. Among other interesting statistics, the study by the Economic Council notes that the justices sitting in Manhattan spend an average of 3 hours and 21 minutes per day on the bench. This amounts to approximately 52 percent of their nominal working day. The Judicial Data Processing Center survey cited in the Times article found that State supreme court justices in Queens and the Bronx spend an average of 17.1 percent of the court day in recess and 24.2 percent at lunch.

While I, as a former jurist, can view the statistics generated by these studies with the benefit of an understanding and sympathetic eye, it nevertheless appears to me that the trial delays and underutilization of court facilities noted in these surveys go somewhat beyond that which can be characterized as normal or acceptable. The Economic Council report cited several factors which apparently played a major role in causing court delays.

Late court reporters, delays in fetching prisoners, late prisoner deliveries, absence of tardy attorneys, late jurors in pending trials, a missing interpreter or sometimes the late arrival of the judges themselves, often cause a part to be shut down.

Many of these staff problems could be alleviated by better supervision and where outside parties or agencies are at fault, the adoption and enforcement of sanctions and policies designed to insure proper function of the court.

When any delay occurred and the judge left the bench there was frequently a progressive breakdown until the part shut down for the day. When a part closed at any time in the afternoon, the court staff usually disappeared. We could not determine their location or how they might be reassembled if new work were to be found.

In summary, the Economic Council study ascribes the delays noted in its survey to "the failure of the judiciary to schedule its workload properly and to discipline lawyers and other court personnel who were absent or tardy."

The problems of court delay in the State Supreme Court of New York City are similar to those being experienced in the Federal courts. I have proposed a solution to court delay in the Federal courts in S. 754, the speedy trial bill. The Economic Council report calls for "sanctions and policies to insure proper function of the court." S. 754 includes such sanctions and policies. The bill requires automatic dismissal with prejudice of any case which is not brought to trial within its mandatory time limits. This sanction should effectively curtail the extensive pretrial delays which frequently occur in the Federal court system. The dismissal sanction provides a selfish motive for the criminal defendant to seek a speedy trial and provides a harsh penalty for any unjustifiable delay by the prosecution or the courts in bringing a case to trial. S. 753 also provides that each Federal court district prepare a plan detailing its requirements for additional staff and resources which will be needed to achieve the ultimate goal of commencement of trial within 60 days of arrest. Faced with a stiff dismissal sanction and the availability of sufficient administrative assistance under the provisions of S. 754, Federal judges will no longer be able to allow the type of activities which frustrate speedy justice in the State Supreme Court of New York City.

For too long the Congress has relied on the Federal courts to put their own house in order. For a variety of reasons, the hoped for improvements have not been forthcoming. What is now necessary is a national statement of policy that the Congress will no longer tolerate business as usual in Federal criminal trials.

Only strong legislation such as S. 754 will provide the momentum and the pressure to achieve speedier trials and insure that we never have to read an article that says that Federal district judges spend almost a quarter of their working days at lunch.

Mr. President, I ask unanimous consent that the full text of the New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 6, 1973]

JUDGES FOUND ON BENCH ONLY 52 PERCENT OF DAY

(By David Burnham)

During a sample week, the State Supreme Court justices handling criminal cases in Manhattan were on the bench an average of 3 hours and 21 minutes a day, or 52 per cent of their nominal working time, a study by the Economic Development Council has found.

The study by a task force of management specialists concluded that the two major causes of what is called the "substantial under-utilization" of the courts was the failure of the judiciary to schedule its work load properly and to discipline lawyers and other court personnel who were absent or tardy.

23 MINUTES SHORTER

Although other sections of the council's examination of State Supreme Court were released last summer by Presiding Justices Harold A. Stevens and Samuel Rabin, the highly critical reports concerning the handling of criminal cases in Manhattan never were publicly distributed.

The court-utilization study dated Nov. 28, 1972, and a brief follow-up study dated January of this year, were done without cost for the courts by a team of eight management and system specialists working full time.

For the first study the task force monitored 19 Manhattan courtrooms from Feb. 28 to March 24 last year, when it found that the average on-the-bench time was 3 hours and 44 minutes. During the follow-up study, which covered the week of last Dec. 11–15, the on-the-bench time declined to 3 hours and 21 minutes.

The general rules of the Judicial Conference, the umbrella organization of state courts, say the courts in the state shall open "not later than 10 A.M." and close "not earlier than 5 P.M." and that daily session "shall total not less than six hours."

Supreme Court Judge Edward R. Dudley, who administered the courts during the period covered by the council study, said the report was "full of half truths," partly because it "gives no idea of what goes on in the back room or the chambers." He also complained that the management specialists who did the study at the request of Judge Stevens, the presiding justice of the Appellate Division, First Department, "never talked to me."

Neither Judge Stevens nor Gerald Stern, director of administration of the courts in the first department, could be reached for comment about the report.

Discussing the major causes of the "down time" of the courts, the council report said that with the exception of the decentralized narcotic parts, "there appeared to be no procedures for transferring work or obtaining additional cases when a fully staffed part was on standby basis or about to close in the afternoon for lack of cases."

The report said the lack of procedures to coordinate the courts was aggravated "by poor staff support both from within and outside the court."

SEVERAL FACTORS CITED

"Late court reporters, delays in fetching prisoners, late prisoner deliveries, absent of tardy attorneys, late jurors in pending trials, a missing interpreter or sometimes the late arrival of the judges themselves, often cause a part to shut down," the report continued.

But the council said these staff failures did not exonerate the judges. "Many of these staff problems, the report said, could be alleviated by better supervision and, where outside parties or agencies are at fault, the adoption and enforcement of sanctions and policies designed to insure proper functioning of the court."

"When any delay occurred and the judge left the bench," the report said, "there was frequently a progressive breakdown until the part shut down for the day. When a part closed at any time in the afternoon, the court staff usually disappeared. We could not determine their location or how they might be reassembled if new work were to be found."

HOUR-BY-HOUR ACCOUNT

The council's first report, which monitored the Manhattan courts during most of March 1972, provided an hour-by-hour breakdown of the activity recorded by the monitors. "While the court was officially open at 10 A.M., only limited bench activity was apparent," the report said, noting that judges were on the bench in only 58 per cent of the parts.

From 11 A.M. to 1 P.M. the council found that judges were on the bench in 71 per cent of the courts, the high point of their work day.

During the period from 1 P.M. to 2 P.M., the normal time for lunch, the average proportion of judges on the bench dropped to 7 per cent; it jumped back to 53 per cent from 2 P.M. to 3 P.M. and 61 per cent from 3 P.M. to 4 P.M.

Of the period from 4 P.M. to 5 P.M., the report said: "Substantially less was accomplished during this hour than any of the previous hours. Utilization by judges active on the bench dropped to 38 per cent of capacity."

Although the council report involved only Manhattan judges, other studies have found similar problems elsewhere in the city. An analysis for the Judicial Data Processing Office from June 16 to Aug. 4, 1970, in the Bronx and Queens, found that 17.1 per cent of the court day was spent in recess and 24.2 per cent for lunch.

The report on the bench activity of the Manhattan judges became available at a time when the courts' performance has been criticized by several officials, including Mayor Lindsay, former Police Commissioner Patrick V. Murphy and Paul J. Curran, the former chairman of the State Commission of Investigation who earlier this week became the United States Attorney for the Southern District of New York.

The Mayor's Criminal Justice Coordinating Council said in its annual report three weeks ago that the backlog of felony cases in the State Supreme Court meant that "its ability to deter crime is negated."

Another problem is the large number of arrested persons awaiting trial in jail because they cannot meet bail requirements. Though there are many different reasons for pre-trial detention, there were 1,310 defendants awaiting supreme court action in Manhattan as of the last week in May, and to the city Department of Correction.

NOW

Mr. BEALL. Mr. President, I wish to extend my congratulations today to a group of dedicated people who in a relatively short period of time has made an indelible mark upon American society—the National Organization of Women. Today, the women of NOW mark their seventh anniversary, and, although there remains much to be done, its membership can look back at a fine record of accomplishment.

Actually, 1973 marks a significant milestone in the process of Women's Rights. This year we mark the 125th anniversary of the famous Seneca Falls convention which is generally recognized as the beginning of the modern women's rights movement. In 1848 Mrs. Elizabeth Cady Stanton issued her famous "Declaration of Sentiments" which proclaimed that all men and women are created equal, and her rallying cries then have been picked up by millions of today's women as an expression of their demands for equal citizenship. 1973 also commemorates the 50th anniversary of the drafting of the equal rights amendment. Last year, the Congress finally passed this needed amendment, of which I was proud to cosponsor; and the process of early ratification by the necessary number of States is taking place. To date, 30 State legislatures have affixed their seal of approval to this measure, and the work continues to reach the long sought goal as soon as possible.

I commend the entire membership of the National Organization of Women, and wish them continued good fortune.

THE CHICAGO PLAN TO SAVE ARCHITECTURAL MASTERWORKS

Mr. PERCY. Mr. President, the struggle between the often conflicting interests of protecting the environment and insuring continued social progress is often in the news these days. We are all aware of increasing concern for protecting endangered species of animals, for conserving our natural resources, and for cleaning up our polluted environment.

Most Americans have by now been made aware of the importance and desirability of preserving our rich natural heritage. Too few, however, are as yet dedicated to preserving the masterworks of our manmade world. In cities across the land, wonderful old buildings are being razed to make room for more utilitarian structures. The efforts of local groups to save buildings of architectural and historical importance are too often unheeded by city planners who seek greater financial returns that larger but less esthetic structures can bring.

I am very pleased that the city of Chicago, which has a renowned heritage of architectural excellence and uniqueness, now has a plan under consideration that would provide the necessary incentives to keep and restore buildings of architectural significance rather than to demolish them in the names of progress and increased revenue.

A recent article in the Christian Science Monitor discusses the so-called Chicago plan and describes the current situation in Chicago. I ask that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DEVELOPMENTAL ETHIC: PRESERVING OLD BUILDINGS CAN PAY OFF

(By William Marlin)

(Is Chicago shortchanging its civic identity for bargain-basement schemes? The Monitor's architectural critic points out that Carl Sandburg's great city has all but turned its big shoulders on buildings that have become architectural benchmarks. Some of these pioneer buildings have already fallen to the wrecking ball. Others are threatened. Economics is given as the reason. Yet other cities are finding moneymaking uses for landmarks that have outlived their original purpose. Now, the federal government has suggested that Chicago consider setting aside its valuables in a national cultural park.)

CHICAGO.—For keeps. That's how they built.

"For keeps and a single day," as author Nelson Algren put it.

The Chicago school of architecture, spanning the last two decades of the 19th century, spawned a fundamental revolution in its Art and Science building.

Fundamental in its use of new materials and methods—the elevator, the steel frame, expanses of glass, those caisson foundations (the first even) driven deep into the bedrock of social and technological change. Fundamental, too, in its impact on the look, the outlook, the livelihood of urban America, at least as fundamental as the transcendental flowering of New England, or the New Orleans genesis of jazz.

EXPRESSION IN BUILDING

With the Chicago school, construction became expression. Straightforward elegantly simple, without a single dissenting line, the tall building was born—technology turned to human service, harbinger of a new age. It was not for Otis (with his elevator) or for Bessemer (with his steel) to envision the school's ultimate significance, however. It was for architect Louis Sullivan—the school's legendary, beloved patriarch—to note: "The social significance of the tall building is, in finality, its most important phase."

For what Sullivan, his famous partner Dankmar Adler, and their contemporaries had in mind was not just a new structural system, but a new ethical system by which to enhance the visual and functional harmony of city life.

Perhaps they were asking too much.

Present day Chicago, seemingly dead-set on disarray, has all but turned its big shoulders on these pioneering buildings—the very sources of its renown as an architectural mecca, and the benchmarks by which men have built since.

THE BENCHMARKS

There is the Rookery, designed by Daniel H. Burnham and John Wellborn Root (1886), and their Monadnock (1891)—a stunningly spare cliff of brick. The Manhattan by William le Baron Jenney (1890). The Marquette by Holabird and Roche (1895). The "glassic" Reliance by Burnham (1895)—alternating ribbons of glass and terra cotta hung from steel, expressing its structure, the true "curtain wall." These, and a dozen others around the downtown Loop (operating at or near full capacity) are living, working ties to Chicago's past. Yet one is in grave danger of being pulverized for the sake of speculative profit.

Only last year, Adler & Sullivan's famed Stock Exchange (1894) bit the dust. It was too dirty to clean up, too cluttered to clean out, its owners said. It will be replaced by a 40-story high-rise of subsistent design.

Sure enough, this new building will pay more taxes than the old one did and earn far more. After all, the Stock Exchange was only 13 stories high—hardly enough to meet the zoning (and profit) of its La Salle Street site.

Even though it qualified for official designation as a city landmark, its owners said such status was a "confiscation" of their rights, and demanded that the city either issue a demolition permit or "compensate" them for the loss.

CITY COUNCIL BALKED

Although the city's Landmark Commission recommended official status for the Stock Exchange, based on overwhelming endorsement from experts around the world, the City Council balked, as it has on several other commission recommendations since then.

The council's reasons for doing so are many—the main one being economics. Yet, it is the politicians' stubborn refusal to envision the moneymaking potential of these landmarks which makes their actions so remarkable. In many parts of the country—in Boston and San Francisco, especially—adaptive use of old buildings for timely, revenue-producing purposes has become almost a developmental ethic.

Sadly, official Chicago's idea of growth is to pull the city up by its roots and, in so doing, lose the scale and character of its streets, exchanging its civic identity for bargain basement schemes.

Some of them are benign in themselves—the Sears Tower by Skidmore, Owings & Merrill, stretched sportingly to 1,450 feet, the Hancock (also by SOM), combined apartments and offices, and 10-year-old Marina City by Bertrand Goldberg, a true city within a city. But many more of them are blatantly banal office and apartment complexes which insist on calling attention to their mediocrity with kitsch as tasteless as reheated coffee.

Can there be a balance between development and preservation of the past? Or will Chicago opt for that ultimate condemnation of W. H. Auden and settle for being "graceless" about urban growth?

There is no reason it should not. Not now.

The U.S. Department of the Interior has come up with a proposal which would work Chicago school landmarks into the economic mainstream, setting them aside as units in a national cultural park—America's first. It is a concept worth study for cities and towns across the United States where remnants of our architectural and urban heritage are threatened.

INCENTIVE ZONING

To fully appreciate the value of the Interior Department's Chicago Plan, as it is being called, one must appreciate that the Chicago School was, itself, a result of economic incentive. The great fire (1871), the frenetic growth after it, both called for lots of new space—and fast. As the price of downtown land soared, so did the buildings—what with the new means to make tall buildings possible.

In the process, economic incentives created a cultural presence which continues to inform and inspire people everywhere—coming, as they do by the thousands each year, to get a handle on the Chicago heritage.

It is only natural, then, that the Chicago Plan should seek out these same incentives to save the Chicago School.

The prod (or the poker, depending on how charitable you are) is zoning. Incentive zoning, to be specific. According to provisions worked out by John J. Costonis, professor of law at the University of Illinois, development rights in excess of what regular zoning would normally permit on a landmark site could be transferred to adjacent or nearby parcels.

Such transfers would take place within an agreed-on preservation district, with height and density guidelines set down and supervised by relevant city agencies. In the bargain, economic pressure of the landmark at stake would be cased, if not removed. The sale of development rights would enable the landmark owner to clean up and maintain his building rather than close it out. New projects benefiting from the transfer of development rights would, of course, pay proportionally more to the city's coffers, while the recycled landmark would pay proportionally less.

DEVELOPMENT-RIGHTS BANK

Complementing this provision—one which real-estate lawyers call "compensatory zoning"—would be a development rights "bank" where unused rights would be deposited and later sold, varying chunks at a time, under city supervision. Such sales would create a revolving preservation fund. Seed money for the bank and related fund would come from Congress which must approve the cultural park concept when (and if) Chicago accepts it.

Sadly, and in contrast to the enthusiasm of local business, civic, and cultural leaders, city officials have been sitting on their hands for the past two months, making little or no comment on the Interior Department's overture. Even the legal and real-estate community is getting impatient. After all, several of its representatives have been involved with putting together and lobbying for Professor Costonis's study over the last two years—men like Jared Schlaes (a real-estate man) and Richard Miller (a lawyer and head of the Landmarks Preservation Council).

Architect William Hartman of Skidmore, Owings & Merrill, is heading a committee, appointed by Mayor Richard J. Daley last year, to see what might be done to formulate a package deal for saving the remaining masterworks. Now, all of them have the Chicago Plan to rally round. Mail to Mayor Daley and to Rogers C. B. Morton, Secretary of the Interior, has been heavily in favor of the plan—even from those who have never studied architecture.

OFFICIALS CRITICIZED

So official Chicago's so-far refusal to accept would be in outright defiance of keen local, national, even international, sentiment. It would also be in outright, ignorant defiance of its own, oft-stated priority—meaning "economic realities."

For the reality is that these Chicago School buildings, officially designated, restored, and adapted for new uses, would be a source of cold cash. As units in the national cultural park, with speculative pressure and real-estate tax burdens transferred to other sites, they would be freed for new life—places to work, places to learn from.

This would be so much more pertinent than putting the usual plaque on a landmark, designating it as such. Timely use, while keeping a landmark's design integrity intact—this is the test of relevance. And in today's market, the survival of a city's culture is no less relevant because it is rooted in economics. The strength of the Chicago Plan is that it looks at economics as Louis Sullivan and his peers looked at architecture: a human-oriented blend of science and art. It can only be hoped that Chicago will recognize that its past accomplishments can contribute to its energetic growth, lending identity and image to new development and giving people a grip on the city and its heritage.

THE TRANS-ALASKA PIPELINE

Mr. STEVENS. Mr. President, we will soon be voting on S. 1081, the Federal Lands Right-of-Way Act of 1973. The passage of this bill is important because it will pave the way for issuance of permits for construction of the trans-Alaska pipeline.

Recently I received a letter of support for S. 1081 from the American Gas Asso-

ciation, representing some 300 distribution and transmission companies which deliver 92 percent of the natural gas consumed in the Nation. The association raises some important points on the need to pass S. 1081 and the need to proceed with the trans-Alaska pipeline as soon as possible.

I ask unanimous consent that the association's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN GAS ASSOCIATION,
Arlington, Va., June 20, 1973.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: The American Gas Association, representing some 300 distribution and transmission companies which deliver 92% of the natural gas consumed in the nation, would like to summarize its position on S. 1081, the Federal Lands Right-of-Way Act of 1973. We understand S. 1081 will be called up soon for Senate consideration and we have enclosed a detailed memorandum of our position on the bill for additional reference.

The bill is important to us because it will pave the way for issuance of permits for construction of the Trans-Alaska oil pipeline, which is the necessary forerunner to construction of a gas pipeline from Alaska's North Slope. North Slope gas is estimated at 358 trillion cubic feet of proved and potential reserves, and is urgently needed to help alleviate the severe gas shortage in the nation and to help our cities meet current air quality standards by making available additional quantities of this cleaner burning fuel.

However, before we can proceed with a gas pipeline, now proposed to be routed through Canada, there must be firm supplies of gas. The gas resources at Prudhoe Bay provide the "anchor" for the gas pipeline project, and since most of the Prudhoe reserves are associated with oil in the reservoir, gas production must of necessity await oil production. The quickest means of initiating oil production is the 800-mile Trans-Alaska route, and serious delays of up to 10 years would result if the oil must come through a Trans-Canada route. Building the two lines simultaneously through Canada has been suggested, but this is not feasible for the economic and logistic reasons detailed in our memorandum.

A.G.A. supports the version of S. 1081 reported by the Interior Committee as the best vehicle now available to resolve this problem. We urge you, on behalf of our member companies and the 150 million consumers they serve, to support this legislation so vitally needed for the continued comfort and health of this I would, of course, be happy to answer any further questions you may have on this issue.

Sincerely,

GEORGE H. LAWRENCE,

MEMORANDUM RE S. 1081

As a result of the decision in the case of *The Wilderness Society vs. Morton* on February 9, 1973, Federal legislation is needed immediately to modernize the right-of-way provisions of the Mineral Leasing Act of 1920. The major issue, of course, was that of the Trans-Alaska oil pipeline which led to the Court of Appeals decision that the right-of-way provisions of the 1920 Act are applicable to today's pipeline projects, even during time of construction. We wish to address this major issue and the significance of the Trans-Alaska oil pipeline to the timely solution of our nation's natural *gas* supply problem. Please note the emphasis on gas supply. All of the controversy and, unfortunately, most of the attention is devoted to oil supply. Yet the Trans-Alaska oil pipeline is an essential step in making Alaska's vast natural gas supplies available by as much as 10 years sooner than would be possible if the Canadian oil route is pursued.

As Mr. Wilber Mack, Chairman of the American Natural Gas System of Detroit, Michigan, stated when he testified before the Senate Interior Committee on May 3 "the oil pipeline is an essential forerunner to an overland gas pipeline." Mr. Mack went on to say:

"Because the Prudhoe Bay reserves contain natural gas in solution and in association with the oil, no gas can be produced from the field until oil production has commenced. The gas pipeline is therefore scheduled to be constructed as soon after completion of the Trans-Alaska oil line as possible, and it is now expected that gas from Alaska and northern Canada will begin to flow to the Lower 48 states by about 1978.

"If, however, the oil line were to be constructed through Canada, it is clear that the gas line would be delayed until the mid-1980's or beyond and that the cost of gas transported through the line would be increased so significantly as to cast doubts on its economic feasibility. . . . (T)he delay in construction of the Trans-Alaska oil pipeline has already delayed the gas pipeline timetable by several years, and our earlier estimates of the cost of the project have increased by several billions of dollars."

Construction of the gas pipeline would necessarily have to be deferred for these basic reasons:

(1) The gas reserves provide the "anchor" for the proposed Arctic gas pipeline. Until large volumes of gas are being produced and delivered, it would be impossible to produce the gas required to support construction of a gas pipeline.

(2) Nor is it possible to construct an oil pipeline and a gas pipeline through Canada simultaneously. Construction of an oil line would require all available construction equipment, construction personnel, transport, supply and communications facilities. There is simply *no* way a gas pipeline could be constructed while construction of the oil line was in progress through the same area.

(3) Even apart from the two preceding factors, a gas pipeline could not be constructed through Canada at the same time as the oil line because of financial considerations.

(a) We have been advised that financing of the gas pipeline alone, which will cost about $5 billion for the Alaskan and Canadian facilities and another $1 billion for facilities in the Lower 48 states, will be a very difficult undertaking which will strain the capability of both Canadian and United States capital markets. There is no likelihood that the gas pipeline could be financed at the same time.

(b) In the second place, while we are convinced that construction of the gas pipeline alone will not have a disruptive effect upon the Canadian economy, simultaneous construction of *two* such projects in Canada having a total cost of well over $10 billion would involve such a massive influx of capital as to threaten a severe increase in the value of the Canadian dollar and a massive dislocation of the Canadian economy.

There is an additional reason why the Trans-Alaskan oil pipeline should receive immediate priority—the environment. It may seem strange to argue that the environment is a reason *for* building the Trans-Alaska line when concern for the environment has delayed construction of the line for so long. However, we believe that the potential environmental benefits to be derived from the delivery of the 31.5 trillion cubic feet of proved Alaskan reserves to the lower 48 are significant and this supply will improve the environment and supplement the energy supplies in those areas where it is most needed.

It is for these reasons that A.G.A. testified on May 3 before the Senate Interior Committee in support of S. 970, which would grant Congressional approval of the Trans-Alaska oil pipeline. Congressional approval of this bill would have solved the immediate problem of the TAPS but would have deferred for further deliberation the broader question of rights-of-way legislation, which A.G.A. supported in testimony before the same committee on March 27. However, the Committee decided to adopt the general legislative approach contained in S. 1081 rather than the specific legislative approach in S. 970, and reported the amended version of S. 1081.

This legislative action has very special impact on the health and comfort of existing and prospective consumers served by the nation's gas industry. I cannot emphasize too strongly the A.G.A. concern for the "health and comfort" of the 150,000,000 natural gas consumers in this nation. S. 1081 will help solve the immediate right-of-way problem and the long-range solution to the natural gas shortage. We urge you on behalf of the A.G.A. member companies and our constituent consumers to vote in favor of the reported bill, S. 1081, to help us meet our responsibilities to our consumers.

THE PROBLEMS OF STRIP MINING

Mr. STEVENS. Mr. President, the Mine Area Protection Act of 1973, S. 923, and H.R. 4863, is legislation that will be of interest to miners throughout Alaska and the United States.

This bill is one of several the Senate Interior Committee is considering to deal with the problems of strip mining. Far from being unable or unwilling to deal with the problem, the administration has shown by the introduction of this bill that it is prepared to deal forthrightly with the States in this matter.

In order to explain this legislation, the Department of the Interior published a fact sheet on it on June 1. I request unanimous consent that this fact sheet be reprinted in the RECORD.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 1, 1973.

MINED AREA PROTECTION ACT OF 1973

The Mined Area Protection Act of 1973 was introduced in the 93rd Congress by Messrs. Jackson and Saylor respectively as S. 923 and H.R. 4863. Its purpose is to broaden Federal-State cooperation in all aspects of mining operations and to prevent further environmental deterioration attributable to underground and/or surface mining.

Both surface and underground mining have adversely affected millions of acres of land throughout the Nation. Siltation and acid laden drainage have contributed to the deterioration of waterways and the destruction of wildlife habitats.

Present trends indicate that the production of coal and minerals by surface methods is on the increase. This increase in production will undoubtedly be accompanied by an increase in environmental degradation if proper controls are not made an integral part of the mining process.

Twenty-nine States have enacted some form of legislation dealing with surface mining problems. Only three have done so with respect to underground mining. State laws, however, vary according to minerals mined and stringency of requirements. Federal leg-

islation is clearly needed to ensure equitable mining regulations, eliminate regulatory inconsistencies within and between States and reaffirm the authority of the States over their mining operations.

The Mined Area Protection Act is designed to fulfill that need. It would require the Secretary of the Interior to develop guidelines (within 90 days of enactment) for States to follow in developing their legislative programs. The bill would also require the Secretary to develop performance standards within 120 days of enactment for the reclamation of surface and open pit mines and within one year for underground mines. The States would have one year to submit their regulatory program for approval of the Secretary. Failure to do so would result in the Secretary issuing and enforcing regulations for that State.

To advise the Secretary in developing guidelines and performance standards, the bill provides for the establishment of an advisory committee composed of representatives from the Departments of Agriculture and Commerce, the Environmental Protection Agency, the Tennessee Valley Authority, the Appalachian Regional Commission and the Council of State Governments.

Hearings on this and other proposed mined area protection legislation were held March 13 through 16, April 30, and May 14 and 15 before the Senate Committee on Interior and Insular Affairs. Hearings in the House were held on April 9, 10, 16, and 17 before the Subcommittees on the Environment and Mines and Mining, Committee on Interior and Insular Affairs.

MACKENZIE PIPELINE MAY FACE QUAKES

Mr. STEVENS. Mr. President, much has been said and written about the danger of earthquakes along the trans-Alaska pipeline route. On the other hand, little has been said about similar hazards along a proposed trans-Canadian route.

An article appearing in the Oilweek magazine on June 4 places this matter in proper perspective. It states that seismic risk is significant along the proposed Mackenzie Valley pipeline corridor near Fort MacPherson in the Mackenzie Delta.

I ask unanimous consent that this article be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MACKENZIE PIPELINE CORRIDOR MAY FACE QUAKES NEAR DELTA

Seismic risk is significant along the proposed Mackenzie Valley pipeline corridor near Fort MacPherson in the Mackenzie Delta. And peak horizontal ground accelerations greater than 10 degrees gavity are predicted for part of Northern Yukon near the proposed corridor.

However, seismic risk doesn't seem to be significant elsewhere along the proposed corridor in Canada. Anne Stevens, geophysicist with the earth physics branch of the federal Energy, Mines and Resources Department, told the Arctic geology symposium.

Pipelines and stations in risk areas will have to be designed to resist earthquakes, she said. And essential characteristics of geological structures must be considered by engineers involved in pipeline construction.

Risk of quakes is moderate in most of the Arctic Islands—about the same as Ottawa or Montreal, Miss Stevens said.

Before 1961, data came from stations outside Canada, so only larger quakes were recorded. These occurred in the southwestern and central parts of Yukon and in Baffin Bay.

The first seismic station in Northern Canada was opened in 1950 at Resolute, but it recorded only distant quakes, of several thousand kilometers. Other Canadian stations were all in the southern part of the country.

In 1957, instruments for recording closer quakes—within several thousand kilometers—were installed at Resolute. Two more stations, at Mould Bay and Alert, were opened in 1961, making it posible to triangulate and so locate earthquakes in the Arctic Islands. A station at Coppermine was opened in 1963 and closed in 1969. Yellowknife began operating in 1964, Inuvik in 1969 and Whitehorse in 1971.

The seismic network is now complete, with no point in Canada more than about 500 miles from a seismic station. Miss Stevens said. However, there is only a decade of data for quakes in the Arctic Islands and smaller quakes in the Yukon and Mackenzie Valley were not detected during that time.

FURTHER STUDY IMPERATIVE TO RESOLVE ALASKAN OIL CONTROVERSY

Mr. PROXMIRE. Mr. President, during the continuing controversy as to how Alaskan oil may be best brought into the American market, increasing attention has been focused on the relative merits of the two major pipeline systems which have been proposed to transport these reserves into the United States. In the course of debate on the issue it has bebecome clear that the trans-Canadian alternative is in many ways superior to the proposed pipeline across Alaska. The Interior Department's own Environmental Impact Statement has acknowledged that a trans-Canadian route would be superior to an Alaskan route from the viewpoint of both the terrestrial and marine environments.

The economic benefits which would justify the environmental cost are also greater under a trans-Canada pipeline. The Interior Department has agreed that the oil companies, the State of Alaska and the national economic welfare would be best served by the trans-Canadian pipeline, assuming that both pipelines could be built in approximately the same length of time. This is a valid assumption. The chairman of the board of Exxon Corp., one of the three partners in the consortium pushing for the Alaskan pipeline, stated on May 17 that Exxon's most optimistic date for completing such a pipeline was late 1978, a date similar to Canadian Government estimates as to when a trans-Canadian line could be completed.

Why, then, have the administration and the oil companies opposed efforts which would mandate a thorough and independent study of alternatives to the trans-Alaskan pipeline as required by the National Environmental Policy Act?

A recent article by Dr. Charles Cicchetti which was published in Environment magazine explores this question in detail. Dr. Cicchetti is the author of an excellent book entitled "Alaskan Oil: Alternative Routes and Markets," which offers a penetrating insight based on 2 years of research into the economic and environmental aspects of the proposed pipeline systems for the delivery of Alaskan oil. He was formerly a Research Associate at Resources for the Future and is well qualified to address this issue on the basis of his comprehensive study of the matter.

I am sure that Dr. Cicchetti's most recent article will be helpful to my colleagues in the Senate in understanding this situation more clearly.

Mr. President, I therefore ask unanimous consent that the article by Dr. Cicchetti which appeared in the June edition of Environment be printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WRONG ROUTE

(By Charles J. Cicchetti)

Attempts to balance the economic benefits of the Alaskan oil field in Prudhoe Bay against the environmental costs of getting the oil to market are handicapped by heavy emphasis on the Trans-Alaska Pipeline (TAP) as opposed to overland pipeline routes through Canada. This stems largely from the fact that the TAP is preferred by the oil companies developing the Alaskan fields. A major reason for this preference, as will be explained, is that the TAP until recently appeared to offer the oil companies considerably greater profit potential than the Canadian routes. Recent changes in government oil import regulations have nullified the profit advantage, however. Yet so entrenched has the TAP route proposal become, and so urgent has Alaskan oil development been viewed by the companies, that the developers continue to press for the Alaskan route even though the Canadian pipeline would, in fact, yield more profits for them, produce more tax benefits for Alaska and the federal government, deliver oil where it is most needed in the U.S., and probably do less damage to the environment.

To explore the situation, I propose here to sketch an environmental comparison between the two different transport systems and then to concentrate on an economic comparison between them.[1] My intention is to assess the economic benefits of these particular alternative routes in order that environmentalists can more easily balance them against environmental costs which have been detailed elsewhere. It is important, I believe, for environmentalists to have this definitive knowledge about the pipeline systems, since these are presently the most likely methods to be used for oil shipment even though other means of transportation have been mentioned (and will be discussed later).

It is also important to state my conclusion at the outset so that environmentalists and others will realize that a pipeline route chosen under existing circumstances would not necessarily be the one that would yield the greatest advantage to society, even though society has a just claim to maximum benefit if it is to accept the consequent environmental costs. The reason for this state of affairs is that the oil companies found it to their economic advantage to push hard for the TAP system, even though the public would gain considerably and the environment would suffer less from the Trans-Canadian system.

To summarize briefly what follows, a Trans-Canadian Pipeline (TCP) would be subject to fewer environmental stresses, would avoid ocean pollution associated with port and terminal facilities which are a part of the TAP system, and would be a more logical trunk pipeline for combined oil and gas developments in Alaska and Canada. In addition, the Canadian pipeline would deliver oil to U.S. markets east of the Rocky Moun-

Footnotes at end of article.

tains, which are in short supply, rather than to the West Coast where oversupply caused by input from the TAP eventually will produce a misallocation of natural resources. Furthermore, utilization of the Trans-Canadian as opposed to the Trans-Alaskan line would mean a present value of up to *$1 billion more* in oil tax revenue for the state of Alaska, probable lower costs to oil consumers east of the Rockies, and a present value of up to *$5 billion more* in net profit to the oil companies before corporate income taxes. The higher corporate income taxes would, in turn, add more to the U.S. federal treasury.

If Alaska, Canada, the U.S., the oil consuming public, the oil companies, and the environment all stand to gain from the Trans-Canadian line, why have the oil companies steadfastly focused their plans on the Trans-Alaskan route? A number of reasons were given publicly, particularly the desirability of a line completely on U.S. soil to circumvent possible political difficulties with Canada. But there were far more compelling reasons for companies to favor the TAP: Despite the apparent economic disadvantages, the companies planned the distribution of TAP oil in a way that would ingeniously take advantage of complex U.S. laws regarding the import, export, and ocean transport of oil. The laws were designed in large part to give domestic oil producers and U.S. merchant shippers advantages in the U.S. oil market. Companies with trading interests in the Alaskan oil, however, planned to seek U.S. Presidential support for an elaborate scheme (to be explained later) that was proposed in 1970[2] which would have enabled them to play off Alaskan oil exports against imports to Japan, thereby reaping a profit even larger than would be obtained by using the seemingly advantageous TCP.

Another plan that will be discussed in more detail later would take TAP oil not needed on the West Coast, transport it by ocean tanker or a combination tanker-pipeline system to the Virgin Islands to the Caribbean for refining, then ship it to the U.S. East Coast for sale. This arrangement, if the state of Alaska retained tax provisions that were in effect when TAP was first proposed, would enable the companies to use less-expensive foreign tankers, make certain oil sale or exchange arrangements that actually would reduce taxes owed to the state of Alaska, and import Alaskan oil to the East Coast without regard for the Mandatory Oil Import Quota Program. (The quota program, which controlled the quantity of oil imports to the U.S. at the time plans were being made by oil companies, has recently been changed by the President, and now even from a strict profit standpoint an all-land Canadian system is superior.) The TAP-Virgin Islands system would vastly increase marine pollution since new terminals would be needed on both sides of Central America (in the case of the tanker-pipeline option) and probably in the Virgin Islands. The foreign tankers, normally excluded by law from routes between U.S. ports but which could be used here because of the special political status of the Virgin Islands, generally have less-advanced pollution control systems than U.S. ships and so inevitably would produce greater oil contamination in the Pacific and in the Caribbean. The TAP route under the now defunct Mandatory Oil Import Quota Program thus offered unexpected economic potential for the oil companies—at the expense of the environment, the oil consumer, the U.S. merchant marine industry, and the Alaskan and U.S. treasuries (and hence of the general taxpayer). Now, even though the profit potential has been eliminated with the demise of the import quota program, the oil companies seem reluctant to give up their initial plans for the TAP, perhaps because they are reluctant to experience further delays and for other reasons to be discussed later.

PIPELINE ROUTES

A brief description of the Trans-Alaskan and Trans-Canadian systems provides a comparison between their market potentials and environmental problems. The route (TAP), which is currently proposed by the consortium of oil companies,[3] would move the oil in a north-south direction across Alaska, crossing two major mountain ranges and, in its southern half, the most earthquake-prone region in North America (Figure 1). The pipeline would terminate in the port city of Valdez, Alaska, where storage and terminal facilities would be constructed to service the oil for ocean shipment to final markets.

The Trans-Canadian Pipeline actually is a misnomer, since segments of the line would cross part of Alaska before proceeding to the southeast across Canada. Several alternative TCP routes have been proposed, as seen in Figure 1. One alternative would be a pipeline from the North Slope to the Canadian city of Edmonton, following the natural corridor of the Mackenzie River. Actually, there are two routes which have been proposed for the Mackenzie Valley, labeled TCP–IA and –IB in Figure 1. Another alternative would follow the TAP route to the Alaskan city of Fairbanks, then the man-made corridor of the Alaska Highway, and, in some portions, previous pipeline routes, to the Canadian city of Edmonton. This route is labeled TCP–II in Figure 1. The all-land TCP pipeline alternatives would link up with existing lines from Edmonton to the U.S. Midwest and perhaps even the Pacific Northwest.

Either the TAP or the TCP obviously would cross long stretches of land, and ruptures or settling of the pipelines along any of the routes would lead to serious environmental problems (see "The Long Pipe," *Environment*, September 1970). The pipeline itself might interfere with migrations of caribou. A route which would *minimize* damage could be chosen, but some environmental damage is inevitable. Other alteratives such as air or rail transport have been suggested, but much debate over their economic and environmental characteristics seems to indicate that a pipeline will inevitably be the system used. The experiment to test ocean transport through the Northwest Passage, from the Atlantic to the Pacific, utilizing the specially outfitted tanker *Manhattan*, produced difficult technical and legal problems that also make the overland route more attractive. Another alternative, of course, is to cap the oil fields of the Alaskan North Slope as a reserve for some future need. This would prevent all immediate environmental hazards, but in terms of any benefit-cost analysis, it would mean that those environmental impacts would be assigned a value in excess of the economic and resource allocation benefits to be obtained by immediate use of the oil. While such a comparison should have preceded the current debate, it did not. Accordingly, the following discussion will concentrate on the current controversy over the best route.

Among the pipeline alternatives, there are some clear-cut differences in potential environmental difficulties. The TCP routes across a far less rugged terrain as well as avoid the zone of most intense earthquake activity along the southern leg of the TAP from Fairbanks to Valdez. Fragile soil conditions imposed by permafrost (a permanently frozen layer of soil or subsoil) are most extensive along the TAP route but do exist on the Trans-Canadian courses as well, particularly along TCP–IA, the line that follows the Arctic Ocean coastline, then the Mackenzie River channel. TCP–II, the southernmost Trans-Canadian route, passes through less permafrost than the other TCP routes. Since TCP–II follows the Alaska Highway from Fairbanks, physical effects of the pipeline on permafrost probably would be minimal from that city to Edmonton.

Perhaps the most notable difference between the TAP and the TCP environmental impacts would be in marine pollution. Key to the TAP system is the ocean link between the city of Valdez on Prince William Sound and terminal facilities at Puget Sound or at Los Angeles. Oil transfer and tanker operations along this route would produce chronic, low-level oil contamination as well as probable major discharges resulting from tanker accidents. The hazards of navigation near Valdez and Puget Sound include many islands, frequent fog, violent winds, and high waves. These problems would have to be negotiated by large tankers that have had an unfortunate safety record in the past ten years (see "Horizon to Horizon," *Environment*, March 1971). Shipment of oil to Japan and to the Caribbean, according to plans discussed earlier, for marketing oil not needed on the West Coast would greatly increase the areas affected by the marine pollution. If tankers associated with greater pollution were utilized and more oil terminal operations were involved, the level of marine pollution would increase.

Although the Trans-Canadian routes present much less of a direct threat, there are nonetheless potential problems. TCP-IA passes close to the coast of the Arctic Ocean as well as across many rivers flowing into that ocean. An oil leak from the pipeline thus could be carried into the sea. Furthermore, if TCP oil were piped from Edmonton to Seattle in Puget Sound, then shipped by ocean to Los Angeles or San Francisco, ocean pollution would result as it would in that portion of the TAP system. Although the TCP Seattle-California arrangement has been suggested by TAP proponents, the Edmonton-Chicago pipeline to the Midwest would produce far greater profit, and so it is much more likely to be selected by the oil companies if the companies are forced to accept an all-land system.

THE GAS PROBLEM

In addition to these overt environmental considerations, there is a related point that has regretably had little attention. The natural gas that will be released from the oil wells in Prudhoe Bay most probably will be piped to market, since Alaskan law now forbids flaring (burning) it. This means that developers must plan for still another pipeline across the North. The most likely route for the gas line would be across Canada to the Midwest for the following reasons: (1) it is a cheaper system, since it avoids the expensive liquification that would be necessary if tanker transport were used; (2) many of the same companies have found vast gas fields in Canada and need a transport system; and (3) the gas market in the Midwest is far larger than on the West Coast.

The natural gas pipeline will not present the imminent environmental hazards inherent in pipes carrying hot crude oil, but there will be considerable environmental disruption in securing overland rights-of-way for the gas line. Since this disruption appears to be an inevitable, overlooked, environmentally significant cost of the North Slope development, it can be argued that the cost could best be minimized by combining oil and gas pipelines in one Trans-Canadian corridor to Edmonton. This would do away with the need for one pipeline route to Valdez, for oil (the TAP plan) and another route through Canada for natural gas. The combined corridor through Canada would also better serve transport of oil and gas from the Canadian Northwest Territories.

Footnotes at end of article.

The various pipeline developments thus might be combined into a northwestern petroleum transport corridor.

A number of these considerations are weighed in a comparative analysis of the alternative routes in the environmental impact statement on the TAP prepared by the U.S. Department of the Interior. The department concluded: "No single generalized route appears to be superior in all [environmental] respects to any other." [4]

However, the department concluded that, first, the TAP was superior to the Trans-Alaskan-Canadian routes only from the standpoint of its impact on the abiotic, or nonliving, environment. This difference occurred because the TAP right-of-way would occupy less land than the TCP route. Department of the Interior analysts pointed out that this advantage was lost if a natural gas pipeline were to be considered as part of the Arctic development plan, since the gas pipeline would require a right-of-way in addition to that for the TAP, resulting in a vast increase in land exposed to environmental problems related to development of North Slope oil. Second, the department concluded that from the standpoint of the impact on the overall biotic environment, TCP–IA was superior. Third, the department concluded that from the standpoint of the unavoidable impact upon "socioeconomic systems, . . . recreation, aesthetic, wilderness, communities, and native culture and substance," the TCP–IA route was superior. Fourth, the department concluded that routes TCP–IB and TCP–II would probably have the least impact on the marine environment. From the standpoint of risk, or threatened environmental impact, the Department of the Interior concluded that both of the TCP routes were superior to the TAP from the viewpoint of both the terrestrial and marine environments. Since the TAP is environmentally inferior, its economic advantages will be examined next to determine the social tradeoffs that are necessary to select the optimal route.

ECONOMIC ANALYSIS

The first step in assessing the economic benefit of the Trans-Alaskan, ocean route is to determine the construction and operating costs. Capital investments represent opportunities foregone in several time periods. For example, one could invest the money in a bank at a guaranteed rate of interest rather than risk it to build the TAP. One may decide, however, that the TAP risk is worthwhile in view of profits to be made at some time in the future once the pipeline is operating. To help make the decision, one generally reduces, or discounts the anticipated profits by some set rate to facilitate a comparison with the amount of money that could be made by banking or otherwise investing the money at a fixed rate of interest.

Presently, there is some agreement among economists and government officials that this discount rate is 10 percent.[5] However, since benefits and cost comparison are generally very sensitive to the value of the discount rate which is selected, rates of 8 and 12 percent will be used here to test the sensitivity of conclusions to this important parameter.

The present cost of a pipeline depends on the rate of utilization of the system, determined by the use of capacity as measured in barrels of oil piped per day. This anaysis also depends on several interdependent factors: (1) the project's life expectancy; (2) the total amount of oil transported by the project; and (3) the amount of oil that is produced in any given year. In the present analysis two production schedules are examined, as shown in Table 1.

TABLE 1.—PROJECTED PIPELINE SCHEDULES

[Barrels per day]

Year	Alyeska	Accelerated [1]
1975	350,000	2,000,000
1976	900,000	2,000,000
1977	1,200,000	2,000,000
1978	1,400,000	2,000,000
1979–2000	2,000,000	2,000,000

[1] "Alyeska" schedule refers to that originally suggested by Alyeska, the pipeline service company formed to develop North Slope oil holdings. Alternatively, a faster, or accelerated schedule is sometimes assumed.

Note: These flow rates would produce approximately 16.7 billion and 18.3 billion barrels for the Aleyska and Accelerated schedules, respectively, over the estimated 25-year lifetime of the North Slope field.

Source: Tussing, A. R., G. W. Rogers, V. Fischer, R. Norgaard, and G. Erickson, Alaska Pipeline Report, prepared for the USDI by the Institute of Social, Economic and Government Research, University of Alaska, 1971, p. 72, table IV-1.

There have been many estimates of the construction costs for the TAP system. At the present time there is still no single estimate that is agreed upon by industry and government sources. Therefore, the strategy here is to use various capital costs ranging from $1.75 billion to $2.5 billion in 1971 U.S. dollars in a simulation model.[6]

The total transportation costs of the proposed TAP (which equal average capital costs plus operating costs) and of the tanker operations to Los Angeles are shown in Table 2 for each flow rate, discount rate, and capital cost. These estimates are based upon tanker costs of 35 cents per barrel and the pipeline and terminal operating costs of 13 cents per barrel.

TABLE 2.—REPRESENTATIVE PREDICTED COSTS OF TRANS-ALASKAN PIPELINE [1]

	Capital costs (in billions, 1971)			
	1.75	2.00	2.25	2.50
At Alyeska flow rate (dollars per barrel).[2] Discount rates [3] (percent):				
8	$0.819	$0.868	$0.916	$0.965
10	.913	.975	1.037	1.099
12	1.024	1.102	1.179	1.257
At accelerated flow rate: Discount rates (percent):				
8	.736	.803	.844	.844
10	.832	.882	.932	.982
12	.909	.971	1.032	1.093

[1] Total cost per barrel to Los Angeles from the North Slope, via the American flagships and the Trans-Alaskan pipeline.

[2] Flow rates in barrels per day, as explained in table 1, taking into account operating costs.

[3] Costs vary according to discount rate selected, as explained in text.

MACKENZIE VALLEY PIPELINES

An interested person who attempts to keep track of the various public estimates of the cost of a Trans-Canadian pipeline will probably have a difficult time of it. Estimates of construction costs ranging from $1 billion to $7 billion may be found by reviewing the public statements and writings of various oil companies and public officials in both Canada and the U.S.[7]

It should be noted that all TCP routes avoid the necessary expenditures for terminal and marine facilities that are included in the TAP estimates above. Using the same costs per mile as TAP, the capital costs of crude oil pipeline from the North Slope to Edmonton down the Mackenzie Valley range between $2 billion and $2.75 billion in 1971 U.S. dollars.[8] Beyond that it is often presumed that it may take two years longer to put a Canadian route into operation than it would the TAP. This can be accounted for by further discounting against the proposed flow rate.

The second component of costs after capital costs, is the operating cost per barrel of crude oil. This has been estimated by the three major North Slope companies for the North Slope-Edmonton-Chicago system operating at 2 million barrels per day to be approximately $0.30 per barrel.[9] This operating cost may be broken down into costs of $0.174, $0.126, and $0.065 per barrel for the North Slope to Edmonton, Edmonton to Chicago, and Edmonton to Puget Sound, respectively.

The capital cost estimates per barrel for the Edmonton to Chicago leg depend upon the assumption that is made about the costs of looping (using existing excess pipeline capacity) on the interprovincial pipeline (between Edmonton and Chicago) and may be as small as $100,000.[10] On the other hand, frequently cited figures for a Canadian pipeline to Chicago are $3 to $3.5 billion, thus implying estimates nearly $1 billion greater for this route than for the TAP route. In order to bracket the above estimates,[9] the range of capital costs, from $600 million to $1 billion are analyzed here for the Edmonton to Chicago leg (Table 3). Finally, one can add the total per barrel operating and capital cost estimates for the North Slope to Edmonton and Edmonton to Chicago segments and determine the total North Slope to Chicago transportation cost estimates per barrel, shown in Table 3.

TABLE 3.—COST OF TRANS-CANADIAN PIPELINE [1]

1st leg: Range, representative capital costs to Edmonton in billions of dollars, 1971	2.00		2.75	
2d leg: Range of estimated capital costs, Edmonton to Chicago, in billions of dollars, 1971	0.6	1.0	0.6	1.0
Cost in dollar per barrel, including capital costs, above, and pipeline operating expenses.[2]—Production schedule:[3]				
Alyeska flow rate:				
8 percent	.804	.882	.850	1.027
10 percent	.943	1.042	1.129	1.228
12 percent	1.108	1.232	1.341	1.465
Accelerated flow rate (no delay):				
8 percent	.720	.785	.841	.906
10 percent	.822	.903	.973	1.053
12 percent	.938	1.036	1.222	1.220
Accelerated flow rate with 2-year delay:				
8 percent	.790	.867	.932	1.007
10 percent	.932	1.029	1.114	1.211
12 percent	1.100	1.223	1.331	1.454

[1] Total cost per barrel from the North Slope via a Mackenzie Valley crude oil pipeline, then to Chicago via TCP-1.

[2] Costs vary according to discount rates selected, as explained in text.

[3] Production schedules utilize different flow rates in barrels per day, as explained in table 1.

It is useful to compare the per barrel transportation cost estimates shown in Table 3 for the Mackenzie Valley crude oil pipeline TCP–I, with the per barrel cost estimates for the TAP—tanker system to the Los Angeles market. Table 2 indicates that the accelerated flow-rate schedule without delay for TCP–I has lower costs per barrel than the TAP estimates using the Alyeska schedules for comparable capital costs. This comparison, of course, assumes that the accelerated flow rate will be achieved immediately once TCP–I is operating, whereas the slower Alyeska flow rate will pertain initially in the TAP system. This assumption is based on the larger market needs of the Midwest and East Coast (approximately 10 million barrels of oil per day in 1970) as opposed to those of the West Coast (approximately 2 million barrels of oil per day in 1970). In other words, greater demand for oil east of the Rockies would most likely absorb the accelerated 2 million barrels per day flow rate from the start, whereas lesser need on the West Coast probably would mean a delay of some time

Footnotes at end of article.

while normal supply sources were phased out. Furthermore, if North Slope oil production rates prove too low to support the accelerated schedule, the possibility of supplementing the flow with Canadian Arctic or Mackenzie Valley oil (at some additional cost) is greater than the TCP than the TAP alternative. This illustrates the advantages of flexibility to be gained by the suggested northwestern oil-gas transport corridor through Canada.

Even when one compares the slower Alyeska flow-rate schedules for both the TAP and the TCP, costs are similar, starting at about 80 cents a barrel and ranging up to $1.26 per barrel for TAP, $1.46 per barrel for TCP–I. A seemingly small difference to 20 cents per barrel in costs actually is large, of course, when millions of barrels are involved. Pinning down this comparison exactly is difficult, mainly because of the uncertainty of the cost for the Edmonton-Chicago leg of TCP–I. Overall, the cost comparisons between the TAP and TCP–I are inconclusive at best. Since the capital and operating costs are so close, the profit to be expected from the oil and cost of alternative sources of supply, according to the different market conditions of the West Coast as opposed to the Midwest and East, are the predominate factors in comparing the economic advantages of the respective transport systems.

OIL PROFITS

One method of calculating the economic efficiency benefits of producing and transporting oil on the North Slope of Alaska is to determine the costs of alternative means of supplying oil to the same market. Such alternatives range from importing foreign oil to increased production of domestic oil. After mathematical computations, the ratio of the costs of the best alternative to the costs of the proposed development project (TAP or TCP) can be obtained to determine the benefit-cost ratio of the development project. The mathematics are detailed in my full report on the subject published by Resources for the Future[1] and are beyond the scope of this presentation. Also considered in the full report are a number of alternative factors related to the U.S. domestic oil demands, domestic and foreign oil supplies, and various optional pipeline transportation arrangements. For example, one might wonder what would happen if an excess of North Slope oil delivered to Puget Sound were shipped via the existing Trans-Mountain pipeline to Edmonton, then to Chicago, rather than being shipped to Japan or to the Caribbean as suggested before. The answer to this, and to the other alternative plans to meet various supply-demand situations by the TAP, is that the margin of the TCP over the TAP profits remains as large, or in some cases even increases.

So far we have compared only the TAP and TCP–I, or Mackenzie Valley, routes. This was done partially for convenience, partially because the TCP–I option is one of the least expensive Canadian routes, and because it passes through the areas of Canada where new oil discoveries are most likely, making the route the probable best choice for an oil-gas transport corridor for northwestern North America. On the other hand, TCP–II, the southernmost route that follows the Alaskan Highway on the way to Edmonton, probably would have the least environmental impact, as mentioned earlier. TCP–II would be more expensive than TCP–I to build and operate, however, because of the greater distance. Allowing for an estimated $400 million increase in capital cost of TCP–II over TCP–I,[11] plus additional operating costs for the longer distance, the TCP–II route still has the edge over the TAP in terms of tax revenues to Alaska and net profits for comparable flow-rate schedules. This is shown in Table 4, which summarizes the various dollar values of the TCP–I, TCP–II, and TAP routes, allowing for average estimated capital and operating costs and for different flow-rate schedules. A discount rate of 10 percent is used. The flow-rate schedules are the slow Alyeska schedule (see Table 1 for explanation), the accelerated flow rate, and the accelerated flow rate with a two-year delay. (As mentioned above, the Trans-Canadian lines may take two years longer to build than the Trans-Alaskan line.)

Table 4 is arranged to reflect potential increases in TCP costs caused by inaccurate cost data or by new taxes or other costs imposed by Canada for the privilege of building the pipeline across that country. Case I gives the benefit comparison without such increase in costs. Case II includes cost increases of 20 percent. In all cases, the dollar-benefit of the Trans-Canadian lines exceeds that of the TAP. This is true even if the TCP–II route with a two-year delay and 20 percent increase in costs is compared with the TAP accelerated schedule.

TABLE 4.—DOLLAR BENEFITS OF PIPELINES

	Mackenzie Valley (TCP–I)		Alaska highway (TCP–II)		Trans-Alaska (TAP)	
	Accelerated[1]	Accelerated after 2-yr delay	Accelerated	Accelerated after 2-yr delay	Accelerated	Aleyska
Case I—No increase in costs:						
Average capital cost (dollar billions, 1971)	3.2	3.2	3.6	3.6	2.25	2.25
Present value of net social benefits (dollar billions, 1971)[2]	12.6	9.9	12.1	9.5	8.3	6.3
Case II—Operating and capital cost of Trans-Canadian alternatives increase by 20 percent:						
Average capital costs (dollar billions, 1971)	3.9	3.9	4.3	4.3	2.25	2.25
Present value of net social benefits (dollar billions, 1971)	11.6	9.0	11.1	8.5	8.3	6.3

[1] See table 1 for explanation.
[2] Net social benefits are based upon the cost of supplying each market with oil from alternative domestic and foreign sources if Alaskan oil is not brought to the relevant west coast or east of the Rockies market.

THE PROFIT MOTIVE

As explained at the outset, several complex plans were uncovered that would have enabled the oil companies to profit from the TAP despite the apparent economic advantages of the Trans-Canadian systems. The key to the plans is the oversupply of oil that will be produced on the West Coast by TAP oil. The oversupply may be 500,000 to 1 million barrels a day and may last until 1990 or so.[12] By comparison, oil demands east of the Rockies would exceed even accelerated schedule delivery through the TCP system. But to consider profit potential rather than domestic needs, for the moment, oil experts have proposed an import-for-export plan[13] under the Mandatory Oil Import Quota Program, a federal requirement that, until the President changed the system on April 18, 1973, dictated permissible quantity of oil imports according to a complex formula. The plan would have made it very profitable to sell this excess Alaskan oil to Japan, which needs large amounts of petroleum. The oil would be shipped in foreign tankers from Valdez to Japan, producing a lower transportation cost since shipment is less expensive in foreign as opposed to U.S.-registered tankers. The exporting company would then be allowed to import an equal amount of foreign oil, say from Venezuela, to the U.S. East Coast—again, in less expensive foreign-flag tankers. Under the Mandatory Oil Import Quota Program, the amount of foreign oil that could be shipped to the U.S. East Coast normally is determined by a set percentage of domestic production. This requirement, in effect, guaranteed a high price for the East Coast market to domestic companies producing oil in the U.S. The import-for-export plan, on the other hand, if approved, would have allowed oil companies to import a foreign barrel of oil on the East Coast for every barrel of oil exported from Alaska to Japan.

Proponents contended that the plan was needed to compensate exporting companies for lower profits obtained from sale of Alaskan oil in Japan, as compared with the West Coast. At the same time, they asserted national security and balance of payments problems would be avoided since exports and imports would be equal. There is no doubt that the oil companies would have been well compensated under the export-import plan. Although the price obtained for oil in Japan would have been lower, taxes to Alaska would have been correspondingly less since they are in part based on income from oil sales. Then the companies would have been able to import foreign crude oil—again, in less expensive foreign tankers—for sale on the East Coast at the highest prices obtainable anywhere in the world.

The results of the proposed import-export plan are summarized in Table 5. We start with prices that are $1.17 per barrel higher in Los Angeles than in Japan. We then subtract production and pipeline costs that are the same in both cases since the same TAP line is used. Then, although tanker costs are lower to Japan, net revenue is nearly $1 more for sale in Los Angeles. However, we must then add to the Japan export column a profit of $1.75 for the barrel of imported crude oil that would be allowed on the East Coast. Furthermore, we must add 23 cents to that column for the saving in taxes resulting from the difference in posted prices in Los Angeles and Japan. In sum, the oil companies would gain nearly $1 per barrel under the import-export plan. Between 100,000 and 300,000 barrels of Alaskan oil per day might be shipped to Japan by 1980, which at 96 cents per barrel would mean a profit considerably in excess of what could be obtained from sale of oil on the West Coast.

TABLE 5.—NET REVENUE FROM IMPORT-EXPORT PLAN

[In dollars per barrel]

	Los Angeles	Japan
Export portion: Posted prices	3.17	2.00
Minus:		
Approximate production costs for North Slope oil	—.25	—.25
Approximate pipeline costs	—.60	—.60
Approximate tanker costs	—.35	—.20
Before tax net revenue	1.97	.95
Import portion: Excess of domestic price over foreign costs on the east coast of the United States		+1.75
Taxes: Savings in taxes to the State of Alaska from a price difference of $1.17 per barrel ($3.17—$2=$1.17)		+.23
Per barrel equivalent net revenue	1.97	2.93
Gain in revenue from import-export plan		+.96

Footnotes at end of article.

After the Japanese exports, oil companies might still have up to 700,000 barrels per day in excess of West Coast needs. A second plan was proposed that would yield exceptional profits by selling the additional excess on the U.S. East Coast by a round-about way. For that matter, the profits from the second plan would be proportionately greater if as much Alaskan oil as possible were sold on the East Coast, where the demand is much greater than in Japan and where prices for oil are highest. Under one version of the plan, Alaskan oil would be shipped from Valdez in foreign tankers to Central America, piped across the isthmus, and loaded on other foreign tankers for shipment to the Virgin Islands. The Virgin Islands have been selected, because, first, they are exempt from restrictions of the Jones Act, which otherwise requires U.S. Ships rather than less-expensive foreign ships to be used to carry cargo between domestic ports. Second, crude oil can be refined in the Virgin Islands and then shipped to the East Coast, completing the long circuit from Valdez while greatly increasing the amount of routine marine pollution and intensifying the risk of major oil tanker accidents. One company already is reported to have expanded its Virgin Islands refinery to process 450,000 barrels of oil per day in anticipation of large amounts of North Slope oil to be marketed in the U.S.[2]

To make the plan pay, oil companies would receive the world price for oil, $2.01 per barrel, the Virgin Islands before refining; in actuality, the companies might do this by selling or swapping oil through subsidiaries. (The world price is that agreed upon by members of the Organization of Petroleum Exporting Countries to prevent price wars among member countries. Prices paid by those receiving the oil, may be higher, as in the U.S.)

The low world price would yield the state of Alaska only 10 cents per barrel in taxes, some 35 cents per barrel less than if the oil companies sold the Alaskan oil in California at prices much higher than the world price. (The state of Alaska has passed a law, which is being challenged by the oil companies, to protect themselves from such obvious tax dodges.) The refined oil then could be shipped to New York City to be sold at the highest prices in the world, producing net profits to the oil companies, before corporate taxes, that would be about 50 cents per barrel greater than would be obtained from North Slope oil shipped by the most favorable Trans-Canadian route (specifically TCP–I allowing for a 10 percent discount) to Edmonton and then by direct pipeline to the Midwest. In other words, this round-about delivery of Alaskan oil to the East Coast via pipeline and tanker offered a most profitable arrangement for the oil companies under the Mandatory Oil Import Quota Program but would produce by far the greatest environmental damage, would yield less in tax benefits to state and federal governments, and would require the largest consumption of fuel energy in transporting the oil by pipeline and tanker.

In addition to these two ingenious, complex plans that were to manipulate tax, oil quota, and shipping regulations to the oil companies' advantage, two other considerations may play a part in prompting the company officials to press for rapid construction of the TAP rather than accept the delay associated with the TCP routes. As to the first, the average rate of return from domestic oil and gas production in the U.S. is greater than other industries because of enormous tax benefits afforded that industry. Additionally, in 1968 the ten largest domestic oil companies paid average corporate income taxes which were less than 10 percent. Accordingly, while a delay of a year may cost society or the state of Alaska only about ten cents per dollar foregone per year, the oil companies on the North Slope may find their opportunity costs to be several times greater than this amount. A delay of three or more years to build a superior Canadian alternative might double the costs to the oil companies. Thus, their decision in favor of the route they judged initially to be the fastest possible development made private—if not social sense.

As to the second consideration, British Petroleum, Limited (one of three major members of the TAP consortium) has merged with the Standard Oil Company of Ohio. In order to complete this merger as agreed, British Petroleum must produce 600,000 barrels of oil per day by the end of 1977. The company has doubtless selected and pursued the TAP alternative in order to develop the speediest alternative and hence the surest bet to achieve the 1977 production goal, regardless of U.S. and Canadian national interests.

For its part, as facts began to emerge, Alaska moved to protect itself against loss of revenue from either the Japanese or Virgin Islands marketing schemes by passing a law similar to that used in Middle-Eastern countries. There, a posted price for oil is used to calculate taxes regardless of where the oil is marketed. Such a law in Alaska would mean that oil companies could not use transportation costs and low market prices elsewhere to reduce their tax obligations. To date, the main concern in the state has been the most rapid development possible in order to gain immediate tax revenue and to provide employment to ease a chronically high unemployment rate.

To summarize, the TAP system is inferior to the Trans-Canadian route in a number of respects. First, the overland route through Canada is environmentally superior, though by no means environmentally harmless—it avoids the most serious earthquake and avalanche problems in southern Alaska and will not contribute directly to ocean pollution since tankers will not be used. Furthermore, TCP–I or TCP–II would utilize existing rights-of-way over part of the distance rather than all new construction as would TAP. The interprovincial pipeline, which now carries oil from Edmonton to eastern Canada and the Midwest, could be incorporated into the TCP to carry North Slope oil to Chicago. The pipeline could be extended from Chicago to the East Coast without loss of profits, because the higher East Coast prices would offset added construction and transportation costs. Finally, the Department of the Interior conceded that a joint oil and gas transportation system through Canada would be environmentally superior to an arrangement requiring an oil pipeline through Alaska and a gas line through Canada, as probably would be the case if the TAP were built.[4]

A Trans-Canadian system would supply the U.S. markets most in need of oil at costs that would be of greatest benefit to the public and, seemingly, to the oil companies. It was only when the companies' profit motive alone was considered under the now defunct Mandatory Oil Import Quota Program that the TAP had the edge—and then only if arbitrary, though legal, manipulations were made to take advantage of U.S. laws that are at least ostensibly designed to benefit more than just the oil companies. The only remaining justification for the TAP is the cash flow problem of two American and one British oil companies; it hardly seems wise to let this one factor dominate a major decision of this type.

To close, I would like to quote from the final two paragraphs of my basic report written for Resources for the Future: [1]

"It is not surprising that the possibility of a Trans-Canadian pipeline for Alaskan oil has never been thoroughly explored with the Canadian government—although there is every sign that Canadian officials are receptive to such a proposal. After all, this alternative has been resisted by both the oil men and [the Department of the Interior] and has suffered in comparisons with TAP because too little has been known about its economic and environmental merits.

"No one analyst can produce all the answers needed to resolve the controversy over Alaskan oil, particularly when so many variables and unquantifiable factors are involved. . . . But it is my hope that the merits of TCP alternatives will receive further consideration before a final—perhaps irreversible—decision ends the controversy over TAP. The consequences of a TAP-tanker system for transporting Alaskan oil could haunt an entire continent for many years to come. Even [the Department of the Interior] acknowledged this in its environmental impact statement: 'Because of the scale and nature of the project, the impact would occur on abiotic, biotic, and socioeconomic components of the human environment far beyond the relatively small part . . . of Alaska that would be occupied by the pipeline and oilfield.' "

FOOTNOTES

[1] This article is based in large part on two technical reports by the author: "Alaskan Oil: Alternative Routes and Markets," published by Resources for the Future, Inc., distributed by The Johns Hopkins University Press, Baltimore, 142 pp., 1972; and "The Trans-Alaska Pipeline: A Benefit Cost Analysis of Alternatives," presented at the annual meeting of the American Association for the Advancement of Science, Washington, D.C., December 1972.

[2] Corrigan, R., "Resources Report/Japan May Get Some Alaskan Oil; Foreign Flag Shipping of Exports is Likely," The National Journal, July 31, 1971.

[3] The consortium is named the Alyeska Pipeline Service Company and is owned by Amerada Hess Corporation, ARCO Pipeline Company, British Petroleum Pipe Line Corporation, Humble Pipe Line Company, Mobil Pipe Line Company, Phillips Petroleum Company, and Union Oil Company of California. The acknowledged major ownership is in the control of three parent companies which have found the most North Slope oil: Atlantic-Richfield Company, British Petroleum Company Limited (its U.S.-owned subsidiary is BP Oil Corporation, which was merged with the Standard Oil Company (Ohio) on January 1, 1970), and the Standard Oil Company of New Jersey (Humble).

[4] "Final Environmental Impact Statement Proposed Trans-Alaska Pipeline." U.S. Dept. of the Interior, National Technical Information Service, p. 320 and following, 1972.

[5] Eckstein, O., and A. Harberger, "Economic Analysis of Public Investment Decisions: Interest Rate policy and Discount Analysis," Joint Economic Committee, USGPO, Washington, 1968. Seagraves, J. A., "More on the Social Rate of Discount," Quarterly Journal of Economics, vol. LXXXIV, no. 3, Aug. 1970. "Proposed Principles and Schedules for Planning Water and Related Land Resources," Federal Register, Water Resources Council, 36(245):24144–94, Part II, Dec. 21, 1971. "Discount Rates to be Used in Evaluating Time Distributed Costs and Benefits," Circular A–94, Office of Management and Budget.

[6] The most recent estimate utilized by the Department of the Interior placed the 1973 construction costs at $2.8 billion. Converting this back to 1971 for comparability using a 10 percent discount rate implies a 1971 capital cost estimate of $2.3 billion, which is within the range utilized in this analysis. See Nehring, R., "Future Developments of Arctic Oil and Gas: Analysis of the Implications of the Possibilities and Alternatives," U.S. Dept. of the Interior, Office of Economic Analysis, May 10, 1972.

[7] For a more detailed discussion of the reasons for this confusion, see Cicchetti, C. J.,

Alaskan Oil: An Economic and Environmental Analysis of Alternative Routes and Markets, Johns Hopkins Press, Baltimore, 1972.

[9] In a recent Department of the Interior Analysis, Nehring uses a total system cost of $5.3 billion in 1974 dollars. Converting this to 1971 dollars at a 10 percent discount rate makes his total cost estimate to Chicago $4 billion, and splitting this at 66 percent for the North Slope to Edmonton segment results in his comparable estimate being equal to $2.63 billion in 1971 dollars.

[9] "Transcontinental Pipeline Project, Transportation of Alaskan Crude Oil, Atlantic, BP, Humble, Dec. 31, 1968. Prudhoe Bay to Chicago Pipeline," Atlantic-Richfield Company memorandum re Trans Canada Alternative Route submission to U.S. Dept. of the Interior, Appendix B, Sept. 10, 1971.

[10] "Interprovincial Adds a Quarter Million Horsepower," Oil and Gas Journal, Oct. 18,

[11] Parker, Walter B., A Comparison of Prudhoe Oil Costs via Valdez or via a Mid-Canada Pipeline, Federal Field Committee for Development Planning in Alaska, Anchorage, March 1971.

[12] Cicchetti, C. J., "Alaskan Oil: Alternative Routes and Markets," loc. cit; "The Trans Alaska Pipeline," loc. cit. Corrigan, loc. sit.

[13] Proposed by Rollin Eckis, executive with Atlantic-Richfield Company and a former president of Richfield Oil. He discussed the Japanese market in his paper, "Alaska Oil in Domestic and World Markets," Change in Alaska (George W. Rodgers, ed.), University of Alaska Press, College, Alaska, 1970.

[14] Final Environmental Impact Statement . . .," op. cit., vol. 1, Introduction and Summary.

FRAUDULENT PASSPORTS AND OTHER DOCUMENTS

Mr. THURMOND. Mr. President, on September 15, 1972, Miss Frances G. Knight, Director of the Passport Office, testified before the Internal Security Subcommittee of the Senate Judiciary Committee with reference to the high degree of fraud involved in obtaining passports and other official identification papers. In recent weeks it has been brought to my attention that the fraud situation still exists and may, in fact, be even worse than in 1972.

On June 21, 1973, I contacted Miss Knight and asked for a full status report on the situation, including all efforts that were currently being taken to resolve the problems. Miss Knight's reply to my inquiry reveals facts that are most alarming.

Mr. President, I ask unanimous consent that Miss Knight's statement be printed in the RECORD and I urge all of the Senators to read it very carefully.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PASSPORT FRAUD

(By Frances G. Knight)

On September 15, 1972, I testified before the Internal Security Subcommittee of the Senate Judiciary Committee concerning passport fraud, particularly as it relates to the world narcotics traffic. At that time, I also testified concerning passport fraud in general and the problem the Passport Office faces in combating this criminal activity.

The passport fraud statistics I submitted on September 15, 1972 are sadly out of date now. The statistics available today show that passport fraud committed within the United States continues to increase in volume. I would like to submit, for the record, a chart (number 1) setting forth the fraud statistics for fiscal years 1970 through 1972 and for the first 11 months of fiscal year 1973. The chart also gives a month-by-month breakdown of fraud statistics for the first 11 months of fiscal year 1973.

As you will see from the chart, the number of frauds totaling 622 detected thus far in fiscal year 1973 already exceeds the total for fiscal year 1972, which was 614. Perhaps of greater significance is the increase in the number of domestic frauds, that is, those frauds committed within the United States detected thus far in fiscal year 1973. During the entire fiscal year of 1972, we uncovered 300 domestic frauds. During the first 11 months of this fiscal year, we uncovered 362 frauds. This is an increase of 62. Averaging out the frauds for the entire year shows that we have an increase of over 31% of this fiscal year over last fiscal year. Also, it is startling to note that the number of domestic frauds detected in the first 11 months of this fiscal year, which amounts to 362, is more than double the number of domestic frauds detected for the entire fiscal year 1970. Since every passport fraud is perpetuated for the purpose of covering another illegal activity, this enormous increase in domestic passport frauds from 1970 to the current time disturbs me greatly. One of the principal reasons for my concern is the fact that persons involved in domestic passport frauds, especially at this time, are engaged in trafficking in narcotics. For this reason, I should like to direct this statement to the domestic fraud picture.

A vivid example of the currency of the narcotic-connected passport fraud problem is shown by the apprehension by Customs agents on May 12, 1973 in Boston of John, Kathy, Richard, Peter, and Dennis Murray for importing 1.5 million dollars worth of hashish. It was discovered that the Murrays had been traveling as John, Paula, Richard, Kathy, and Christopher Mosley on United States passports obtained by fraud.

Investigation thus far conducted by the Passport Office with the assistance of the Division of Vital Statistics, Department of Health, Education and Welfare, and officials in New Jersey disclosed that, in each instance, counterfeit Nebraska birth certificates and counterfeit New Jersey drivers' licenses were used as evidence of birth and identity to obtain these five passports. In addition, Peter and Dennis Murray had obtained two other passports using counterfeit documentation. To add to the problem, it has been ascertained that the Murrays' father and uncle had passports obtained in false identities using counterfeit documentary evidence. Thus, in connection with this one recent drug seizure, nine fraudulent passport applications have surfaced.

The Murrays have been identified with the Brotherhood of Eternal Love, an international narcotics smuggling ring, originally founded by Timothy Leary and referred to in my testimony of September 15, 1972.

At that time, I stated that 91 passport files had been located which related to the Brotherhood; that 40 cases had been documented and sent to the Office of Security of the Department of State for investigation as passport frauds; and that another 10 to 12 cases previously sent for investigation had been tentatively identified as members of the Brotherhood.

Today, almost 250 files have been located and 120 passport frauds established. I would like to submit, for the record, a chart (number 2) showing the growth of our investigation of passport frauds connected with the Brotherhood. Although the Brotherhood is the largest narcotics organization perpetrating passport frauds uncovered to date, it is but one of several groups which are committing passport frauds for the purpose of facilitating the international trafficking of narcotics. Page 2 of the chart also reflects the growing trend toward the use of counterfeit birth documents. These documents are of a high quality, which makes their detection very difficult absent a referral to the state which purportedly issued the documents. This fact illustrates the sophistication of the fraud perpetrators which confronts the Passport Office at the present time.

Another reason for my concern is the use of United States passports obtained fraudulently by illegal aliens in the United States. This type of illegal activity has been the subject of Congressional concern for some time.

In my testimony of September 15, 1972, I submitted background information concerning Dominican and Mexican nationals illegally in the United States who were using birth certificates issued for persons born in Puerto Rico or the several states bordering Mexico for the purpose of obtaining United States passports. This type of fraud is not limited to nationals of Mexico or the Dominican Republic.

On October 6, 1972, the Immigration and Naturalization Service of the Department of Justice received information that a group of Philippine nationals illegally in the United States had obtained United States passports in false identities. To date, investigation by both the Immigration and Naturalization Service and the Department of State's Office of Secretary have documented 23 such cases.

In each case, the Philippine national was approached by a so-called "broker", an individual dealing in fraudulent citizenship, travel, and identity documents. For a fee of $2,000, the broker provided the alien with documentation showing birth in the United States. The alien applied for a passport using the birth certificate provided by the broker. In most cases, the broker served as the alien's identifying witness when the alien applied for the passport in his false identity.

In at least 12 cases, the "broker" identified the aliens when they applied for loans in order to pay the broker's $2,000-fee. In addition to the $2,000-fee, investigation indicates that these Philippine nationals subsequently were subject to blackmail or extortion by the "broker".

This case illustrates the type of "brokerage" operation through which aliens who obtain United States passports in false identities for the purpose of remaining in the United States illegally are then victimized by the "broker" who made the aliens' frauds possible.

A significant factor in the statistics for the first six months of fiscal year 1973 is the fact that, of the 135 domestic frauds detected during that period, 54 were discovered in the application stage before a passport was issued. This compares with the figure of 25 discovered in the application stage for the same period in fiscal year 1972.

In my opinion, the dramatic increase in the detection of frauds in the applications stage is a direct result of fraud seminars being conducted by attorneys of the Legal Division of the Passport Office. This program was initiated by the Passport Office in 1972 when it became apparent that domestic passport fraud was on the increase. To date, all permanent Passport Office personnel in the United States who accept or adjudicate passport applications have attended at least one of these seminars. This program continues with the goal of extending fraud training to all persons taking passport applications.

You may be interested to know that enterprising persons involved in illegal activities have written a "manual" on how to get documents to assume a false identity. The "manual" describes how the documents necessary to substantiate the false identity can be obtained from official government sources. It also describes in detail how to get birth certificates and identity documents. The "manual" pays the Passport Office a left-

handed compliment by emphasizing the fact that the United States xxxxxxxx is the single most valuable document which an imposter can have to substantiate a false identity. Possession of a valid xxxxxxxx in a false identity gives the alien, narcotics trafficker, fugitive, or criminal a freedom or movement which would otherwise be denied to him.

A few days ago, the xxxxxxxx Office was informed that the manual had been revised. Although a copy is not available, it is believed that those portions of the manual describing how to obtain a valid xxxxxxxx in a false identity have been the subject of much of the revision.

While the fraud seminar program has proved successful, as demonstrated by the dramatic increase in the number of frauds detected in the application stage, it is at best, only a partial solution. I believe that more frauds would be detected in the application stage if the pressures on xxxxxxxx Office personnel are reduced to realistic levels.

These pressures are especially acute in the xxxxxxxx field agencies where the majority of all United States passports are issued and where, as a result, the greatest fraud potential exists. In this regard, I would like to submit for the record a copy of a memorandum of April 27, 1973 (number 3) sent to me by Mr. William E. Duggan, Chief of the Passport Office Legal Division. This memorandum vividly portrays some of the problems the xxxxxxxx Office confronts in combating xxxxxxxx fraud. Comment number one on page two of this memorandum is significant with regard to the detection of xxxxxxxx fraud in the application stage.

The acceptance of xxxxxxxx applications by non-xxxxxxxx Office personnel has relieved to some degree the pressure on xxxxxxxx field agency personnel working day-after-day under the stress and strain of handling hundreds of xxxxxxxx applicants pushing and arguing for expeditious service. It has done little to reduce the other pressures since each application must be examined and adjudicated by xxxxxxxx Office personnel for the purpose of establishing the applicants' citizenship and identity. It has in fact increased the pressure in applications where there is an identity and possibly a fraud question. The question which might easily be resolved by a trained person in a face-to-face confrontation cannot be resolved with more documents in front of you. Thus more paperwork is engendered.

The xxxxxxxx Office has been drowning in paper work involved in management studies, reports, statistics, time-studies, manpower utilization studies, productivity analysis, and other such matters which seep down to us from upper echelons of management and administration.

However, the xxxxxxxx field agencies are not the only areas experiencing acute pressures. The Legal Division of the xxxxxxxx Office, with many responsibilities other than fraud detection and processing, has at present 35 permanent employees of whom only 9 are attorneys. This staff will be decreased by the retirement of one attorney on June 30, 1973. To give you a better understanding of the law enforcement procedures, I would like to submit for the record a copy of a memorandum (No. 4) which describes the procedural steps involved when a fraud is uncovered or when a fraud is suspected in a given case. Given the increasing number of xxxxxxxx frauds, the limited number of personnel available to process these cases in the Legal Division, and the many other responsibilities of the Legal Division, it is obvious that the fraud seminars conducted by Legal Division attorneys, as valuable as the seminars are proving, imposes tremendous strains, physically and operationally, on the legal staff.

Without adequate staffing, the pressures on the Legal Division continues to increase and an exorbitant amount of costly overtime is the only answer. In due course, a point will be reached where this patchwork remedy will become counter-productive.

Even when fraud cases have been expeditiously processed through the Legal Division, the xxxxxxxx Office is frustrated by long delays by the Department's Office of Security in investigating such cases. This was explained in considerable detail in my testimony of September 15, 1972. To update this data, I would like to submit, for the record, a copy of a chart (No. 5) which shows the number of cases ending investigation by the Office of Security as of April 24, 1973.

The explanation given by the Office of Security for the number of delinquent investigation cases continues to be a "shortage of manpower," as well as "several high priority requirements in other aspects of the total security program."

I do not take exception to the explanation furnished by the Office of Security. I am reasonably sure that office is interested in endeavoring to meet our requirements and, I might say from personal observation, the local security field agents are intensely interested in helping us combat xxxxxxxx frauds. I think I can state without fear of contradiction that this interest stems from the fact that xxxxxxxx fraud cases, as a category, offer real challenges to a professional investigation.

It seems eminently clear that the Office of Security does not have sufficient manpower to meet our xxxxxxxx fraud problems and that the "delinquency" is due, in good measure, to greater priority given to other "security requirements."

By now, it should be obvious, as illustrated by the Brotherhood of Eternal Love, the Philippine alien cases, and the "manual" on fraudulent identities which I have described, that the individuals committing xxxxxxxx fraud are becoming increasingly more knowledgeable in methods of obtaining fraudulent birth and identity documentation. We are endeavoring to meet this increased knowledge on the part of our "opposition" by making our personnel more alert and knowledgeable in detecting symptoms of fraud. It is an established fact that careful and thorough examination by trained personnel of passport applications and their accompanying documents will result in the detection of many frauds in the application stage. A face-to-face confrontation increases the possibility that such frauds will be detected before the passports are issued and used in the furtherance of illegal activities. At the present time, while we are doing our best, our efforts are diminished and frustrated by the inadequate facilities and insufficient personnel furnished to the xxxxxxxx Office.

xxxxxxxx fraud as it pertains to narcotics and to illegal aliens is only one phase of a serious problem which we, in the xxxxxxxx Office, have struggled with for years and called to the attention of anyone who would listen. Frankly, I am very discouraged about the whole situation and I don't believe that a piecemeal approach to the problem will be successful. One hole in the dike may be plugged up, but two others will develop.

The xxxxxxxx Office has been fighting, for years, this battle of fraudulent documentation to protect the integrity of the United States xxxxxxxx as well as the ensuing evils to society, such as illegal drug activity, which flows from the use of such a valuable document. However, this evil is not restricted to passports; it also involves credit cards, social security cards, welfare and pension payments, birth records, drivers' licenses, and the list goes on *ad nauseam* into the very fabric of our society.

In summary, I think it is plain that the problem of the effects of fraudulent documentation and impersonation are not restricted to the xxxxxxxx area. It is symptomatic of one of the serious ills of our society at the present time, and it is time we work together and say a vigorous "no" to the enemies of our society.

It is with considerable regret that I advise you that in my opinion no action will be taken by the Executive Branch of our Government until such time the Congress steps in with clear language legislation to make the use and presentation of fraudulent identifying documents to any Government Department or Agency or unit thereof a very expensive, unprofitable and unpleasant experience for the perpetrator. Furthermore, the Congress should insist upon swift prosecution of these cases for two valid and relatively simple reasons. Swift prosecution by the Department of Justice would engender second thoughts by criminals engaged in the practice of deceiving Government Agencies by the use of false identity documents and this, in turn, would help put the producers of such documents out of a very lucrative business which is presently flourishing around the United States.

The second reason is that the salutary effect of swift and stern government action will save millions of dollars now wasted or irretrievably lost by such Federal and private operations as the xxxxxxxx Office, Social Security, Insurance Companies, Banks, Health Services, Pension Funds and even extend to the world-wide xxxxxxxxxx racket. It is a known fact that the United States xxxxxxxx is used the world over as an instrument of identity. Therefore, it makes sense to see to it that it is protected by law and that the xxxxxxxx Office is given financial and administrative support in its role to maintain the integrity of the document.

In my considered opinion, it has been proven impossible to obtain from the Executive Bureaucracy the required support, consideration and protection which the Passport Office requires to carry out its statutory functions to provide efficient and effective xxxxxxxx and citizenship services to United States citizens both here and overseas.

FRAUD STATISTICS—FISCAL YEAR 1970 THROUGH MAY FISCAL YEAR 1973

Fiscal year	xxxxxxxxxxxxxx			1973 (through May)
Domestic	174	288	300	362
Foreign	327	316	314	260
Total	501	604	614	622

FRAUD STATISTICS BREAKDOWN—FISCAL YEAR 1973

	Domestic	Foreign	Total
July	21	10	31
August	30	19	49
September	14	18	32
October	13	38	51
November	34	21	55
December	23	13	36
January	34	27	61
February	58	19	77
March	59	28	87
April	19	39	58
May	57	28	85
Total	362	260	622

	Apr. 27, 1973	June 1, 1973
Number	73	120
Type fraud:		
Alteration	2	2
Use	2	2
Identifying witness	9	17
False statement	60	99
Place filed:		
Los Angeles	xx	31
San Francisco	xx	24
Miami	xx	6
Chicago	xx	4
Post Office	xx	5
New York	xx	5
Kabul	xx	3
Clerk of court	xx	6
Other	xx	15
Date filed prior 1969	xx	5
1969	xx	11
1970	[redacted]	20
1971	[redacted]	35
1972	[redacted]	23
1973	[redacted]	5

	Apr. 27, 1973	June 1, 1973
Detected before issue	5	8
San Francisco	4	4
Seattle	1	1
Miami	1	1
Los Angeles	1	1
Lookout system	1	1
Counterfeit birth certificates	26	45
Hospital birth certificates	5	6
Nebraska	0	8
Missouri	4	5
Chicago	14	4
Colorado	2	2
Utah	2	3
North Carolina	0	3
Ohio	0	2
Referred United States attorney	34	41
Indicted	17	19
Prosecution declined	3	3
Convicted	2	4

Note: 1 each from Iowa; Albion, N.Y.; San Diego County; Los Angeles County; New York State; Wisconsin; Seattle County; Syracuse, N.Y.; Orange County, Calif. In addition, counterfeit birth certificates were picked up in a Brotherhood raid from Missouri (2); Nevada; Seattle-King County, Wash.; Newark, N.J. and Ohio.

APRIL 27, 1973.

To: PPT—Miss Frances G. Knight.
From: PT/L—William E. Duggan.
Subject: Observations Regarding Counter Work at New York.

The team of attorneys observed that the number of persons applying for passports in the New York Agency began to accelerate about 9:45. The number of applicants continued to increase until about 2:30 to 3:00 in the afternoon. At that time there were in the neighborhood of 20 to 25 or possibly 30 applicants in front of each station. The number of applicants gradually diminished until about 4:00 when there were about 10 applicants in front of each station. With the closing of the Agency doors, the agents were able to complete the work about 4:45 or 5:00.

Observations indicated that each agent took about 3 to 5 minutes per applicant. The average time an applicant stood in line during the peak period of 11 to 3 was about 45 minutes. Obviously, persons are not in the best frame of mind after being required to stand in line for this length of time. This factor is mentioned because it exerts further pressure upon the agent in performing his job. Given the number of persons in line, it is a practical impossibility for the agents to spend more than 3 to 5 minutes with each applicant.

The following conclusions must be stated in fairness to the agents concerned as well as our fraud prevention program:

1. Given the number of factors which must be considered, a period of 3 to 5 minutes is totally inadequate to do a thorough job of taking a passport application;

2. The constant pressure of applicants in front of an agent also creates barriers which make it difficult for the agent to detect fraud;

3. The physical limitations of the reception room are inadequate and create at times a sense of turmoil. This also lessens the effectiveness of our agents;

4. From a fraud point of view, I feel it is necessary to state that except for the most obvious frauds, it is totally unfair to the agents concerned to hold them accountable for such frauds as may filter through;

5. Some action must be taken to reduce the pressure on agents taking applications in New York if we are to expect an acceptable standard of fraud detection in that Agency.

6. The "melting pot" population situation in New York is peculiarly conducive to fraud potential.

COMMENTS

1. It seems obvious to me that the current program of having a number of Clerks of Court and Post Offices accept applications has not solved the counter problem at New York City although it has helped to a certain extent. The apparent reason for this seems to be that individuals wish to go to the agency responsible for issuing the passport rather than to a Post Office or Clerk of Court whenever it is possible to do so.

2. Since New York is the most important overseas departure airport in the United States, the Agency has an exceptional load of emergency cases which must be handled at the counter.

SUGGESTED SOLUTION TO THE PROBLEM

Despite the views of the upper echelon in the Department of State that increase of Passport Agencies is a "bureaucratic" maneuver, I recomend as strongly as I can, that we establish several sub-agencies in the New York area to accept applications. One obvious area is in the so-called Financial District of New York. The other areas can be determined by a review of counter applications to determine the areas from which the counter applications are coming. During my trip to New York I tentatively made arrangements to have counter applications segregated and sent to Washington for a survey to obtain statistics which would support a rational basis for establishing sub-agencies in New York.

APRIL 24, 1973.

To PPT—Miss Frances G. Knight.
From PT/L—William E. Duggan.
Subject Current Procedures Used in the Processing of Passport Fraud Cases.

When information appearing on a passport application, or received subsequent to the issuance of a passport, raises the possibility that a person has perpetrated a fraud, the case is referred to the Legal Division of the Passport Office. An attorney in the Legal Division reviews the entire file in order to determine what evidence is available to establish a prima facie case of fraud or what addititonal evidence may be required to establish such a case.

The attorney then prepares a detailed memorandum outlining the facts involved and the investigative action necessary to establish a prima facie case of fraud. This memorandum and the case file are forwarded to the Office of Security of the Department of State which has investigative jurisdiction in passport fraud cases. Upon completion of the requested investigation, the file is returned to the Legal Division of the Passport Office along with whatever evidence and information was developed in the course of the investigation.

If the concerned Passport Office attorney is satisfied that the investigation has developed sufficient admissible evidence to establish a prima facie case of passport fraud, he prepares a "Criminal Prosecution Summary." The "Summary" along with the file, then is forwarded to the appropriate U.S. Attorney through the Office of Security of the Department of State. This procedure is designed to offer the U.S. Attorney with as much personal assistance and contact as possible with the Department of State.

After receipt and, in due course, review of the case, it is the responsibility of the U.S. Attorney to decide if prosecution should be initiated or declined. If prosecution is declined, the case is returned to the Passport Office, through the Office of Security, with a statement from the U.S. Attorney giving his reasons for not initiating prosecution. If the U.S. Attorney accepts the case for prosecution, he initiates the necessary procedures to bring the case to trial.

Cases pending SY investigation as of April 24, 1973

Cases opened in 1973	165
Cases opened prior to January 1, 1973	221
Cases opened prior to January 1, 1972	78
Cases opened prior to January 1, 1971	20
Cases opened prior to January 1, 1970	17
Total cases pending	501

ATTORNEYS FOR INDIGENT DEFENDANTS IN THE DISTRICT OF COLUMBIA

Mr. BAYH. Mr. President, the Senate will shortly consider the continuing resolution, which provides funds for fiscal 1974 for agencies and programs for which the regular appropriation bill has not been passed. I am pleased to note that the House version of this vital bill includes continued funding for the compensation and reimbursement of attorneys appointed by judges of the District of Columbia courts pursuant to the Criminal Justice Act. I hope the Senate will agree with this responsible course of action.

If funds are not provided in the continuing resolution for these attorneys, the criminal justice system of the District of Columbia will have to slow down drastically, if not grind virtually to a halt. This would have wide and undesirable consequences: Longer delays from arrest to trial; more persons detained in the existing inadequate jail; less expert defense counsel and thus a higher likelihood of reversible error at the trial, not to mention potential unfairness to the defendant. While the Superior Court in the city has begun to prepare for this contingency by seeking private lawyers to act without compensation, it is clear that this is not a satisfactory solution. Furthermore, a matter of principle is involved, for the Criminal Justice Act plainly intends that the funding for such attorneys be carried out under its provisions.

The continuing resolution provides funds until the Departments of States, Justice and Commerce, the Judiciary and Related Agencies Appropriation Act for fiscal 1974 becomes law, or September 30, 1973, whichever first occurs. Thus we have only a temporary solution, even if the Resolution is approved in its present form. To take care of the problem for the remainder of fiscal 1974, I will offer, along with the distinguished Senator from Maryland (Mr. MATHIAS) and the distinguished Senator from North Carolina (Mr. ERVIN) an amendment to the State-Justice-Commerce-Judiciary bill to provide funding under the Criminal Justice Act for appointed attorneys in the District through fiscal 1974.

The administration did not request and the House did not include funds for these appointed attorneys in either the State-Justice-Commerce appropriations bill or the District of Columbia appropriations bill. I believe that the proper place for such funds—which everyone agrees are vitally needed as part of our crime control efforts—is the State-Justice-Commerce appropriations bill. First, the Criminal Justice Act clearly contemplates funding for appointed attorneys in the District under its provisions, and thus through the State-Justice-Commerce appropriations bill. Second, the District of Columbia budget for fiscal 1974 will have to be cut $8.5 million below the President's request because of action taken by the Congress on the supplemental appropriations bill. In view of the necessity of developing a balanced budget for the District for fiscal 1974,

the other vital programs involved, and certain expenses not provided for in the budget request, the proper place for the $2.4 million needed by the courts for attorneys for indigent defendants next year is, in our view, the State-Justice-Commerce appropriations bill.

For these reasons, I will support the present version of the continuing resolution on this point, and move to add the necessary funds to the State-Justice-Commerce appropriations bill for fiscal 1974.

Mr. MATHIAS. Mr. President, I am deeply disturbed by the possibility that funds may not be provided for continuation of the program for legal representation of indigent defendants in Washington, D.C., beyond the end of this fiscal year. Differences of opinion over how this program should be funded are causing concern in many quarters that no funds will be forthcoming from any source. The House Appropriations Committee has now reported out appropriations under the Criminal Justice Act for fiscal 1974 and the committee has failed to include funds for District of Columbia indigent representation.

Unless these funds are reinstated or are somehow forthcoming, the result could be havoc in the District of Columbia court system. Without Federal funding to maintain the indigent defense program, such defendants will be without representation in the criminal courts of the District. Under prevailing law, such defendants are entitled to counsel and the failure to provide such counsel could make it legally impossible to proceed with the disposition of criminal cases. How this will be squared with the right to a speedy trial remains to be seen.

This problem has arisen because of conflicting opinions about the proper channel by which this program should be funded. In the past, it has been administered by the Administrative Office of the U.S. Courts under the Criminal Justice Act. This procedure began in 1966 after a ruling by the Comptroller General, and has continued under 1970 amendments to the CJA (18 U.S.C. 3006A (1)) and more recent rulings of the Comptroller General—May 26, 1972. Many people believe that the program should be administered and funded through the District of Columbia and its budget. This view is consistent with that of the Judicial Conference of the United States which failed to request funds this year for the D.C. indigent program in the Federal judiciary appropriation request. District of Columbia funding is difficult this year, however, because the District budget has been set and cannot be changed at this late date for fiscal 1974. The result is the current impasse.

The private bar has declined to attempt to undertake the defense of indigents. The enormity of the problem of coordinating so many private attorneys and joining them up with defendants have been cited as reasons. In addition, increasing specialization in the practice of law also means that many members of the private bar have had little or no criminal experience. This could raise serious constitutional questions of adequate representation. Use of the private bar in lieu of continuation of Federal funding for the current program, therefore, appears impractical.

Whatever the eventual outcome of the debate about the preferred method of administering and funding the program in the future, we in the Congress should take steps to insure its continuation in fiscal 1974.

Accordingly, I will join with Senators BAYH and ERVIN in an effort to add the necessary funds to the State-Justice-Commerce appropriations bill for fiscal 1974. I hope that my fellow Senators will support this amendment as the best means to solve the problem.

RETIREMENT OF JOHN M. REYNOLDS, SENIOR COUNSEL, OFFICE OF THE LEGISLATIVE COUNSEL

Mr. SPARKMAN. Mr. President, at the end of this month, a number of career employees who have performed long and faithful service to the Senate will retire. One of them is John M. Reynolds who has served in the Office of the Legislative Counsel of the Senate for almost 26½ years.

John Reynolds graduated from Wesleyan University in 1939 and received his law degree from Yale University in 1942. After serving in the Army during World War I, he joined the staff of the Legislative Counsel on January 9, 1947. Since June 1963, he has served as a senior counsel in that Office.

During most of his Senate career, John specialized in the fields of law over which the Committee on Banking, Housing and Urban Development, which I now serve as chairman, has jurisdiction. He worked so closely with the committee that we sometimes felt that he was a member of our staff. He assisted the committee on almost every important piece of legislation reported by it in the past 20 years. His service cannot be praised enough. Not only his expert drafting skill, but his equally expert knowledge of the substantive provisions of law with which our committee deals, has immeasurably assisted the committee in carrying out its legislative functions during this long period.

Mr. President, I take this opportunity to thank John Reynolds for the outstanding service and assistance which he has given to the Committee on Banking, Housing and Urban Development over these years. While he will be missed by the entire Senate, and, of course, by his colleagues in the Office of the Legislative Counsel, he will be particularly missed by our committee.

And, finally, I want to convey my wish—and I am sure the wish of all Senators—that John and his wife, Anne, will enjoy a long and happy retirement.

Mr. PROXMIRE. Mr. President, I, too, would like to join my colleague in paying tribute to John Reynolds, who is leaving the Office of the Legislative Council of the Senate.

John served the Banking, Housing and Urban Affairs Committee during the entire period I have been in the Senate. His services to us were invaluable. He was extremely qualified in his job and in dealing with the wide variety of the legislative matters over which our committee has jurisdiction. He was a very able Senate employee and public servant. His services to our committee and to me will be missed.

Certainly I wish for he and his wife the very best in his future retirement.

Mr. TOWER. Mr. President, I would like to add my words of appreciation to those that have been said regarding the retirement of John Reynolds. John's service to the Senate in the Office of Legislative Counsel has been outstanding. He worked closely with those of us on the Banking, Housing and Urban Affairs Committee in drafting and marking up legislation. His broad legal knowledge and long background of experience in working with our committee has helped us resolve many difficult questions. So often in our markup sessions when a particularly sticky legal point would come up, one of our members would say "Let's hear from John Reynolds on that," and we could depend on a cogent, well-reasoned response from John. John is a gentleman in the finest sense of the word, and we in the Senate will miss him very much.

I would like to extend my best wishes to John and his family and hope that he will have a happy and rewarding retirement.

Mr. BENNETT. Mr. President, I would like to join my colleagues in paying tribute to John Reynolds, who just recently retired from the Office of the Legislative Counsel of the Senate.

John was one of those individuals whose diligent work behind the scenes made our work on the Banking Committee much easier. Although the legislation which he was asked to deal with ranged over a wide variety of issues, members of the committee always found that John had a grasp of the issue involved and an ability to convey our intent into the proper legislative format. His expertise on matters both technical and substantive is highly regarded and appreciated I am sure by all members of the committee.

I extend my best wishes to John in his retirement and in whatever new endeavor he may undertake, and offer the thanks which he deserves for so ably assisting the committee.

Mr. McINTYRE. Mr. President, I join with the chairman (Mr. SPARKMAN) and other members of the Senate Banking, Housing and Urban Affairs Committee, in expressing our appreciation for the work and dedication that John Reynolds has exhibited during his most commendable service to the Senate.

Our form of government is based primarily on the written law. The task of developing an idea of public policy into explicit written legislative language is an extremely difficult task that quite often is overlooked.

During John's service to the Senate, he was recognized on a national level as one of the most competent and skillful legislative drafters.

While we can understand John's departure, his expertise will be missed. I can only wish him the best.

THE BOMBING IN CAMBODIA

Mr. HATFIELD. Mr. President, continued bombing in Cambodia is a misuse of Executive power that ignores the Congress, ignores the people, and ignores the Constitution.

The President's veto message on the Cambodia bombing ban raises interesting questions. The veto message uses the word "Communist" five times in threatening tones.

Just who are these Communists?

Can they be the Communists so frequently toasted last week and whose flags were officially flown throughout Washington?

Can they be the Communists in Peking who strolled with us at the Great Wall?

Use of the word "Communist" is a scare tactic and a misrepresentation of "national security" to rally support.

Our bombs are not destroying an ideology; they are killing Cambodians opposing a feeble and corrupt regime kept afloat by U.S. tax dollars.

Regardless of the Executive scorn for the Constitution, we in Congress must uphold our constitutional duty and continue to legislate a halt to this illegal bombing.

GRAND FORKS, N. DAK.

Mr. BURDICK. Mr. President, last Sunday "the Baltimore Sun" published a thoughtful and reflective article by Ernest B. Furguson about Grand Forks, N. Dak. I think it captures very well the feelings of warmth and pleasantness that make the middle-size towns of the Midwest such attractive places to live. The citizens of Grand Forks do not have to gear their lives to avoid traffic jams or live in fear of getting mugged. Grand Forks, like other towns its size, allows its citizens to strike a good balance between social concern and involvement and the simple enjoyment of life. It is no wonder that more and more people are returning to that kind of relaxed and enjoyable lifestyle available in North Dakota.

At this time, I ask unanimous consent that Mr. Furguson's article be printed in the RECORD, and I commend its reading to all who wish to know what life is like away from "the big city."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAND FORKS: MAN HAS A GRIP ON THINGS

GRAND FORKS, N. DAK.—When the community powers have their daily 3 o'clock get-together for coffee at the back table at the Golden Hours, their conversation distills a growing attitude among the leaders of the smaller towns and emptier states of America. Increasingly, they are just as pleased about what they do not have as about what they do.

Flying west three years ago, I came to this Red River valley of the north with the President's entourage. He stopped to join a Northern Plains regional governor's conference, and at that time the governors' main collective worry was their states' loss of population.

Heading East this summer aboard the Empire Builder, I hear a different note. The population drain has slowed, but not stopped. Many young people, especially from the farms, still leave for the cities and the coasts in search of jobs. Being only 150 miles east of the geographical center of North America, Grand Forks itself figures to be a proportionately heavy loser on the census theory that the national population trend is outward from the middle.

But the town is growing. Its net additions include some youngsters off the farms as always, but more conspicuously families that have gone away to the coast or the big city, and having tasted life there have hurried back.

Smug is not the word for the attitude of the men around the back table. But the Chamber of Commerce manager, the conservative lawyer, the retired banker who used to be on the state board of education, the editor and the power company manager are comfortable with what Grand Forks is.

Like other small towns, Grand Forks has the quality so prized by James Rouse, the Maryland urban planner who likes to break big communities into manageable neighborhoods—a scale to which individual can relate, rather than being smothered by it.

People here have more reason than most to be alert to the nuances of Mr. Nixon's agreements with Brezhnev—after all, the town is flanked by the Minuteman III's, B-52's, and ABM's at sprawling Grand Forks Air Force Base. They make this one of the prime sites on any enemy's strategic target list.

But Soviet-American relations are not something the voters here can affect directly. When the great congressional debate over the ABM was going on, here where the first installation was to be built the main news was the state high school basketball tournament where the Fort Yates Indians were romping.

During Brezhnev's visit, it has been whether and how many young North Dakotans are traveling the 100 yards to Minnesota to buy drinks they cannot buy on this side of the Red River. North Dakota turned down liquor for 18-year-olds on a referendum while Minnesota was approving it, and since June 1, places like the Spud Bar in East Grand Forks across the river have been bursting with students from this side. It has inspired some second thoughts among local voters.

The scale of the traffic problem here is that drivers cannot get out of the habit of turning left in front of others at the main downtown intersection. (To which I added the tourist observation that Third street outside the hotel becomes a drag strip for about an hour at 1 A.M., when things are shutting down around town.)

As to crime, there is about one murder a year, and perhaps two or three rapes—few enough to always qualify for Page One. Right now, the big item is a double murder of five years ago, in which the man convicted is trying to win a new trial.

Culture? The new $3 million auditorium at the University enables the town to bring in talent like Van Cliburn for the first time since the early 1900's, when Caruso and other major artists stopped here because it was the obvious break point between the Twin Cities and Winnepeg.

The university's football team went gloriously to the Camellia Bowl last winter, and no home game is more than five minutes away from any home in town. A medical complex that will make Grand Forks "another Rochester," in the Chamber of Commerce man's words, is in process. There is some debate over what to build in the part of town near the depot where urban renewal is under way.

There is no lack of seriousness among the coffee drinkers at the Golden Hour, nor of public concern. But there is a sense that here man has a grip on things, rather than being at the mercy of events far away.

That is what draws back so many of those who have tried life elsewhere and found it frustrating. That is why men who draw grand plans for the next America, and others who simply seek a place to raise a family, are so convinced that the obvious road leads back to the small towns.

SENATOR GEORGE McGOVERN'S TAX REFORM PROPOSALS

Mr. KENNEDY. Mr. President, GEORGE MCGOVERN recently testified before the House Ways and Means Committee on the need for tax reform. His proposals reflect not only the expertise he has developed over his years in Congress on this highly complex subject, but also his grasp of what is fundamentally wrong with the present tax laws.

Senator MCGOVERN points out in careful detail how our supposedly progressive tax system has become riddled with loopholes for wealthy individuals and large corporations over the years. As he says, "the loopholes do very little for most taxpayers and a lot for a few tax avoiders." His research shows that families with incomes of less than $10,000 a year pay a higher percentage of their income in tax then those who make $25,000 a year; and small businessmen—individual enterprises and family farmers—pay a higher percentage of their income in tax than America's 100 largest corporations.

Senator MCGOVERN suggests a number of revisions to the tax code which would correct those inequities. Under his plan, big business and individuals with incomes in excess of $25,000 would be required to pay their fair share of the cost of government and the additional revenue gained from loophole closing would be redistributed to the average citizen—in the form of a property tax credit for homeowners as well as relief from the 400 percent increase in the payroll tax on workers over the last 15 years. And under the MCGOVERN plan, the 90 percent of American enterprises which are technically small business or family farms would continue to benefit from the Investment Tax Credit and ADR.

In conclusion, Mr. President, let me stress one other point. The recent flood of Watergate disclosures has further undermined already badly shaken public confidence in government. We must heed the counsel of our leaders such as GEORGE MCGOVERN who by their example have shown us that government is capable of representing all the people, not just the vested interest. We must propose and adopt laws which will restore decency to government. And tax reform is, as Senator MCGOVERN suggests, a good place to start.

So I join with Senator MCGOVERN in urging the Congress to act promptly on tax reform. I hope all our colleagues will make this matter of the highest priority. And I ask unanimous consent that the text of Senator MCGOVERN's tax reform proposals be printed in the RECORD.

There being no objection, the proposals were ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR GEORGE MCGOVERN BEFORE THE WAYS AND MEANS COMMITTEE, APRIL 16, 1973

First of all, Mr. Chairman, let me say that it is a privilege to appear before this com-

mittee and participate in the landmark series of panel discussions and hearings you are conducting this spring. I hope that the Trade legislation you will soon consider will not deflect you from your goal of reporting out a comprehensive Tax Reform bill for House passage this year. And I pledge to do my part to prevent the mutilation of that bill from Tax Reform to revenue giveaway, as happened in the Senate in 1969.

Before I discuss certain specific suggestions, I would like to raise three policy questions that are central to the issue of tax reform.

The first is the question of spending priorities.

Although the fact is generally ignored, the tax laws themselves create a kind of Federal spending by favoring some groups over others. For instance, the law permits taxpayers to avoid paying their normal share of taxes if they make designated types of investment. Thus if J. Paul Getty puts his billions into oil, he can—as he has in the past—escape paying any taxes at all. The loss of his tax revenue has the same effect on the Federal budget as if the Treasury had collected his same taxes from him and then written him a multimillion dollar welfare check. And the increasing number of such loopholes has resulted in a generally regressive tax code which takes more and more from the people and less and less from the privileged.

And not only do the loopholes rob us of revenue, but many of them do not even repay us with proportionate gains in economic growth. A 1969 Treasury Department study showed that $1.5 billion in tax preferences for the oil industry resulted in only a $150 million increase in investment. In other words, these preferences were only 10% effective. But if we repealed them and taxed oil income at the normal rate, we could achieve the same investment result with a direct subsidy, *and* the government would have one billion three hundred and fifty million dollars more for essential domestic programs or tax relief for ordinary citizens.

So what is at stake in these hearings, as much as in any other budgetary debate before the Congress, is the setting of priorities. We are the representatives of the people. And we must decide what is right for the people—tax and expenditure policies that directly benefit all of them or indirect subsidies to the few in the form of tax forgiveness.

It is in this same context of tax loopholes as expenditures that we must view the President's budget. It actually reflects only 80% of Federal spending. It leaves out $77 billion worth of tax subsidies.

Many of these tax expenditures aid the average citizen, or achieve worthwhile ends, and should be retained. I refer, for example, to the deductability of mortgage interest payments, state and local taxes and charitable contributions.

But many others are not justified. They enable wealthy individuals and corporations to shelter their income and avoid paying their fair share of the burden of government, at a revenue cost that far exceeds the benefit to society. I refer, for example, to the tax breaks procured in the last two years alone for big business. According to the most recent Treasury Department estimates, they will cost the government approximately $7 billion in 1973—more than the entire cost of Mr. Nixon's proposed special revenue sharing program.

The concept of a tax expenditure is, of course, not new. The Senate version of the 1971 Revenue Act would have required indirect tax subsidies to be reported as Federal expenditures in the President's budget, just as direct subsidies like welfare are now reported. But, the Administration succeeded in killing the proposal.

I think that we in the Congress must revive that principle this year. For it teaches us that in the last analysis the battle of the budget and the debate over tax reform are really two parts of the same problem. Indirect tax subsidies and direct Federal expenditures both involve the same thing: Spending the taxpayer's dollar. And now Mr. Nixon's cutbacks and the need for a noninflationary ceiling on Federal expenditures—whether tax subsidies or direct Treasury payments—require us to make harder choices than ever before about an issue that is always with us: Where should the taxpayer's dollar go?

To a $6.6 billion tax subsidy for business in the form of accelerated depreciation and the Investment Tax Credit, or to property tax relief for homeowners across the country?

To a $4 billion tax subsidy for the heirs of wealth, or to fairly priced electricity through REA, low cost loans to family farmers, and water and sewer grants and REAP?

Will we continue to tax money earned by money at a lower rate than money earned by men, or will we arrest the decay in our crime-ridden cities and seriously attack the problems of drug addiction?

These, Mr. Chairman, are the choices before the Congress this year.

The President understands the implications of the expenditure aspect of Federal tax policy. He has launched an aggressive campaign to secure his own priorities for both the direct and the tax subsidy expenditures he favors.

The Administration's oversimplified claim is that the Congress must accept the President's priorities—or raise taxes on the average citizen by 15 percent. Mr. Nixon apparently has decided that his victory last November was an excuse to abandon his campaign promise to send comprehensive tax reform to the Congress before the first of this year. His post-election position is that there is no revenue in tax reform.

As the President's chief domestic adviser recently said in a television interview:

"Actually there is a lot of misinformation around in this business of tax loopholes. You don't raise very much money by making every taxpayer pay some tax. You don't raise very much money by making every corporation pay a tax. Where you really can raise money by closing loopholes is if you don't let the average householders deduct the interest on his mortgage anymore, and you don't let him deduct charitable contributions to his church or to the Boy Scouts, or you don't let him take personal exemptions."

This kind of apology for tax favoritism is a calculated attempt to frighten the public about tax reform.

White House agents and indeed the President himself have sought to paint the picture of a wise and prudent Executive courageously holding a spendthrift Congress in check. We stand accused of advocating a $15 billion increase in Federal spending and misleading the people with a bogus claim that tax reform can help pay the bill.

Let me quote again from the Ehrlichman interview:

"I think you will see, as the House Ways and Means Committee goes through this process, that there is no way to raise the $15 billion, for instance, that the spenders in Congress want to run over the President's budget, unless you start digging into the average taxpayer's exemptions, or charitable deductions or mortgage credits or something of that kind."

That is untrue—and Mr. Ehrlichman knows it is untrue. It is false on two counts. Mr. Ehrlichman knows that a number of Senators, including me, have joined in sponsoring legislation which would hold the budget to $4.7 billion less than Mr. Nixon wants to spend. The Senate has already approved a spending ceiling $700 million below the Administration's budget. And Mr. Ehrlichman knows, too, that many billions of dollars can be retrieved without even looking to the sensible and universally popular tax provisions he describes.

Actually, Mr. Nixon has proved to be a bigger spender than any of us in the Legislative Branch. He seeks to spend, in the form of direct and tax expenditures, a total of $345.7 billion; but under the proposal I have cosponsored in the Senate, we would spend at least $4.7 billion less.

So let us examine Federal spending as a whole—not just the direct Treasury expenditures the President assails, but the tax expenditures that steal our revenues away.

Let us not permit the Administration to ignore the budget-busting impact of unjustified tax subsidies.

Let us look closely at all forms of welfare, for those who are powerful, as well as those who are poor. For in the end it is the ordinary citizen who pays for both.

The President has urged that we review the domestic budget and eliminate needless waste and programs which do not work. I agree with that as a principle, although I differ with Mr. Nixon on particulars. But why does the President exempt unfair and unproductive tax giveaways from this review?

Mr. Chairman, I understand the skepticism you have expressed, not about our ability, but about our will, to raise further revenue tax reform. In 1969, you saw the strong reform bill you reported out weakened by the time the President signed it into law. However, I think that circumstances are different this year. The public is sensitive to tax injustice, and angry about tax favoritism. And more members of Congress seem ready for real tax reform.

So now is the time to ask ourselves where we should invest our people's hard-earned taxes, in the domestic programs they need, or in tax giveaways no one truly needs? Should the majority of Americans pay more regressive taxes so a minority of Americans can avoid most taxes?

In 1960, corporate income taxes accounted for 23% of the Federal tax burden. Today they account for 15%. And who has made up the difference? The individual taxpayer whose share has risen 60% to 75% in the same period. And the most regressive Federal tax, the payroll tax on workers, now accounts for twice as much of Federal revenues as it did in 1960. Payroll taxes increased 400% between 1958 and 1969; and additional increases since then have already wiped out the tax reductions for ordinary citizens enacted only four years ago.

As Americans, we have long prided ourselves on our progressive tax system. But the loopholes have subverted that progressivity. They do very little for most taxpayers and a lot for a few tax avoiders. That is the unmistakeable message of this first chart:

[In percent]

Family income	Nominal rates	Actual rates	Loophole savings
$2,000 to $3,000	1.9	0.5	1.4
$5,000 to $6,000	7.5	2.8	4.7
$10,000 to $11,000	12.4	7.6	4.8
$20,000 to $25,000	20.8	12.1	8.7
$75,000 to $100,000	46.0	26.8	19.2
$200,000 to $500,000	58.0	29.6	28.4
$500,000 to, $1,000,000	60.5	30.4	30.1
Over $1,000,000	63.1	32.1	31.0

Source: Brookings Institution computer study, Brookings Reprint 230, May 1972.

As you can see, there is an enormous difference between the rates taxpayers are nominally supposed to pay and what they really pay—and the difference strongly favors the wealthy. For example, those who make over

a million dollars a year pay at least $310,000 less than the statutory tax rate. And if you look at the column labelled loophole savings, you will see how overwhelmingly the loopholes benefit the rich. It is the exact opposite of progressive taxation—under the loopholes, the more you have in income, the more you save in taxes. For example, the loopholes now save a machinist who earns $10,000 a year only $480; but an investor who makes $500,000 a year avoids $150,000 of tax.

However, these Federal statistics tell only part of the story. In the last twenty years those state and local taxes which fall hardest on the average citizen have also increased dramatically. For example, property and sales taxes have more than doubled in the last fifteen years.

This second chart reflects the percentage of *all* taxes—Federal, state, and local—for different income groups in 1968:

Percent of private income paid in taxes

Income Group:	
Under $2,000	50.0
$2,000 to $4,000	34.6
$4,000 to $6,000	31.0
$6,000 to $8,000	30.1
$8,000 to $10,000	29.2
$10,000 to $15,000	29.8
$15,000 to $25,000	30.0
$25,000 to $50,000	32.8
Over $50,000	45.0

SOURCE.—Herriot-Miller Study: Who Paid Taxes in 1968, Table 7.

These figures speak more eloquently than any words about the injustice of our tax system. If you make $6,000 a year, you pay 31% of your income in taxes. But if you make $25,000, you pay at a lower rate. And the rate is almost the same for someone who makes $10,000 as it is for someone who earns $10,000. Our tax system is regressive, not progressive. And it hits average citizens doubly hard. They receive none of the public assistance given to some people in the lowest brackets, but their taxes support the loophole savings given to all the people in the highest brackets.

More than four years ago, statistics released by Treasury Secretary Joseph Barr led to what became known as the taxpayer's revolt. He disclosed that in 1967, 155 Americans with incomes over $200,000 had paid not one penny in income taxes. And when the figures for 1969 came out, they showed that 1,235 Americans with incomes over $100,000 had escaped taxes entirely.

So the Congress and the Administration sought to satisfy the public outrage by enacting what was called the Tax Reform Act of 1969. It should have been called the Tax Reform Mirage of 1969.

The bill you reported out, Mr. Chairman, was a strong bill. Sections 301 and 302 of the House bill provided for a complicated, but I think effective, minimum tax. Unfortunately, a far weaker substitute was in the bill finally signed by the President.

As a result, 394 families with incomes over $100,000 paid no Federal income tax in 1970. In the same year, 1,338 families with $50,000 incomes and 3,314 families with incomes over $30,000 also paid no tax.

And while the minimum tax made many wealthy families pay something, it did not make them pay their fair share. In 1970, 318 of America's richest families paid an average of less than 4.5% of their earnings in income taxes. They were in income groups that averaged between $470,000 and $1,400,000 a year. Had they paid taxes at a rate of 60 percent, not even the nominal rate for their income groups, the government would have gained $291 million in revenue—only $9 million less than the entire cost of the Rural Water and Sewer grant program the President just vetoed.

This is the tax system that Mr. Ehrlichman defends. And these are the priorities the President has set: A 4 percent tax for 318 wealthy families and no water and sewer grants for rural communities.

And such favoritism is not limited to wealthy individuals. Although the total amount is obscure, some of our largest corporations also profit from tax welfare.

One commentator has estimated that the 100 largest companies in America paid just 27 percent of their net income in Federal corporate taxes in 1969. And a group of experts examining documents filed with the Securities and Exchange Commission and other public sources has estimated that at least eight of America's largest corporations paid no Federal income taxes at all in either 1970 or 1971. Though they amassed $788 million in before tax profits and paid their shareholders more than half a billion dollars in dividends, these companies actually managed to get tax refunds.

This third chart reflects the experts' findings:

Corporation	Net profits before taxes	Dividends paid to shareholders	Federal income taxes paid	Income tax refund
1971:				
Alcoa Aluminum	$50,199,000	$41,300,000	0	$17,036,000
Continental Oil	109,030,000	76,329,000	0	24,472,000
Gulf & Western	51,381,000	15,939,000	0	29,350,000
McDonnell Douglas	144,613,000	38,904,000	0	8,087,000
1970:				
Bethlehem Steel	$122,071,000	$78,917,000	0	$13,000,000
Consolidated Edison	110,027,000	108,021,000	0	17,500,000
National Steel	73,449,000	41,009,000	0	19,825,000
Republic Steel	18,264,000	40,440,000	0	9,916,000
United States Steel	109,491,000	127,691,000	0	66,100,000

Source: Profits, taxes (or refunds) of particular corporations: Representative Vanik, 118 CRH 6713-16 (daily), July 19, 3972.

Most of us are familiar with the names on the chart—names like Alcoa, McDonnell Douglas, and U.S. Steel. And all of us in this room, and almost every wage-earner in America, paid more income taxes than they did. We paid our taxes and we paid their taxes, too. We made up for the taxes Continental Oil did not pay on $109,000,000 in net profits. We paid for the $76,000,000 that went to their shareholders in dividends rather than to the government in taxes. And even the corporations that do pay something often pay at a lower rate than low income citizens. In 1971, I.T.T. had net income before taxes of $413,000,000. And they had almost as much left after taxes, since at most they paid at a rate of only 4.9%.

Let me stress that these figures are just estimates. So long as the law shields corporate returns from public view, we can never know the full extent of corporate tax avoidance. But the information now available indicates that the amounts involved are astronomical.

It is small wonder that many ordinary Americans have come to distrust the government and to resent even some of its best programs and goals. We cannot reasonably expect our people to pay for justice to others when the tax laws deny justice to them.

So my point here, Mr. Chairman, is that your legislation require all Americans, corporations as well as individuals, to carry a fair share of the load. Higher taxes for the tax avoider will mean lower taxes for the average citizen. And fairer taxes for all our citizens will mean greater public confidence in government.

Finally, Mr. Chairman, I suggest that the most efficient and effective way to speedy tax reform is to combine your tax reform legislation with the tariff legislation the Administration has requested. The most recent press reports indicate that the current White House strategy is to derail tax reform by stressing the urgency of trade legislation. I do not mean to imply that such legislation is not essential. This nation's balance of payments deficits have increased dangerously in recent years. We need new trade legislation this year. We needed it last year, too.

But it is interesting that the urgency the White House has given to trade legislation has grown in direct proportion to the threat that the Congress might pass meaningful tax reform.

I think we must enact both bills. And my suggestion that you combine them would assure that we could have both within a resonable period of time. Indeed, I believe many Senators will agree that we cannot meet our responsibilities unless we pursue that strategy before the Finance Committee and on the Senate floor.

As to my specific suggestions for reform, Mr. Chairman, my views are well known. Last fall during the presidential campaign, I put forward a comprehensive tax reform proposal which could have lowered the taxes for all taxpayers, and at the same time raised substantial new revenues through loophole reduction. I would like to submit for the record a memorandum of that proposal which I ask that you consider in your deliberations. It is essentially a long term plan for reform. But what I would like to focus on today is a short term plan for the next three years, which would allow us to reduce tax avoidance and restore program cutbacks now, while we carefully re-examine and reform the Federal tax code.

I suggest that we begin with a modified version of the proposal Chairman Mills has put forth and repeal the entire tax code, effective January 1, 1977. Then over the next three years, this committee could continue the process you have started, and write a new tax code which would do justice to all our citizens, and at the same time rationally raise the revenues we will need in the decades ahead.

I also suggest the following temporary but immediate revisions in the tax code, to be effective until your longer term reforms are enacted.

First, we should revise the accelerated depreciation provisions of the 1971 Revenue Act and adjust the Investment Tax Credit. While they should continue to be available to small business and independent farmers, for larger firms ADR should be repealed and ITC should be limited to net increases in investment.

These revisions would not only lead to greater tax justice; they are also good economics. Business taxes are, in many instances, as regressive as the individual tax rates I described earlier. While the 100 largest companies paid just 27 percent of their net income tax in 1969, smaller corporations paid 44 percent—a rate two-thirds higher than those they struggle to compete against. In effect, our tax system discriminates against individual enterprise and family farms in favor of conglomerates and agribusiness.

Limiting ITC to net investment would end

wasteful subsidies and restore the original purpose of the act—to reward increases in investment that would not otherwise be made. And limiting this revision of ITC to large firms would thwart the Administration's argument against the reserve ratio test—the formula used in the Kennedy years—because it would make extra bookkeeping unnecessary for the 90.1% of American business which is small business.

The revision of ADR and the reform of ITC would increase tax receipts by more than $5 billion.

Second, we should close the loophole for unrealized capital gains at death, with an exception for estates of moderate size, a deferral of taxes on property left to a spouse, and extended averaging provisions. The inevitability of death should not assure the avoidability of taxes. We should no longer permit the passage from generation to generation of vast sums of unearned and untaxed wealth. And if wealthy estates paid taxes on the real value of property, we would have $2.5 billion more in revenues each year.

Third, we should grant a more equitable $160 tax credit in place of the regressive personal exemption. Under the present system, a personal exemption reduces taxes by $525 for taxpayers in the highest bracket, but only $107 for those in the lowest bracket. By changing from an exemption to a tax credit, we would reduce taxes for more than 85% of American families and at the same time raise nearly $1.5 billion in additional revenue.

Fourth, we should remove the $100 dividend exclusion. Eighty-six percent of the benefits of this loophole go to the richest 5% of our taxpayers, while only 4% goes to the average citizen. Its elimination would yield $400 million dollars.

Fifth, we should subject those who earn income from investments to the same withholding and reporting requirements as wage earners. Because the banks and Wall Street brokerage houses did not want the annoyance of extra bookkeeping, withholding for the rich was repealed during the Eisenhower Administration. But the question in this age of computers is which problem is the more serious—bookkeeping for banks and brokers or the revenues lost in unreported dividend and interest income. One commentator has estimated such unreported income at $6 billion a year, with a $1 billion revenue loss.

Sixth, we should repeal DISC and other tax breaks for foreign earned income. In a period of high unemployment, corporations should be encouraged to export their products, but not the jobs of American workers. And by enacting that principle into the tax code, we can raise $1.3 billion more.

These six proposals, if adopted, would give us $11.5 billion in additional revenue the first year. Some of that should be applied to reducing the tax on ordinary citizens and the rest should be invested in our needs at home.

In addition, I think we should limit the amount of income taxpayers with gross incomes in excess of $25,000 can shelter from taxation by exploiting existing loopholes. This would not pass judgment on the merit of any individual loophole. Instead, it would set a reasonable limit on the amount of tax the wealthiest 1% of taxpayers can avoid. The figure I suggest is the fifty percent standard of the 1969 House bill. That would mean that even though a taxpayer with a million dollar income might find a way to shelter up to $500,000, at least he would have to pay full taxes on the other five hundred thousand.

Tax relief for the average citizen should be among the highest priorities of this Congress. But so should restoring the cutbacks unilaterally imposed by the Executive Branch. That is why I would also like to see the military budget reduced to a maximum of last year's level minus the cost of last year's military operations in Indochina. Those military savings, if applied to our needs at home, could free Federal revenues and permit substantial tax reduction.

But given the present organization of the Congress, there is no way for revenue committees such as yours to reconcile their legislation with the committees who review the outlays side of the budget. And the need for an effective lid on Federal spending in this time of rampant inflation makes it unwise for us to approve tax reductions which might ultimately increase the Federal deficit and further fan the fires of inflation.

However, we can adopt a system of tax credits for some of the regressive taxes the average citizen pays and direct the Treasury to calculate the amount of the credit on a per capita basis. We can provide that all Federal revenue in excess of the amounts needed to keep the Federal deficit at the President's proposed $12.7 billion "full employment" level be turned back next year in the form of tax credits.

In this way, we can achieve a reasonable and just rate reduction which will assure that tax savings will not be subverted by an even greater inflation.

Those are my specific suggestions for the next three years.

But in conclusion, let me stress again the three general principles with which I opened my testimony.

I hope that the Administration will not successfully sidetrack your tax reform efforts with trade legislation.

I hope the Congress will evaluate the revenue side of the budget in light of the tax expenditure concept, so that we can judge fairly which kinds of Federal spending deserve priority.

And I hope that tax reform this year will not be a mirage once more—that whatever reforms we adopt will do justice to the average citizen rather than handing more subsidies to the privileged few.

SUMMARY OF SENATOR MCGOVERN'S PROPOSALS FOR LONGTERM FEDERAL TAX REFORM

There is no better indicator of the health or illness of a society than the way in which it imposes taxes on its members. A fair, efficient and evenhanded tax system is a basic demand and urgent need of every American.

Over the years the personal and corporate income taxes and the estate and gift taxes, which should be the best and most equitable of taxes, have become riddled with loopholes, special tax shelters, inequities and a mass of complexities.

Senator MCGOVERN proposes fundamental tax reform. We should set clear objectives and basic guidelines for fair and effective taxation and proceed toward legislation to accomplish these goals just as rapidly as an orderly and responsible transition will permit. All of our objectives cannot be accomplished at once, but we can no longer delay full recognition of those objectives and a significant start toward them.

The Nixon administration in recent months has been dispatching emissaries to the Congress and the people to assure them that nothing much is wrong with the tax system and that a little minor tinkering here and there will set everything right. This is simply not true and every informed person knows it. Omissions from income, excessive deductions and "tax shelters" abound. A systematic overhaul is essential but the Nixon administration, while talking reform during the campaign has since pulled back from its campaign promises. The congressional initiative is needed now to give reform both aim and life.

With these special tax provisions removed we would be able to restore real progressivity to the income tax system and still reduce the high top rates that today give a superficial appearance of heavy taxation. In fact, these top rates catch few people. A properly reconstructed individual income tax could have a maximum rate of 48% as part of the reform program. Such a tax, by treating taxpayers equally, would be neutral as between various forms of investments and competing alternative sources of income.

The Senator's specific recommendations for reform include equitable and fair rules of transition, which will bring about fully effective changes within three years. In the aggregate these reforms when fully effective will add to annual Federal revenues over $22-billion and give all taxpayers faith in the fairness of the tax system. They involve no tax increase for the average person who already pays his fair share of taxes and would result in actual tax reduction for the average citizen.

The specific reforms include:

1. *Inclusion of capital gains in income.* Under present law, half of all capital gains on property held by individuals over six months goes untaxed completely. In addition, a special maximum rate of 25% applies to the first $50,000 of gain, benefiting only the highest brackets. Corporations also enjoy a special 30% rate on capital gains.

The taxation of all capital gains at the rates applicable to income generally with equitable exemptions for house holders and independent farmers would produce, if phased in by 1975, added revenues of $7-billion from individuals and another $1-billion from corporations. This massive addition to revenues can be achieved with a maximum tax for all income of 48%, and this recommendation includes this important reform in the tax rate structure. These provisions, in addition to their fairness, will also accomplish a major simplification of the income tax. The 10% increase in the capital gains tax in 1969 did not produce the depression its critics foretold. Indeed the stock market has reached new highs since. And equitably phasing in the reforms would, combined with overall rate reduction, result in more not less capital for investment.

The Senator proposes also that the new provisions be phased in equitably over a period of two or three years. The present system for averaging income which is bunched up in a single year should be perfected for capital gains so as to avoid any excessive tax on isolated gains, such as from the sales of a business built up over many years. In addition, losses would be made fully deductible against gains.

2. *Taxing capital gains at death.* At present, no income tax is collected on property which has gone up in value but which a taxpayer still owns at death. The appreciation in value is added to the cost basis at death and so is never taxed. This tends to lock in investments and also produces inequitable differences between taxpayers.

The Senator proposes that all gains be taxed at death (with an exemption for estates of moderate size and for property left to a spouse.) The same rules should apply to gifts. Again, the tax rate would not exceed 48%, with appropriate transition and averaging provisions. This reform would produce added revenues of $4-billion in 1975.

3. *Taxable municipal bonds.* Interest on state and municipal bonds today goes completely free of tax. States and cities thereby save on interest costs. But only about 70% of the Federal revenue lost goes to the local governments. The other 30% goes to the bondholders. For a top bracket taxpayer, $5.00 of tax exempt interest is equivalent to $16.67 of other income, a bonus of $11.67. For a 20% bracket taxpayer, the bonus is only $1.25. Generally, only high bracket taxpayers and banks buy municipal bonds.

The Senator recommends a plan, along the basic lines supported by the U.S. Governors Conference, the National League of Cities, the Investment Bankers Association and a recent Federal Reserve Bank of Bos-

ton conference including state and municipal government representatives, under which local governments could at their option issue taxable bonds and receive a Federal subsidy of 50% of the interest cost. This should result in widespread issuance of taxable bonds, not only ending the present tax inequity but also producing a substantial increase in revenues to hard pressed local governments and thus easing the pressure for increasing local taxes.

The net cost to the Federal Government of this measure would be small—probably $300-million in 1975. The total benefits flowing directly to the state and local governments would be large—$900-million.

4. *Eliminating tax preferences for oil, gas and other natural resources.* The long-criticized system of percentage depletion allowing deductions far in excess of actual costs incurred, should be abolished. If phased out equitably, this reform would generate $1.4-billion of additional revenue in 1975.

Intangible drilling, development and exploration costs should be required to be capitalized where producing properties result from the outlays. This step would by 1975 add another $800-million annually to our revenues.

A 1969 Treasury Department study proved how wasteful these subsidies are. The $1.5 billion in oil tax preferences produced only a 10% or $150-million increase in investment.

A properly conceived Federal energy policy should replace the present scattershot tax subsidy. If subsidies are found necessary *they should be adopted outside the tax system* and directed as specifically needed.

5. *Reducing depreciation allowances.* The recently added ADR provisions of the tax law permit businesses to increase depreciation allowances by 20% in excess of industry guideline rates, which themselves are excessively generous in that they produce faster write-offs than average industry experience. The result has been an unjustified and indefensible tax reduction for large businesses. In the interests of simplification and administrative convenience, taxpayers should be permitted to use the industry guidelines as a matter of right. However, the new 20% leeway should be abolished for all but small business and independent farmers and the guidelines reexamined and tied to average experience (instead of to the present 30% of taxpayers who depreciate their assets the fastest.)

These corrections to business depreciation would add revenues of $4.2-billion in 1975.

6. *Revision of the investment credit.* The investment credit has proved a useful device in the past for stimulating business investment and should be retained for individual enterprise and family farms. But for larger concerns it should be limited to net increases in investment instead of rewarding, as it does now, investment which would have been made without the incentive of the credit. An adjustment reducing the revenue loss by 1975 is a reasonable goal.

An adjusted credit allowance in 1975 should produce at least an additional $2.5 billion of business taxes, leaving about $1.5-billion of credits.

7. *Eliminating real estate investment tax shelters and special amortization provisions.* At present, real estate investors are provided with tax write-offs and allowances which are accurately known as "tax shelters". Elimination of these subsidies encouraging excessive investment in such properties as commercial buildings, offices, shopping centers and luxury apartments, is an essential reform. The Senator favors a program of Federal subsidies for low income housing outside the tax system and as part of a well conceived housing bill will provide stimulus where needed.

In addition, various rapid amortization provisions brought into the law since 1969 have created further incentives for the formation of "tax shelter syndicates" for high bracket taxpayers. These should be repealed for future ventures. While these provisions should not have been enacted in the first place, it would be unfair to penalize investors who have relied on them. If there is a meritorious case for some subsidy in any of these areas, this can be efficiently handled through direct expenditure programs rather than through tax deals for the wealthy.

This series of recommendations would add an estimated $1.1 billion to revenues in 1975.

8. *Repeal special treatment for income earned abroad.* Last year, corporations engaged in foreign export were granted a special tax deferral (called DISC) on half their earnings, which may be perpetuated indefinitely and thus amounts to a virtually permanent tax reduction. The measure is ineffective and indefensible and should be repealed promptly.

Controlled foreign subsidiary corporations are frequently used to defer all U.S. tax on their earnings for long periods of years. Provisions enacted in 1962 to reach some cases should now be extended so as to tax U.S. parent shareholders on their share of all profits of their controlled foreign subsidiaries.

The basic provisions relating to the foreign tax credit allowed for taxes paid abroad should be retained but should be tightened and revised to eliminate excessive allowances and abuses now producing unacceptable reductions in effective rates of taxation.

These improvements in our treatment of American business conducted abroad will produce more neutral and evenhanded taxation as compared with taxes placed on domestic business enterprises. In 1975 this series of tax reforms will produce some $1.3-billion in added revenues.

9. *Eliminating "tax shelter" farm losses.* Wealthy non-farmers today often invest in farm properties as tax shelters. Deductions available to farmers are used to offset high bracket non-farm income. This is a threat to real farmers and causes a distortion of true farming activities and unsound competition for farmland.

The Senator recommends a provision similar to the Metcalf bill which would prevent farm losses in excess of $15,000 from being deducted against non-farm income. This will not affect real farmers but will end "tax shelter" for white collar "farmers."

The revenue yield from this reform is estimated at $100-million a year.

10. *Strengthen the excess investment interest provision.* Many wealthy taxpayers today use borrowed money to make non-income producing capital investments and deduct the investment interest from other income, thus deferring or totally escaping tax on such income. The only limit today on this practice is to disallow half of the interest in excess of investment income and then only above $25,000 annually.

The $25,000 exemption should be reduced to a $1,000 level and otherwise investment interest should be deductible only against investment income.

This reform will increase revenue by $300-million a year.

11. *Revision of death and gift taxes.* Our present estate and gift taxes are imposed on estates of decedents and on persons making lifetime gifts. The structure is riddled with loopholes and inequities. Moreover, the gift tax is not integrated with the estate tax, but operates as an ineffectual separate element in taxing transfers of wealth. Various trust devices also permit very large estates to skip generations with no tax. In some instances estates may escape any tax for a hundred years. On the other hand, an estate left wholly to a surviving spouse may be twice taxed in relatively few years. There are other gross defects in the system.

The Senator recommends that these taxes be replaced by a single accessions tax, imposed on recipients of property, this being the most appropriate way of measuring ability to pay and assuring fairness. This integrated accessions tax would remove generation skipping devices, but would not apply to transfers to spouses. It would provide generous exemptions for moderate sized receipts of transferred property. This new tax, because it creates more taxpayers and splits estates so that it require a new structure of rates and exemption which will require careful detailed statistical study in the early days of the new administration.

This much improved and fairer transfer tax ssytem would significantly increase revenues in the long-run. In social terms it would be a much better tax system, aimed directly at avoiding unduly high concentrations of wealth, while permitting more adequate provisions for spouses and very fair allowances for descendants.

CONCLUSION

These reforms will make available, for our urgent Federal programs and needs, over $22-billion annually. Even more important, by closing the present loopholes and eliminating the shelters, they will give a sense of assurance to hard pressed lower and middle income taxpayers that they are not bearing an unfair and disproportionate share of the costs of government services and programs. No assurance is more essential for a healthy domestic economy. And a significant portion of these revenues can and should be used to reduce the taxes on the overburdened average citizen.

The Senator's short term proposals are contained in his testimony before the House Ways and Means Committee today.

SELECTED TAX REFORM ESTIMATES, CALENDAR YEAR 1975

[In billions of dollars]

	Individuals	Corporations	Total
Full inclusion of capital gains gains (top rate of 48 percent)	7.0	1.0	8.0
Tax unrealized gains at death (top rate of 48 percent)	4.0	----------	4.0
Provide option to issue taxable municipals	—.1	—.2	—.3
Eliminate percentage depletion tion and capitalize intangible drilling expenses	.5	1.7	2.2
Repeal ADR and revise depreciation guidelines	.8	3.4	4.2
Remove real estate shelters and repeal special amortization for low-income housing, etc	.9	.2	1.1
Repeal DISC and other features granting preferential treatment on foreign income	.1	1.2	1.3
Revise tax treatment of farm losses	.1	(1)	.1
Strengthen excess investment interest provision	.3	----------	.3
Convert investment credit to net investment credit	.4	2.1	2.5
48 percent top bracket individual income tax rate [2]	—1.4	----------	—1.4
Total	12.6	9.4	22.0

[1] Less than $50,000,000.
[2] Revenue loss for reduction of tax rates on noncapital gain income.

THE CASE OF THE FORT WORTH FIVE—THE DEPARTMENT OF JUSTICE PERPETUATES A GRAND JURY ABUSE

Mr. KENNEDY. Mr. President, earlier this week, I received a letter on the case of the Fort Worth Five from Mr. Henry E. Petersen, Assistant Attorney General in charge of the Criminal Division in the Department of Justice. Mr. Peter-

sen's letter was in reply to my inquiry of May 3, protesting the harsh treatment inflicted on these five Irish Americans, who are now in their eighth month of imprisonment in what is widely regarded as an abuse of the grand jury in Fort Worth, Tex.

Originally, the Fort Worth grand jury investigation was carried out under the supervision of the Internal Security Division of the Justice Department. Earlier this spring, however, that division was folded into the Criminal Division. Thus, there was an opportunity for a fresh look at the circumstances of the case, and it was my hope, in writing to Mr. Petersen, that he would embrace the opportunity and enable the Justice Department to do justice in this case.

As his reply makes clear, however, the hope was in vain, and the unjust imprisonment of the Fort Worth Five apparently must go on—I say "apparently," because pending legal motions in the Federal courts may yet result in their release.

The most serious defect in Mr. Petersen's reply is that it is not responsive to the specific question as to why these five individuals were called before the grand jury in Fort Worth. Granted, on the basis of the information now provided by Mr. Petersen and previously made available by the Department of Justice, there appears to be ample justification for the Department's decision to convene a grand jury in Fort Worth to investigate the shipment of arms to Northern Ireland.

But the separate question, still unanswered, is why the Fort Worth Five themselves were required to travel from New York to appear before that grand jury. To be sure, Mr. Petersen notes his regret that the case has given the appearance of being an investigation of matters totally related to New York. But this expression of "prosecutor's regret" is not much comfort to the Fort Worth Five. Mr. Petersen's position has a hollow ring, because his letter does nothing to dismiss the appearance he so readily admits and so readily regrets.

In view of the national interest aroused in this case, and, more to the point, in view of the long incarceration of these five individuals for no apparent valid law enforcement purpose, it is not too much to say that the case demands a better justifiction.

In a crucial paragraph of his letter, Mr. Petersen refers to the Department's belief that the Fort Worth Five "and other New York witnesses" subpenaed before the grand jury had information about the investigation. And therein lies the appearance of injustice. The Department subpenaed 12 Irish Americans from the New York City area to Fort Worth, but only five—the Fort Worth Five—were called before the grand jury. The seven others, including a number of high officials of the Irish Northern Aid Society, were discharged from their subpenas and were never required to appear before the grand jury.

Because Mr. Petersen fails to distinguish in his letter between the Fort Worth Five and the other seven subpenaed witnesses, the inference is obvious that it may well be the other witnesses who were thought to have information about the Texas transaction under investigation, not the Fort Worth Five, and that the Department of Justice is now hiding behind the other seven witnesses in an effort to justify its treatment of the Fort Worth Five. Certainly, the Fort Worth Five have repeatedly denied any contacts or associations with Texas. And, the questions asked them by the grand jury show no specific concern with Texas, but total concern with people and events in New York. To this day, there is no indication that the Texas grand jury is pursuing its investigation, or has pursued it at any time over the many months since the impasse over the Fort Worth Five originally developed.

To me, the obvious solution to dispel the appearance of gross injustice in this case is to discharge the Fort Worth Five from their subpenas in Texas. If the Department of Justice really wants their testimony, it should subpena them before the New York grand jury investigating the very same New York matters about which the Fort Worth Five were questioned in Texas.

But so far the Department of Justice has failed to take this obvious step, a step that could bring simple justice to the case and dispel the appearance of a cruel injustice.

Mr. President, on June 15, at page S. 11262 of the RECORD, I discussed this case in greater detail. I now ask unanimous consent that my exchange of letters with Mr. Petersen may be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 3, 1973.

Hon. HENRY E. PETERSON,
Assistant Attorney General, Criminal Division, Department of Justice, Washington, D.C.

DEAR HENRY: Knowing of your current heavy responsibilities in the Watergate and Ellsberg investigations, I hesitate to write on a separate topic at this time, and I would not do so unless I believed that a serious injustice is taking place at the hands of the Department in the case of the Fort Worth Five.

This week, the five Irish-Americans imprisoned in the Federal correctional institution at Seagoville, Texas passed another unhappy milestone in their long incarceration. They have now been imprisoned for a total of six months for civil contempt arising out of their refusal to testify before a Federal grand jury in Fort Worth investigating the shipment of arms from this country to Northern Ireland.

For your information, I am enclosing a copy of the hearings held on the case last March by House Judiciary Subcommittee No. 1. The volume sets out the factors in the case in great detail, especially (1) the questionable circumstances requiring these five New York residents to appear in Fort Worth when they could just as easily have been called before a grand jury sitting on a closely related investigation in New York City; and (2) the difficult new questions arising out of the O'Gara indictment in New York, issued subsequent to the subpoenas to the Fort Worth Five.

It is my hope that in the near future, you will have the opportunity to personally review the circumstances of the case, and to determine whether the continued imprisonment of the Fort Worth Five is justified.

To my knowledge, six months' confinement for civil contempt is virtually unprecedented. At the very least, I feel they should be discharged from contempt in Texas and called before the grand jury in New York, if the Department genuinely believes they have information of value to any current investigation. Surely, whatever the merits of their initial confiement, the changed circumstances of the case make the continued incarceration of these men in Texas unduly harsh and unjust. Now that you yourself have a new responsibility for oversight of this investigation, I hope you will take action to review the case and ensure that justice is done.

Sincerely,

EDWARD M. KENNEDY.

JUNE 25, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This is in further response to your letter of May 3, 1973, regarding the five individuals who have become known as the "Fort Worth Five" and have been incarcerated in the Northern District of Texas for contempt of court. In my last letter to you I promised that I would reexamine this whole investigation and the treatment of these witnesses, in light of the concern that you had expressed.

During the latter part of 1971, the Federal Government received information from several different sources indicating that individuals with Irish accents were attempting to purchase large quantities of firearms. Coincidently, about the same time Customs officials in Ireland uncovered a large shipment of firearms and grenades aboard the Queen Elizabeth II which had sailed from New York. These firearms and grenades were traced to sources wtihin the United States. In the same time frame, late 1971, the Government received information from one source in New York and one source in Texas that sympathizers of the Irish Republican Army were attempting to make a large purchase of weapons and grenades from Mexican sources through a Texas contact. Investigation by Bureau of Alcohol, Tobacco and Firearms of the Treasury Department developed leads on several individuals, some of whom were known only by their aliases, who had attempted to arrange a large procurement of weapons for a very considerable amount of money. The size of the proposed buy indicated that these individuals were central figures in a gun running ring.

A grand jury was convened in Texas to seek indictments against the Texas contact in this investigation, the unidentified persons who were seeking to arrange the gun purchase, and to develop information regarding what appeared to be a nation-wide conspiracy to violate federal firearms laws by IRA sympathizers. In this regard individuals from New York were summoned to testify, because information had been developed as to their association with various groups and individuals attempting to purchase weapons illegally. Texas was chosen as the venue in the expectation of prosecuting Texas defendants and other figures, who, at that time, had appeared in Texas in connection with their illegal activities.

Five of the witnesses from New York, now commonly refered to as the "Fort Worth Five", and other New York witnesses were subpoenaed before the grand jury because the investigation at that point indicated that they may have had information about this transaction and related ones. The Government was seeking from them whatever information they had relevant to the investigation. They were protected from prosecution relating to these events by a grant of immunity.

Contrary to suggestions made in the recent congressional hearings on this matter, the investigation by the Grand Jury in Texas

was not a fishing expedition, merely probing into possible violations in other districts. Rather, it was an investigation of the first large-scale illegal purchase of weapons as to which the Government had received advance information. At the time these witnesses were subpoenaed, the Government already had information which indicated that these witnesses also were involved in or knew of violations in New York. This information was obtained independently and not as a result of the Texas Grand Jury, and those criminal violations have subsequently been prosecuted in the Southern District of New York. In the latter part of 1972 two licensed firearms dealers were prosecuted federally and convicted for selling firearms and failing to keep records. Another individual, James O'Gara, was also indicted federally for the purchase of weapons by means of false statement and false identification. The indictment against O'Gara alleges that he used the identification of several of the Fort Worth Five and others to purchase weapons illegally. O'Gara is also charged with illegally shipping weapons to Ireland.

It is regrettable that this case has given the appearance of being an investigation of matters totally related to New York, which were being investigated in Texas at the Government's convenience. We also regret the hardship that it may have caused to these five New York individuals. It was hoped that they would come forth with the information they had on the criminal violations or, if they had none, deny having any.

Senator, members of my staff and I have thoroughly considered this matter. Concededly, it is a matter of severe hardship. This is indeed a tough, and some say dirty, business. We are really not in a position to add to the personal well being of those who are allegedly in violation of the law. Whatever satisfaction we get from the pursuit of our obligations must come from a grander realization of the ultimate objectives of the pursuit of truth and the satisfaction that we are objectively enforcing the laws of the United States. This in particular is a difficult case. There is a great deal of emotionalism involved.

I am reminded of a comment of your brother when he left here, when he said: "I am simply tired of chasing people." I sometimes feel that way too. Be that as it may, I feel I must support the judgment of my staff and pursue this matter. While I recognize the hardship involved, you must also recognize that the witnesses have been contumacious, that they are in a position to secure their release, that they can testify if they choose to do so and it would be ill advised for the Government to be more considerate of their welfare than they are of their own well being.

For your information, grand juries in Philadelphia and San Francisco have also conducted probes into the overall conspiracy and firearms violations involved in gun running between the United States and Northern Ireland. Several individuals have pleaded guilty to indictments which have been returned. Most of these firearms and explosives were procured and exported in violation of our laws. The Bureau of Alcohol, Tobacco and Firearms has a continuing active investigation under way into the overall conspiracy. The Department of Justice also has a duty to continue its efforts to identify and prosecute the perpetrators of these criminal acts.

In sum I hope it isn't trite but this matter seems to me to call for the old adage of "hate the sin and love the sinners." In that context I can say I feel sorry for the persons who are involved but confident that the Government's actions have been proper.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

SOVIET JEWRY AND GENERAL SECRETARY BREZHNEV VISIT

Mr. JAVITS. Mr. President, in view of the very great interest in the recent visit of Soviet Communist Party General Secretary Leonid Brezhnev—and the concern within the Congress and our Nation over the plight of Soviet Jews—I wish to make available to the Senate the transcript of my interview on "Face the Nation" on June 24, 1973.

As the Senate knows, General Secretary Brezhnev met with a group of Senators and Congressmen on June 19. In connection with that occasion there was discussed the deep humanitarian issue of the plight of Jews in the Soviet Union. As is well known throughout the world by now, there is much documentation and evidence of Jews in the Soviet Union who wish to immigrate to Israel and have not been allowed to do so that in many instances the mere display of interest in emigration can provoke persecution, harassment and other retaliatory sanctions upon the heads of the long-suffering Jews of the Soviet Union.

Indeed, in the Senate where 77 members of this body have joined hands in sponsoring the Jackson amendment, in the House over 280 members have joined in the Mills-Vanik bill, which conditions the granting of economic benefits to the Soviet Union by our Government upon a satisfactory resolution of this emigration issue. Accordingly, I ask unanimous consent that the transcript of my "Face the Nation" interview be printed in the RECORD at the conclusion of my remarks.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

FACE THE NATION

(As broadcast over CBS television and CBS radio, June 24, 1973)

Guest: Senator Jacob K. Javits, Republican of New York.

Reporters: George Herman, CBS News; Marquis Childs, St. Louis Post-Dispatch; Bruce Morton, CBS News.

GEORGE HERMAN. Senator Javits, during the Nixon-Brezhnev talks, something like eight agreements have been signed despite claims that this was rather a bad time for the visit. In principle, do you think something really moved during this visit, or is it a lot of showmanship and window dressing?

Senator JAVITS. Well, I think what moved is the evidence of the fact that the Soviet Union wants to get together with us on as much as possible, and it simply certified what we already knew, that they are very interested in detente and that Mr. Brezhnev was here essentially on a sales job, and especially in the economic field where I think the Soviet Union feels the pinch the greatest. And what we have to decide is what he's prepared to give for what will be for a long time help to them, rather than particularly to us. The little carrot of gas and petroleum, which they might send here, will take some years to deliver. It's very valuable but it will take some years to deliver. In the meantime, billions of investments, which will be located on the ground in the Soviet Union, must be made by the United States. Now that's going to be fixed there, and not movable, and we have to invest much more than we're going to get back, I would say for a minmum of five years.

ANNOUNCER. From CBS Washington, Face the Nation, a spontaneous and unrehearsed news interview with Senator Jacob Javits, Republican of New York. Senator Javits will be questioned by CBS News Correspondent Bruce Morton, Marquis Childs, syndicated columnist for the St. Louis Post-Dispatch, and CBS News Correspondent George Herman.

HERMAN. Senator Javits, as you look at the hammer and sickle in the red flag floating over the White House grounds, you must have sort of thought to yourself, now who's selling whom what, who's doing what to whom? How did it turn out?

Senator JAVITS. Well, I think Mr. Brezhnev is selling us primarily and I think we are demonstrating in respect to trade and the discussion held with him at luncheon by senators this week a fidelity to the principles of conscience, especially in respect to the immigration from the Soviet Union, including so importantly the immigration of Jews from the Soviet Union, which has characterized our country. You know, so many of us tend to forget our primary history. As far back as Martin Van Buren in 1840 we made the first of many declarations by successive presidents, including Nixon, against the persecution of Jews and other minorities. This is a tenet of our country, and I didn't get in the Brezhnev discussion any idea that he understood that. And he's kind of a pragmatist. We've got a lot to sell, says he, a lot of assets. You've got a lot of money and a lot of technology, we need it, so let's go, why fool around with things that trouble peoples' conscience, like persecution.

CHILDS. You were a leader in those discussions of the congressmen with Mr. Brezhnev. Do you feel he was deliberately lying to you about the small number of exit visas granted to Jews in the Soviet Union?

Senator JAVITS. I don't believe he was deliberately lying. Mr. Brezhnev is a very important statesman and figure, and if he were it would be most ungracious to say so, and I don't believe he was. He was quoting their case, their figures, which is the whitewash for the Soviet Union, because he said they'd given say 60,000 visas in 1972. About 32,000 are accounted for as having gotten into Israel in that time.

So there is an order of magnitude established. He himself admitted that they had serious disputes about some 740, of whom 150 were continuing to be held in the Soviet Union for alleged security reasons. Well, everybody knows in the Soviet Union everything is state security, that a fellow who's a technician on research in pots and pans is in state security too. The answer is that it's strictly arbitrary, that thousands are scared from applying because the penalty is ostracism or imprisonment and the loss of your job and Siberia and a psychiatric ward somewhere, especially the intellectuals and the educated, because the Soviet Union, though it signed the Declaration of Human Rights, which says people have a right to leave a country, just as we did, believe that they have a right to hold on to people. That's statism, that's their whole concept, and lacks the conscience to realize you can't do it in this world, especially to a people who have lost one-third their number in the holocaust of exactly what dictatorship means in World War II.

MORTON. Senator, if you think it would be ungentle to call Mr. Brezhnev a liar, you would, I take it, agree with Henry Jackson's description of his figures as wrong and misleading?

Senator JAVITS. Yes.

MORTON. So you're unchanged in your support of the Jackson amendment which would deny trade concessions to the Russians?

Senator. JAVITS. Let me put it this way. I am resolute in the support of the proposition that trade concessions so much loaded in favor of the Soviet Union should be coupled with the demands of conscience by our country, which is represented at this time by what is called the Jackson amend-

ment. The real issue, however, is the substance of the Jackson amendment. Shall the Russians get what they want in trade, to wit, most favored nations treatment, and in credits from the Export-Import Bank and others to the tune of billions, unless they meet this call of conscience and let these people go who are being persecuted for the sole reason that they want to be let go? So I'm resolute, and I believe 77 senators and 284 congressmen are resolute behind that proposition, and I would treat Mr. Brezhnev's explanations as proposals—that's really what they are. He no longer argues this was an internal matter for the Soviet Union. He jettisoned that one fast.

HERMAN. Well, if you're all resolute, then you're saying that his salesmanship failed?

Senator JAVITS. Well, you can't tell what he thought he would get out of it. Maybe in his eyes, it succeeded. And that's why I'm on this program, because a lot of facts need to be known.

HERMAN. How do you mean—he may have thought that it succeeded?

Senator JAVITS. Because he was able in a very great public forum to make himself appear very agreeable and to give these figures about the fact that 95 percent of those who apply are given the visas. One, those figure are, as Jackson said properly, misleading and inaccurate, but beyond that it doesn't take account of the persecutions and the thousands, including some six scientists who are on a hunger strike right now, who were persecuted for the sheer matter of applying.

HERMAN. But I'm trying to get back to your idea of how he may have succeeded. Do you mean that because he appeared in this public forum, you may get now a lot of mail, and all the senators and congressmen may get a lot of mail pressuring you to abandon your position? How has he gained?

Senator JAVITS. I doubt that. In my judgment, he may have gained with his own colleagues in the Kremlin, who may consider that, with a very bad case, he tried to put a good face on it. Now just let me finish my thought this way. He made proposals, in my judgment, and as I say jettisoned the idea that this is an internal matter and you can't even talk about it. That was their position for a long time. So that's real progress. And then a great many visas are being granted; the most important ones, the most leading applicants, are not being granted visas. They are the refused and they and their families are suffering, and the horror stories appear every day in our press. But personally I invite further proposals from the Soviet Union. There is nobody in this list of senators and congressmen who doesn't want detente and who doesn't want a trade deal as much as Mr. Brezhnev, but it must be made possible to the American conscience, so I invite further proposals which will make it possible.

CHILDS. But, Senator, if the Jackson amendment passes and you support it so ardently, as you've just made plain, doesn't this kill what you've been referred to as detente entirely?

Senator JAVITS. It may not.

CHILDS. How do you mean, it may not?

Senator JAVITS. Because nobody knows what the Russians want really and what will enable them to go forward. Now let me illustrate that. Really, most favored nations treatment doesn't mean much to them because they're not going to be selling much to the United States that's under tariffs. For example, gas is relatively unaffected by most favored nation. They want that as a matter of dignity and respectability. What they really want are large-scale credits. Well, they may find some way of doing without them if they have to. So one doesn't know really what's going to kill this deal, but I agree with you that the American people and the senators and congressmen concerned must be prepared in good conscience to assume that even if it killed the deal, it's still worthwhile in terms of somehow or other letting the Russians know that you can't deal with the world and still have the cynicism, the injustice, and the persecution for which they are responsible in this case.

MORTON. Senator, isn't that kind of a dangerous precedent? How do you react then if other countries tell us that we will only sell you goods if you change this policy or that policy—if the Arab states say we will only sell you oil if you change your policy towards Israel? Aren't you getting into a very swampy area?

Senator JAVITS. I don't think so, Bruce, and I'll tell you why. Because every country has a right to tell us what they please, and we have a right, in accordance with our historic traditions and I've just pointed out it starts back in 1840, goes through successive presidents, Taft, and Rutherford Hayes, and Nixon and many presidents have taken—as a matter of fact, Taft cancelled a treaty with the Soviets because of persecution of Jews. But to continue—any nation has a right to tell us that about blacks or about other minorities or about U.S.-Israel relations, et cetera. We don't have to buy it. Neither do the Russians. They don't have to buy it either. That doesn't prevent a nation, which feels in conscience that this is the representation it ought to make, from making it, and that's the position of our country, and it's completely compatible with our history.

In addition, as I say, that nobody has any assurance that these dire predictions, which the Russians count on—that's how they think they're going to break this up, because we're going to be afraid. that we're going to be concerned, that we're going to be—think they're going to back away from a trade deal. Well, they've come forward a great distance in this manner with the very figures which Mr. Brezhnev cites, which doesn't indicate that they're about to break off because they have to go a good deal further.

CHILDS. But if I read the Jackson amendment correctly, he demands the right of everyone to immigrate from the Soviet Union—Latvians, Ukrainians, whatever——

HERMAN. And any other country.

CHILDS. Any other country. Isn't that, in effect, asking the Soviet Union to change its system? It might be a desirable end but how can we make a demand like that?

Senator JAVITS. Well, Marquis, it may be in effect asking the Soviet to change its system, but the proponents of the Jackson amendment, in my judgment, don't have their feet set in concrete. It's perfectly true that this shouldn't be confined to the Jews alone—it should be confined to any persecute. minority, though the American people can understand it very well, considering what the Jews have gone through and the dangers to them from the traditional anti-Semitic history of the Soviet Union, and from show trials on money blackmail—we've just concluded that—and from the persecutions which are going on in this immigration matter. So I don't believe that this is asking more than the Russians can and should do. Now no one wants to insult them, no one expects them—Mr. Brezhnev—to sign a letter saying he's repealing the law because of the agitation in the United States. But having come forward as far as they have, I'm deeply satisfied that they can come forward further. And that what change that means in the Russian system will be very good from the point of view of U.S.-Soviet detente and assure that the detente will be bona fide and will really be followed through. It has a very great measure of assurance to us that detente will really be meaningful.

HERMAN. Senator Javits, the whole subject of the Brezhnev visit is much broader than simply the Jackson Amendment. For example, a principles on a Strategic Arms Limitation Agreement was signed, to guide our negotiators; Peaceful Atomic Energy Uses Bill was signed, just 20 years after the execution of the Rosenbergs for giving nuclear science secrets to the Russians; Provocative Acts Agreements were signed. Who is giving way here, or is this a fair and even, mutual agreement? Is one side getting the better of these agreements?

Senator JAVITS. I don't think so. I think in this respect, both sides are getting a very fair and honorable shake. You will remember that I was one of the most ardent supporters of the Nuclear Test Ban Treaty for that reason, and of the treaty respecting the ABM. No one hopes better than I that all these things will go forward, and that the concept of nuclear parity, which is what animates all of this, will result in both sides agreeing to lower the table stakes. Let us remember there are only two super powers, with great atomic weapons. They're making the stakes; they can also reduce them. Indeed, the big tradeoff in respect of trade, which the Soviets want a lot more than we, will be what they're ready to do, really. These agreements are good; I thoroughly welcome them.

HERMAN. Have they been over-emphasized, because there really is not an awful lot of content to them yet?

JAVITS. They're promises, but they're promises which are very interesting in view of the Test Ban Treaty and the ABM Treaty. After all, there's been some performance. Think of the boon to mankind if there can be a measurable cut in the costs of nuclear weapons preparation in this country, and in the Soviet Union, for that matter. I mean, we don't wish them ill, so I welcome that very much and feel it should be greatly forwarded and that it's a good tradeoff if we can work something out compatible with our conscience on trade.

MORTON. Senator, I think there's a rule in Washington these days that you can't have a program this long and not ask about the Watergate.

Sen. JAVITS. That's the rule. (Laughter)

MORTON. I wonder, as a man who's up next year, who's running for re-election in '74, is the Republican Party wounded, or is it just the President? How do you assess that?

Sen. JAVITS. Well, certainly the Republican Party must be hurt by the fact that its administration is put in this kind of jeopardy, and no amount of saying the Democrats did the same thing is going to negate the fact that we are hurt. At the same time, I think we start with such tremendous assets as, for example, a totally new world situation respecting the hopes for peace, including the People's Republic of China, as, for example, the end of Viet Nam, albeit with a lot of loose ends, including the deplorable bombing in Cambodia, but still our people are out, our POWs are back, and so on, and hopefully, if the President keeps his chin up and really applies a new Phase 4, with the hope of abating the inflation—now, with all those assets, in which I think we're very superior to the Democrats, I don't expect—quite aside from my independence and the fact that New York looks at me as—for what I am as an individual senator—I don't expect to be disadvantaged at all by the Watergate situation.

CHILDS. In the context of the Brezhnev summit, do you feel this has been a big boost for President Nixon's stock in public opinion?

Sen. JAVITS. I think it's been a boost in public opinion, but he suffers, as Bruce has just said, from the doubts raised by Watergate, and I would hope that he will—first, that the Senate investigation will be gone through with to the end, no matter who it reaches—same with the prosecutions, and that the President will come out O.K., but all of this has got to happen, and it's going to be very much a breaker.

CHILDS. Do you feel that he's indifferent to the plight of the Soviet Jews in Russia on this immigration issue?

Sen. JAVITS. No, no. I don't think he's indifferent at all, but I think with President Nixon it's a matter of orders of magnitude and what he thinks is the major priority, and naturally a fellow who is on the threshold of a big deal would like to close it, and the President is on the threshold of a big deal and he'd like to close it, and he gets a little irritated perhaps—I don't think he is in this case—with what might be standing in the way. But I've been in lots of big deals myself, and most of them you find a way to deal with what's standing in the way, and I think that's very likely to happen here if we continue to be resolute in our purpose.

HERMAN. You seem to indicate that you feel that President Nixon has been somewhat damaged, somewhat injured by the Watergate case. Do you feel the presidency has been injured by it? Is there now a weaker presidency than there was two years ago, three years ago?

Sen. JAVITS. I believe that—you remember that I'm the author of the War Powers Act too.

HERMAN. Right. I was subtly leading you in that direction.

Senator JAVITS. So I'm all for a much bigger partnership by Congress in this awful decision about making war, but aside from that, I think whether or not the presidency is weakened will depend on what happens now with Mr. Nixon's future. I believe that if he does his job, as he's doing it with Brezhnev, in a historic way, the president needn't—the presidency need not and will not be damaged. This country will not be dismantled; neither will the Republican Party.

HERMAN. Is he doing it equally well with the economy?

Senator JAVITS. He doesn't—he's not doing it as well with the economy, in my judgment, but he is capable of doing it. He showed that by imposing another freeze; if he really gets a hold on food prices in Phase 4, then I think he has an excellent chance to do well with the economy too, so on balance, I would say damage to the presidency remains in the balance, but I don't think it's going to happen, and even the President's historic position. He has an excellent chance to buttress, affirm and strengthen.

MORTON. What should he do about the Watergate? Should he make another speech? Should he have a press conference? Should he stand on what he said up until now?

Senator JAVITS. In my judgment in Watergate he has made whatever record he can make. Maybe if I were he I would have started very differently and done what he did months and months ago, but he didn't. Now, in my judgment, he's got to withhold executive privilege or any barrier whatever to the most complete exploration of the facts by the Senate investigation and by the courts—pull nobody out, pull no punches, and meet whatever questions are asked of him, and I hope he will. If he does that, I think that's his best chance.

MORTON. Senator, I have a kind of philosophical question. As a result of Watergate and the Ellsberg burglary and all of the other disclosures, it has become obvious that governments—not just under this president but going back over the years—have felt they had the right to burglarize, wiretap and generally spy on their citizens in the name of national security. I wonder if Congress ought legislatively to set some sort of limit on the government's right to spy?

Senator JAVITS. I think we should. I think we're in that respect the defenders of the people, and I've joined in a bill with Senator Ervin, who is kind of a leading figure in this—interestingly enough, he and I were deadly opponents in civil rights, and we're now great allies in civil liberties—very interesting, but I feel we should and must. He's very exercised, and he's right, by the military's activities, in respect of the surveillance of the individual citizen, and I thoroughly agree that Congress must set limits —with intelligence; everything can't be nonsecret. This is still a pretty tough world, but I think we have a very long way to go before we cross that line where we're compromising the security of the nation, which is bandied around as an excuse for a lot of very wrong things, in terms of restraints on individual liberty.

HERMAN. How about the security of the Senate? Your colleagues in the United States Senate have been indulging in some very talkative behavior during this past week on the supposedly secret testimony of John Dean. What's been going on? Is there a plot?

Sen. JAVITS. Well, I don't think there are any plots in the Senate, but senators being public figures, generally try to exercise their own judgment as to what they think ought to be kept secret, and they kind of incline to lean over on the side of the public being informed. Frankly, if there are going to be mistakes, I'd prefer them on that side, but to say there are no mistakes would be wrong. I think the Senate ought to use its disciplinary power, which it has on every senator, in order to correct any really serious breach of confidence.

HERMAN. Has there been such a serious breach of confidence in this?

Sen. JAVITS. Well, I would not wish to evaluate that. We have an ethics committee which is very capable and willing to do that when a state of facts is called to its attention, and you can't make a show trial if there is no case, but I do believe that the public ought to know that the Senate stands ready, if it's going to have big responsibility, as for example in the matter of war, which is so deeply interesting to me and so many of our people, that it's also going to exercise discipline on its membership.

But let us not assume for a minute the Senate can't keep a secret. Let's not forget the Manhattan Project, all the work of the Joint Atomic Energy Commission, work in the Foreign Relations Committee, of which I am a member, where there isn't a peep or a leak. I would hazard that there are less leaks out of Congress than there are out of the White House.

CHILDS. Senator Javits, if I can come back for just a moment to the Jackson Amendment, with 77 senators and 285 members of the House, you must be convinced that amendment will pass both houses of Congress.

Sen. JAVITS. I would not wish to be so arrogant or presumptuous. These are all men who are doing what they think is right or wise, and whatever the final state of facts will be, they will react to. On this record, as we stand now, I'm ready to say yes, it will be passed, but it may—events, to wit, further proposals from, directly or indirectly the Soviet Union, could change that situation, and I don't think we ought to, as I say, have our feet rooted in concrete or give any assumption that we are basically unfriendly to the idea of detente between the United States and the Soviet Union; we are not.

HERMAN. You talked a little while ago about—I guess you call it Phase 3½, the current freeze and the controls—but are they really going to work in this wise: I notice once again, as you study the figures, that food is not—food production is not increasing at the rate at which it was hoped for, and it's necessary that food should increase so that prices can be kept down. If the freezes discourage farmers, farmers don't produce enough; is the freeze in the long run working, or is it hurting us?

Sen. JAVITS. Well, the freeze is only sixty days, and freezes never can be said to work. All they do is stop a runaway situation.

HERMAN. Well, the controls beyond them, then?

Sen. JAVITS. Well, now, we haven't imposed those yet. Let's take the food prices; I think we have to control food prices, without any question. The question is how. The American people have to resolve that even if they have to have less in terms of choice in the supermarket, they want these prices abated.

On that basis, you can put the controls in, and then you would have to deal with inequities, as for example, we have a big problem with soybean feed, etc., in New York, for cattle and for chickens, where there are big problems—inequities, you see, but if the American people resolve that they prefer controls over food prices, even to the range of choice they now have, then you'll get an adjustment in which they'll * * * production and price. Prices are pretty good, but there are inequities.

MORTON. Would you put controls, then on basic farm commodities? I mean you've got this bind now where what the farmers buy to feed chickens, for example, is uncontrolled.

Sen. JAVITS. I would, I would put farm prices under basic control and correct the inequities which hurt many farmers, including small farmers, and I'd help small farmers financially, if they can't make the grade on that basis, and after a period of trial production will come through, because we're not going to be unfair, and prices are pretty high right now.

HERMAN. How long are you talking about that you think we may have to administer prices, controls, and really have a controlled economy?

Sen. JAVITS. I would say—well, I think I would say six months to a year, and that's a mighty cheap price to pay, considering—

HERMAN. Do you think that's enough?

Sen. JAVITS. Yes—considering the erosion of confidence in the dollar, which we've seen, but I don't make any promises at the end of that road that you take everything off and you go back to the original status. We will see, but my estimate is six months to a year controlling food prices ought to do it.

CHILDS. What about gasoline prices? We're already in the midst of a shortage, with the accusation that the big oil companies have whipped this up in order to raise prices. Would you control gasoline prices?

Sen. JAVITS. I would control gasoline prices like others, but in gasoline it's even more important to allocate fairly and to do an awful lot of things the President's energy message does many et cetera, in terms of big cars instead of little cars and speed limits, and many other problems to conserve energy. That's enough for a Face the Nation itself.

HERMAN. I noticed a little while ago you talked as though you were a candidate and Bruce mentioned it. Are you in fact a legitimate, official candidate, now?

Sen. JAVITS. Well, I am not as yet a declared candidate, but I am planning to run for re-election.

HERMAN. Thank you very much, Senator Javits, for being with us today on Face the Nation.

THE NATIONAL ORGANIZATION OF WOMEN

Mr. MATHIAS. Mr. President, June 28 marks the seventh anniversary of a truly "liberated" organization, the National Organization of Women.

Many will recall that in 1963, Betty Friedan wrote "The Feminine Mystique," which enjoyed tremendous popularity and captured the interest of many women. During the next fey years, in creasing numbers became interested and active in the effort to protect the civil rights of women. In June of 1966, Ms. Friedan and other like-minded women met and agreed that what their movement needed was a national civil rights

organization. The result of their meeting was the founding of the National Organization of Women, created to end sex discrimination in education and employment, urge passage of the equal rights amendment, work toward the expansion of child-care centers, and other worthy goals.

On this occasion, it is interesting to note that this year also marks the 50th anniversary of the drafting of the equal rights amendment. To some it may seem as though the question of equal rights for women is a new issue whose adherents are but casual participants in the policymaking process. This is not the case. The women's rights movement has been around for many, many years, and it is my pleasure to have been in the Senate to vote for passage of the equal rights amendment.

Mr. President, I am pleased that the State of Maryland has several active NOW chapters in Prince Georges County, Montgomery County, Howard County, Anne Arundel County, and Baltimore County. These groups have experienced increasing membership growth and activity. I would like to extend to all NOW members my very best wishes today and my hope that the coming years will bring many rewards for this dedicated group.

SENATOR ALAN CRANSTON FINANCIAL DISCLOSURE

Mr. CRANSTON. Mr. President, at the request of the Los Angeles Times I prepared a statement disclosing my assets, liabilities, and net worth as of January 1, 1973, as well as my outside income for 1972 not otherwise publicly disclosed. Since I believe such complete disclosure should be required by law—and not left to the decision of individual Members and candidates—I wish to present these figures to my colleagues with the hope that this action will encourage the favorable consideration of such legislation.

Mr. President, I ask unanimous consent that my financial disclosure statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FINANCIAL STATEMENT—ALAN CRANSTON, JANUARY 1, 1973

Bank accounts, commercial:	
Wells Fargo, San Francisco, Calif.	$6,998
First Western, Los Angeles, Calif.	1,088
Savings:	
Wells Fargo, San Francisco, Calif.	8,142
Westdale Savings and Loan, Los Angeles, Calif.	552
Westdale Savings and Loan, Los Angeles, Calif.	14,043
Sacramento Savings, Sacramento, Calif	11
Total	30,834
Receivable—Loans and Accounts:	
Bernard and Patricia Snyder	5,000
Cecil Weintraub (sale of ranch)	36,932
Jeffrey Edmonds (sale of lot and building)	24,553
Total	66,485
Beneficial interest in a blind trust	2,500
Personal property	5,000
Art objects	2,500
Retirement funds:	
State of California	10,082
U.S. Government	10,469
Total	20,551
Cash value of insurance policies	7,500
Payable—Personal loan Eleanor C. Fowle (sister)	−18,700
	116,670
Net value of real estate	431,130
Net value of total estate	547,800

OUTSIDE INCOME—ALAN CRANSTON, 1972

Net income from rent from business properties	$14,924.62
Honoraria:	
Honoraria in excess of $300 previously reported in Statement of Honoraria filed with the Secretary of the Senate	8,297.00
Brookings Institute	150.00
Bay Cities Savings & Loan League	227.00
Griffin Productions	215.57
Brookings Institute	150.00
State School Officers	250.00
Total	9,289.57
Gifts:	
Eleanor Fowle—donor	$3,000.00
John M. Fowle—donor	3,000.00
Total	6,000.00
Interest income:	
Riggs National Bank	27.20
A. B. Wall (Black Ranch Sale)	1,836.43
Sacramento Savings and Loan	.55
Wells Fargo Savings and Loan	499.41
Westdale Savings and Loan	655.64
Bernie Snyder	314.46
Estate of Carol D. Cranston	66.21
Total	3,408.90
Capital gains from sale of real property	$1,569.84
Articles:	
Articles previously reported in Statement of Honoraria	750.00
American Optometric Association	250.00
National Enquirer	100.00
National Enquirer	100.00
Total	1,200.00
Book royalities (The Killing of the Peace, 1945)	107.72
Total outside income	36,500.65

REAL ESTATE OWNED, ALAN CRANSTON

Description and address	Title	Market value	Mortgage due to—	Mortgage amount	Net value
Lot and building, 505 San Mateo, San Bruno, Calif.	Self, wife	$67,500	Wells Fargo, San Francisco	$34,000	$33,500
Lot and building, 115 Main St. Los Altos, Calif.	Self	65,000	do	35,000	30,000
Lot and building, 163 Main St., Los Altos, Calif.	½ self, wife	37,500			37,500
Lot and building, lot 2, building 20, Fort Bragg, Calif.	½ self, wife	20,000			20,000
Lot and building, 318 University Ave., Palo Alto, Calif.	½ self	62,500			62,500
Lot and building 482 San Mateo Ave., San Bruno, Calif.	do	50,000			50,000
Ranch, Star Route, Smartsville, Calif.	½ self, wife	25,000			25,000
Subdivision No. 2, Thornwood Drive, Sacramento, Calif.	Self, wife	76,500			76,500
Co-op apartment No. 112, 2700 Virginia Ave., NW., Washington, D.C.	do	100,000	Watergate, Inc. In care of Cafritz, Washington, D.C.	43,500	56,500
Land, Vineyard Properties, Sherman Oaks, Calif.	1/60 self, wife	7,335			7,335
Land, Simi-Moorpark Properties, Sherman Oaks, Calif.	1/100 self, wife	15,695			15,695
Land and building, Wilshire Properties, Los Angeles, Calif.	1/40 self	4,700			4,700
Land, 5-Area Properties, Los Angeles, Calif.	1/100 self	4,400			4,400
Lots, Venice Property, construction loan, duplex, Venice, Calif.	1/4 self	10,000	Real Estate School of California, Los Angeles	2,500	7,500
Total		547,130		115,000	431,130

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 241, 243, 245 through 248, 249, 251, 253, 254, and 256.

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

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

The bill (S. 2079) to amend the Federal Property and Administrative Services Act of 1949, as amended, was considered, ordered to be engrossed for a third read-

ing, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (j) of section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490), as amended by the Public Buildings Amendments of 1972 (86 Stat. 219), is amended—

(1) by striking the period at the end of the first sentence and inserting in lieu thereof a comma and the following: "except for space and services furnished to the Federal Judiciary or the United States Tax Court."; and

(2) by adding in the last sentence after the comma the following: "or in the case of space and services furnished the Federal Judiciary or the United States Tax Court,".

GRAPEFRUIT MARKETING ORDERS

The bill (S. 1945) to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8c(6)(I) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 and subsequent legislation, is further amended by inserting in the first proviso "and Florida Indian River grapefruit" immediately after "with respect to almonds".

CERTAIN OFFICERS AND EMPLOYEES OF THE GOVERNMENT PRINTING OFFICE

The bill (S. 1794) to amend section 308 of title 44, United States Code, relating to the disbursing officer, deputy disbursing officer, and certifying officers and employees of the Government Printing Office, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 308 of title 44, United States Code, is amended to read as follows:

"§ 308. Disbursing officer; deputy disbursing officer; certifying officers and employees

"(a) The Public Printer shall appoint from time to time a disbursing officer of the Government Printing Office (including the Office of the Superintendent of Documents) who shall be under the direction of the Public Printer. The disbursing officer shall (1) disburse moneys of the Government Printing Office only upon, and in strict accordance with, vouchers certified by the Public Printer or by an officer or employee of the Government Printing Office authorized in writing by the Public Printer to certify such vouchers, (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, certified, and approved, and (3) be held accountable accordingly. However, the disbursing officer shall not be held accountable or responsible for any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate, the responsibility for which, under subsection (c) of this section, is imposed upon a certifying officer or employee of the Government Printing Office.

"(b)(1) Upon the death, resignation, or separation from office of the disbursing officer, his accounts may be continued, and payments and collection may be made in his name, by any individual designated as a deputy disbursing officer by the Public Printer, for a period of time not to extend beyond the last day of the second month following the month in which the death, resignation, or separation occurred. Accounts and payments shall be allowed, audited, and settled, and checks signed in the name of the former disbursing officer by a deputy disbursing officer shall be honored in the same manner as if the former disbursing officer had continued in office.

"(2) A former disbursing officer of the Government Printing Office or his estate may not be subject to any legal liability or penalty for the official accounts or defaults of the deputy disbursing officer acting in the name or in the place of the former disbursing officer. Each deputy disbursing officer is responsible for accounts entrusted to him under paragraph (1) of this subsection, and the deputy disbursing officer is liable for any default occurring during his service under such paragraph.

"(c)(1) The Public Printer may designate in writing officers and employees of the Government Printing Office to certify vouchers for payment from appropriations and funds. Such officers and employees shall (A) be responsible for the existence and correctness of the facts recited in the certificate or other voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved, (B) be responsible and accountable for the correctness of the computations of certified vouchers, and (C) be accountable for, and required to make restitution to, the United States for the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved. However, the Comptroller General of the United States, may, at his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds that (i) the certification was based on the official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (ii) when the obligation was incurred in good faith, the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and the United States has received value for such payment. The Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by section 66 of title 49, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land grant deductions.

"(2) The liability of such certifying officers or employees shall be enforced in the same manner and to the same extent as provided by law with respect to the enforcement of the liability of disbursing and other accountable officers. Such certifying officers and employees shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.".

(b) Item 308 contained in the analysis of chapter 3 of such title 44 is amended to read as follows:

"308. Disbursing officer; deputy disbursing officer; certifying officers and employees.".

OFFICIAL GOVERNMENT PRINTING OFFICE SEAL

The bill (S. 1795) to authorize the Public Printer to adopt an official Government Printing Office seal, and to designate employees to administer oaths was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 301 of title 44, United States Code, is amended as follows:

(1) Insert "(a)" immediately before "The President of the United States shall nominate".

(2) Add at the end thereof the following new subsections:

"(b) The Public Printer is authorized to adopt a seal for the Government Printing Office which shall be judicially noticed.

"(c) The Public Printer may designate employees of the Government Printing Office to administer any oath or affirmation of office required by section 3331 of title 5 and any other oath or affirmation that may be required by law or regulations in connection with the operation of the Government Printing Office."

(3) Amend the section caption to read as follows:

"§ 301. Public Printer: appointment; seal; oaths"

(b) Item 301 in the analysis of chapter 3 of such title, preceding such section 301, is amended to read as follows:

"301. Public Printer: appointment; seal; oaths.".

AUTHORITY OF THE JOINT COMMITTEE ON PRINTING

The bill (S. 1802) relating to certain authority of the Joint Committee on Printing, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 111(e) of the Federal Property and Administrative Services Act of 1949 is amended by inserting immediately after "section 602(d) of this Act" the following: "(other than paragraph 18)".

SALARY INCREASES FOR THE POLICE FORCE OF THE LIBRARY OF CONGRESS

The bill (S. 1904) to amend the Act of August 4, 1950 (64 Stat. 411), to provide salary increases for members of the police force of the Library of Congress, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1904

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act of August 4, 1950 (64 Stat. 411; 2 U.S.C. 167), is amended to read as follows:

"(a) The Librarian of Congress may designate employees of the Library of Congress as special policemen for duty in connection with policing of the Library of Congress buildings and grounds and adjacent streets and shall fix their rates of basic pay as follows:

"(1) Private GS–7—step one through ten;

"(2) Sergeants GS–8—step one through ten;

"(3) Lieutenant GS–9—step one through ten;

"(4) Senior Lieutenant GS–10—step one through ten; and

"(5) Captain GS–11—step one through ten.

"(b) The Librarian of Congress may apply the provisions of subchapter V of chapter 55 of title 5, United States Code, to members of the special police force of the Library of Congress.

"(c) The amendments made by this Act shall take effect on the first day of the first pay period which begins on or after the date of enactment of this Act."

PAYMENT OF INTEREST ON TIME AND SAVING DEPOSITS

The joint resolution (S.J. Res. 128) to provide for an extension of certain laws relating to the payment of interest on time and saving deposits, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act of September 21, 1966 (Public Law 89–597; 80 Stat. 823), is amended by striking out "June 1, 1973" and inserting in lieu thereof "December 1, 1974".

SUPPLEMENTAL AUTHORIZATION FOR RADIO FREE EUROPE AND RADIO LIBERTY

The Senate proceeded to consider the bill (S. 1972) to authorize supplemental fiscal year 1973 appropriations for Radio Free Europe and Radio Liberty, which had been reported from the Committee on Foreign Relations with an amendment in line 7, after "1973", strike out "such additional or supplemental amounts as may be necessary" and insert "not to exceed $1,150,000"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 703 of the United States Information and Educational Exchange Act of 1948, as amended, is hereby amended to insert the following sentence between the first and second sentence thereof: "There are further authorized to be appropriated in fiscal year 1973 not to exceed $1,150,000 for nondiscretionary costs.".

The amendment was agreed to.

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

ARKANSAS RIVER BASIN COMPACT

The bill (S. 11) to grant the consent of the United States to the Arkansas River Basin compact, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 11

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the Arkansas River Basin compact, Arkansas-Oklahoma, 1970, as ratified by the States of Arkansas and Oklahoma as follows:

"ARTICLE I

"The major purposes of this Compact are:

"A. To promote interstate comity between the States of Arkansas and Oklahoma;

"B. To provide for an equitable apportionment of the waters of the Arkansas River between the States of Arkansas and Oklahoma and to promote the orderly development thereof;

"C. To provide an agency for administering the water apportionment agreed to herein;

"D. To encourage the maintenance of an active pollution abatement program in each of the two States and to seek the further reduction of both natural and manmade pollution in the waters of the Arkansas River Basin; and

"E. To facilitate the cooperation of the water administration agencies of the States of Arkansas and Oklahoma in the total development and management of the water resources of the Arkansas River Basin.

"ARTICLE II

"As used in this Compact:

"A. The term 'State' means either State signatory hereto and shall be construed to include any person or persons, entity or agency of either State who, by reason of official responsibility or by designation of the Governor of that State, is acting as an official representative of that State.

"B. The term 'Arkansas-Oklahoma Arkansas River Compact Commission,' or the term 'Commission' means the agency created by this Compact for the administration thereof.

"C. The term 'Arkansas River Basin' means all of the drainage basin of the Arkansas River and its tributaries from a point immediately below the confluence of the Grand-Neosho River with the Arkansas River near Muskogee, Oklahoma, to a point immediately below the confluence of Lee Creek with the Arkansas River near Van Buren, Arkansas, together with the drainage basin of Spavinaw Creek in Arkansas, but excluding that portion of the drainage basin of the Canadian River above Eufaula Dam.

"D. The term 'Spavinaw Creek Sub-basin' means the drainage area of Spavinaw Creek in the State of Arkansas.

"E. The term 'Illinois River Sub-basin' means the drainage area of Illinois River in the State of Arkansas.

"F. The term 'Lee Creek Sub-basin' means the drainage area of Lee Creek in the State of Arkansas and the State of Oklahoma.

"G. The term 'Poteau River Sub-basin' means the drainage area of Poteau River in the State of Arkansas.

"H. The term 'Arkansas River Sub-basin' means all areas of the Arkansas River Basin except the four sub-basins described above.

"I. The term 'water-year' means a twelve-month period beginning on October 1, and ending September 30.

"J. The term 'annual yield' means the computed annual gross runoff from any specified sub-basin which would have passed any certain point on a stream and would have originated within any specified area under natural conditions, without any man-made depletion or accretion during the water year.

"K. The term 'pollution' means contamination or other alterations of the physical, chemical, biological or radiological properties of water or the discharge of any liquid, gaseous, or solid substances into any waters which creates, or is likely to result in a nuisance, or which renders or is likely to render the waters into which it is discharged harmful, detrimental or injurious to public health, safety, or welfare, or which is harmful, detrimental or injurious to beneficial uses of the water.

"ARTICLE III

"A. The physical and other conditions peculiar to the Arkansas River Basin constitute the basis of this Compact, and neither of the States hereby, nor the Congress of the United States by its consent hereto, concedes that this Compact established any general principle with respect to any other interstate stream.

"B. By this Compact, neither State signatory hereto is relinquishing any interest or right it may have with respect to any waters flowing between them which do not originate in the Arkansas River Basin as defined by this Compact.

"ARTICLE IV

"The States of Arkansas and Oklahoma hereby agree upon the following apportionment of the waters of the Arkansas River Basin:

"A. The State of Arkansas shall have the right to develop and use the waters of the Spavinaw Creek Sub-basin subject to the limitation that the annual yield shall not be depleted by more than fifty percent (50%).

"B. The State of Arkansas shall have the right to develop and use the waters of the Illinois River Sub-basin subject to the limitation that the annual yield shall not be depleted by more than sixty percent (60%).

"C. The State of Arkansas shall have the right to develop and use all waters originating within the Lee Creek Sub-basin in the State of Arkansas, or the equivalent thereof.

"D. The State of Oklahoma shall have the right to develop and use all waters originating within the Lee Creek Sub-basin in the State of Oklahoma, or the equivalent thereof.

"E. The State of Arkansas shall have the right to develop and use the waters of the Poteau River Sub-basin subject to the limitation that the annual yield shall not be depleted by more than sixty percent (60%).

"F. The State of Oklahoma shall have the right to develop and use the waters of the Arkansas River Sub-basin subject to the limitation that the annual yield shall not be depleted by more than sixty percent (60%).

"ARTICLE V

"A. On or before December 31 of each year, following the effective date of this Compact, the Commission shall determine the stateline yields of the Arkansas River Basin for the previous water year.

"B. Any repletion of annual yield in excess of that allowed by the provisions of this Compact shall, subject to the control of the Commission, be delivered to the downstream State, and said delivery shall consist of not less than sixty percent (60%) of the current runoff of the basin.

"C. Methods for determining the annual yield of each of the sub-basins shall be those developed and approved by the Commission.

"ARTICLE VI

"A. Each State may construct, own and operate for its needs water storage reservoirs in the other State: *Provided, however,* That nothing contained in this Compact or its ratification by Arkansas or Oklahoma shall be interpreted as granting either State or the parties hereto the right or power of eminent domain in any manner whatsoever outside the borders of its own State.

"B. Depletion in annual yield of any sub-basin of the Arkansas River Basin caused by the operation of any water storage reservoir either heretofore or hereafter constructed by the United States or any of its agencies, instrumentalities or wards, or by a State, political sub-division thereof, or any per-

son or persons shall be charged against the State in which the yield therefrom is utilized.

"C. Each State shall have the free and unrestricted right to utilize the natural channel of any stream within the Arkansas River Basin for conveyance through the other State of waters released from any water storage reservoir for an intended downstream point of diversion or use without loss of ownership of such waters: *Provided, however,* That a reduction shall be made in the amount of water which can be withdrawn at point of removal, equal to the transmission losses.

"ARTICLE VII

"The States of Arkansas and Oklahoma mutually agree to:

"A. The principle of individual State effort to abate man-made pollution within each State's respective borders, and the continuing support of both States in an active pollution abatement program;

"B. The cooperation of the appropriate State agencies in the States of Arkansas and Oklahoma to investigate and abate sources of alleged interstate pollution within the Arkansas River Basin;

"C. Enter into joint programs for the identification and control of sources of pollution of the waters of the Arkansas River and its tributaries which are of interstate significance;

"D. The principle that neither State may require the other to provide water for the purpose of water quality control as a substitute for adequate waste treatment;

"E. Utilize the provisions of all Federal and State water pollution laws and to recognize such water quality standards as may be now or hereafter established under the Federal Water Pollution Control Act in the resolution of any pollution problems affecting the waters of the Arkansas River Basin.

"ARTICLE VIII

"A. There is hereby created an interstate administrative agency to be known as the 'Arkansas-Oklahoma Arkansas River Compact Commission.' The Commission shall be composed of three Commissioners representing the State of Arkansas and three Commissioners representing the State of Oklahoma, selected as provided below; and, if designated by the President or an authorized Federal agency, one Commissioner representing the United States. The President, or the Federal agency authorized to make such appointments, is hereby requested to designate a Commissioner and an alternate representing the United States. The Federal Commissioner, if one be designated, shall be the Chairman and presiding officer of the Commission, but shall not have the right to vote in any of the deliberations of the Commission.

"B. One Arkansas Commissioner shall be the Director of the Arkansas Soil and Water Conservation Commission, or such other agency as may be hereafter responsible for administering water law in the State. The other two Commissioners shall reside in the Arkansas River drainage area in the State of Arkansas and shall be appointed by the Governor, by and with the advice and consent of the Senate, to four-year staggered terms with the first two Commissioners being appointed simultaneously to terms of two (2) and four (4) years, respectively.

"C. One Oklahoma Commissioner shall be the Director of the Oklahoma Water Resources Board, or such other agency as may be hereafter responsible for administering water law in the State. The other two Commissioners shall reside within the Arkansas River drainage area in the State of Oklahoma and shall be appointed by the Governor, by and with the advice and consent of the Senate, to four-year staggered terms, with the first two Commissioners being appointed simultaneously to terms of two (2) and four (4) years, respectively.

"D. A majority of the Commissioners of each State and the Commissioner or his alternate representing the United States, if they are so designated, must be present to constitute a quorum. In taking any Commission action, each signatory State shall have a single vote representing the majority opinion of the Commissioners of that State.

"E. In the case of a tie vote on any of the Commission's determinations, order, or other actions, a majority of the Commissioners of either State may, upon written request to the Chairman, submit the question to arbitration. Arbitration shall not be compulsory, but on the event of arbitration, there shall be three arbitrators:

"(1) One named by resolution duly adopted by the Arkansas Soil and Water Conservation Commission, or such other State agency as may be hereafter responsible for administering water laws i the State of Arkansas; and

"(2) One named by resoluton duly adopted by the Oklahoma Water Resources Board, or such other State agency as may be hereafter responsible for administering water law in the State of Oklahoma; and

"(3) The third chosen by the two arbitrators who are selected as provided above. If the arbitrators fail to select a third within sixty (60) days following their selection, then he shall be chosen by the Chairman of the Commission.

"F. The salaries and personal expenses of each Commissioner shall be paid by the Government which he represents. All other expenses which are incurred by the Commission incident to the administration of this Compact shall be borne equally by the two States and shall be paid by the Commission out of the 'Arkansas-Oklahoma Arkansas River Compact Fund,' initiated and maintained as provided in Article IX(B)(5) below. The States hereby mutually agree to appropriate sums sufficient to cover its share of the expenses incurred in the administration of this Compact, to be paid into said fund. Disbursements shall be made from said fund in such manner as may be authorized by the Commission. Such funds shall not be subject to the audit and accounting procedures of the States; however, all receipts and disbursements of funds handled by the Commission shall be audited by a qualified independent public accountant at regular intervals, and the report of such audit shall be included in and become a part of the annual report of the Commission, provided by Article IX(B)(6) below. The Commission shall not pledge the credit of either State and shall not incur any obligations prior to the availability of funds adequate to meet the same.

"ARTICLE IX

"A. The Commission shall have the power to:

"(1) Employ such engineering, legal, clerical and other personnel as in its judgment may be necessary for the performance of its functions under this Compact;

"(2) Enter into contracts with appropriate State or Federal agencies for the collection, correlation, and presentation of factual data, for the maintenance of records and for the preparation of reports;

"(3) Establish and maintain an office for the conduct of its affairs;

"(4) Adopt and procure a seal for its official use;

"(5) Adopt rules and regulations governing its operations. The procedures employed for the administration of this Compact shall not be subject to any Administrative Procedures Act of either State, but shall be subject to the provisions hereof and to the rules and regulations of the Commission: *Provided, however,* All rules and regulations of the Commission shall be filed with the Secretary of State of the signatory States.

"(6) Cooperate with Federal and State agencies and political subdivisions of the signatory States in developing principles, consistent with the provisions of this Compact and with Federal and State policy, for the storage and release of water from reservoirs, both existing and future within the Arkansas River Basin, for the purpose of assuring their operation in the best interests of the States and the United States:

"(7) Hold hearings and compel the attendance of witnesses for the purpose of taking testimony and receiving other appropriate and proper evidence and issuing such appropriate orders as it deems necessary for the proper administration of this Compact, which orders shall be enforceable upon the request by the Commission or any other interested party in any court of competent jurisdiction within the county wherein the subject matter to which the order relates is in existence, subject to the right of review through the appellate courts of the State of situs. Any hearing held for the promulgation and issuance of orders shall be in the county and State of the subject matter of said hearing;

"(8) Make and file official certified copies of any of its findings, recommendations or reports with such officers or agencies of either State, or the United States as may have any interest in or jurisdiction over the subject matter. Findings of fact made by the Commission shall be admissible in evidence and shall constitute prima facie evidence of such fact in any court or before any agency of competent jurisdiction. The making of findings, recommendations, or reports by the Commission shall not be a condition precedent to instituting or maintaining any action or proceeding of any kind by a signatory State in any court, or before any tribunal agency or officer, for the protection of any right under this Compact or for the enforcement of any of its provisions;

"(9) Secure from the head of any department or agency of the Federal or State government such information, suggestions, estimates and statistics as it may need or believe to be useful for carrying out its functions and as may be available to or procurable by the department or agency to which the request is addressed;

"(10) Print or otherwise reproduce and distribute all of its proceedings and reports; and

"(11) Accept, for the purposes of this Compact, any and all private donations and gifts and Federal grants of money.

"B. The Commission shall:

"(1) Cause to be established, maintained and operated such stream, reservoir or other gaging stations as may be necessary for the proper administration of this Compact;

"(2) Collect, analyze and report on data as to stream flows, water quality, annual yields and such other information as is necessary for the proper administration of this Compact;

"(3) Continue research for developing methods of determining total basin yields;

"(4) Perform all other functions required of it by the Compact and do all things necessary, proper or convenient in the performance of its duties thereunder;

"(5) Establish and maintain the 'Arkansas-Oklahoma Arkansas River Compact Fund,' consisting of any and all funds received by the Commission under the authority of this Compact and deposited in one or more banks qualifying for the deposit of public funds of the signatory States;

"(6) Prepare and submit an annual report to the Governor of each signatory State and to the President of the United States covering the activities of the Commission for the preceding fiscal year, together with an accounting of all funds received and expended by it in the conduct of its work;

"(7) Prepare and submit to the Governor of

each of the States of Arkansas and Oklahoma an annual budget covering the anticipated expenses of the Commission for the following fiscal year; and

"(8) Make available to the Governor or any State agency of either State or to any authorized representative of the United States, upon request, any information within its possession.

"ARTICLE X

"A. The provisions hereof shall remain in full force and effect until changed or amended by unanimous action of the States acting through their Commissioners and until such changes are ratified by the legislatures of the respective States and consented to by the Congress of the United States in the same manner as this Compact is required to be ratified to become effective.

"B. This Compact may be terminated at any time by the appropriate action of the legislature of both signatory States.

"C. In the event of amendment or termination of the Compact, all rights established under the Compact shall continue unimpaired.

"ARTICLE XI

"Nothing in this Compact shall be deemed:

"A. To impair or affect the powers, rights or obligations of the United States, or those claiming under its authority in, over, and to the waters of the Arkansas River Basin;

"B. To interfere with or impair the right or power of either signatory State to regulate within its boundaries of appropriation, use and control of waters within that State not inconsistent with its obligations under this Compact.

"ARTICLE XII

"If any part or application of this Compact should be declared invalid by a court of competent jurisdiction, all other provisions and application of this Compact shall remain in full force and effect.

"ARTICLE XIII

"A. This Compact shall become binding and obligatory when it shall have been ratified by the legislature of each State and consented to by the Congress of the United States, and when the Congressional Act consenting to this Compact includes the consent of Congress to name and join the United States as a party in any litigation in the United States Supreme Court, if the United States is an indispensable party, and if the litigation arises out of this Compact or its application, and if a signatory State is a party thereto.

"B. The States of Arkansas and Oklahoma mutually agree and consent to be sued in the United States District Court under the provisions of Public Law 87-830 as enacted October 15, 1962, or as may be thereafter amended.

"C. Notice of ratification by the legislature of each State shall be given by the Governor of that State to the Governor of the other State, and to the President of the United States, and the President is hereby requested to give notice to the Governor of each State of consent by the Congress of the United States.

"IN WITNESS WHEREOF, the authorized representatives have executed three counterparts hereof such of which shall be and constitute an original, one of which will be deposited with the Administrator of General Services of the United States, and one of which shall be forwarded to the Governor of each State.

"Done at the City of Little Rock, State of Arkansas, this 16th day of March A.D., 1970.

"FOR ARKANSAS:

"S. KEITH JACKSON,
"Committee Member.
"JOHN LUCE,
"Committee Member.

"FOR OKLAHOMA:

"GLADE R. KIRKPATRICK,
"Committee Member.
"MILTON CRAIG,
"Committee Member.

"Approved: TRIGG TWITCHELL, Representative, United States of America.

"Attest: WILLARD B. MILLS, Secretary."

SEC. 2. In order to carry out the purposes of this Act, and the purposes of article XII of this compact consented to by Congress by this Act, the congressional consent to this compact includes and expressly gives the consent of Congress to have the United States of America named and joined as a party litigant in any litigation in the United States Supreme Court, if the United States of America is an indispensable party to such litigation, and if the litigation arises out of this compact, or its application, and if a signatory State to this compact is a party litigant, in the litigation.

SEC. 3. The right to alter, amend, or repeal this Act, is expressly reserved.

EXTENSION OF WASTEWATER TREATMENT PLANT OPERATORS TRAINING PROGRAM

The Senate proceeded to consider the bill (S. 1776) to amend the Federal Water Pollution Control Act, as amended, which had been reported from the Committee on Public Works with an amendment on page 1, after line 8, insert:

SEC. 2. Paragraphs (1), (2), and (3) of subsection (f), and subsections (g) and (i) of section 311 of the Federal Water Pollution Control Act, as amended (86 Stat. 866-868), are amended by striking "(b)(2)" wherever it appears and inserting in lieu thereof "(b)(3)".

SEC. 3. The last sentence of paragraph (2) of subsection (f) of section 311 of the Federal Water Pollution Control Act, as amended (86 Stat. 867), is amended by striking "Secretary" and inserting in lieu thereof "Administrator".

SEC. 4. Section 207 of the Federal Water Pollution Control Act, as amended (86 Stat. 839), is amended by inserting "206(e)," after "sections".

SEC. 5. Section 509(b)(1)(C) of the Federal Water Pollution Control Act, as amended (86 Stat. 892), is amended by striking "treatment" and inserting in lieu thereof "pretreatment".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (u) of section 104 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1151 et seq.), is amended by striking the phrase "fiscal year 1973" where it appears in paragraph numbered (2) thereof, and substituting therefor the phrase "fiscal years 1973 and 1974".

SEC. 2. Paragraphs (1), (2), and (3) of subsection (f), and subsections (g) and (i) of section 311 of the Federal Water Pollution Control Act, as amended (86 Stat. 866-868), are amended by striking "(b)(2)" wherever it appears and inserting in lieu thereof "(b)(3)".

SEC. 3. The last sentence of paragraph (2) of subsection (f) of section 311 of the Federal Water Pollution Control Act, as amended (86 Stat. 867), is amended by striking "Secretary" and inserting in lieu thereof "Administrator".

SEC. 4. Section 207 of the Federal Water Pollution Control Act, as amended (86 Stat. 839), is amended by inserting "206(e)," after "sections".

SEC. 5. Section 509(b)(1)(C) of the Federal Water Pollution Control Act, as amended (86 Stat. 892), is amended by striking "treatment" and inserting in lieu thereof "pretreatment".

The amendment was agreed to.

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

NATIONAL SEA GRANT COLLEGE

The Senate proceeded to consider the bill (H.R. 5452) to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended which had been reported from the Committees on Commerce and Labor and Public Welfare with an amendment on page 3, after line 17, strike out:

(8) Delete section 205, together with the heading therefor.

And, in lieu thereof, insert:

(8) Amend section 205 to read as follows:

"STUDY OF INTERNATIONAL MARINE TECHNOLOGY TRANSFER

"SEC. 205. (a) The Secretary of Commerce is authorized and directed to undertake, through the National Sea Grant College Program, a study of the means of sharing, through cooperative programs with other nations, the results of marine research useful in the exploration, development, conservation, and management of marine resources.

"(b) In carrying out the study required by subsection (a), the Secretary is authorized, without regard for paragraphs (1) and (3) of section 204(d), to enter into contracts with, and make grants to, institutions, agencies, and organizations described in section 204(c).

"(c) The Secretary shall submit to the President and to the Congress the results and findings of such study, including specific recommendations, not later than September 30, 1974.

"(d) For the purpose of carrying out this section there is authorized to be appropriated not to exceed the sum of $200,000.".

The amendment was agreed to.

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

The bill was read the third time, and passed.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. I ask that the time be taken out of neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

PERMISSION FOR NATIONAL BANKS TO INVEST IN AGRICULTURAL CREDIT CORPORATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 250, S. 1884.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1884) to permit national banks to invest in agricultural credit corporations.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which was reported from the Committee on Banking, Housing and Urban Affairs, with an amendment on page 2, line 3,

after the words "per centum", strike out "of the capital stock of the association actually paid in unimpaired and 20 per centum of the unimpaired and 20 per centum of the unimpaired surplus of the association" and insert "of the unimpaired capital and surplus of the association"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph "Seventh" of section 5136 of the Revised Status (12 U.S.C. 24) is amended by adding at the end thereof the following: "Notwithstanding any other provision in this paragraph, the association may purchase for its own account shares of stock issued by a corporation organized solely for the purpose of making loans to farmers and ranchers for agricultural purposes, including the breeding, raising, fattening, or marketing of livestock. However, unless the association owns at least 80 per centum of the stock of such agricultural credit corporation the amount invested by the association at any one time in the stock of such corporation shall not exceed 20 per centum of the unimpaired capital and surplus of the association."

Mr. BELLMON. Mr. President, I urge favorable Senate action on S. 1884. The need for its enactment is quite clear. Let me explain.

During the past 12 years there has been a major effort to modernize and strengthen the financial institutions that serve agricultural and rural communities. The Farm Credit Act of 1971 and the Rural Development Act of 1972 are two important laws that illustrate this development.

Today, we have before us S. 1884, which is designed to aid community banks in our rural areas to improve their capability of serving the rapidly changing credit needs of farm people.

Many of the banks in our major agricultural commodities are small in size and, therefore, the amount of money they can loan to one borrower is limited; in fact, often less than the amount needed by many of our commercial farmers. These same banks also quite often find that the total demand for credit, especially during certain seasons of the year, exceed the funds on deposit at their bank which, of course, limits the ability of the bank to serve the credit needs of the community and forces rural borrowers to turn to sources outside the community for funds.

Bankers themselves have studied these problems thoroughly and have come up with several ways to help overcome them. One of their recommendations is that several small banks join together in forming an agricultural credit corporation capitalized by the banks. By joining together a capital structure sufficient to support large individual requests for credit could be achieved. It would also mean that an agency would be established that would have the capability of going to sources outside the community for funds. Such an agricultural credit corporation would be able to discount loans with Federal intermediate credit banks or to sell commercial paper and debentures in the central money market.

Our national banking laws will not permit a national bank to purchase a minority interest in an agricultural credit corporation. This limitation prevents small banks from joining together and forming an agricultural credit corporation. The legislation which we have before us today, S. 1884, would permit a group of banks to form an agricultural credit corporation but no bank in the group can invest more than 20 percent of its capital and surplus in the corporation.

I believe this limitation will be sufficient to permit maximum availability of agricultural credit but at the same time provide an adequate safeguard against overexposure by the bank. As under present law where a bank owns 80 percent of an agricultural credit corporation there would be no such quantitative limitation on bank investment. A number of States have recognized the need for State-chartered banks to own minority interest in agricultural credit corporations.

An agricultural credit corporation will make loans to farmers and ranchers for agricultural purposes including the breeding, raising, fattening, or marketing of livestock.

The Comptroller of the Currency has examined this legislation and indicated that he believes it to be sound and desirable.

The adoption of S. 1884 will provide small rural bankers with an opportunity to modernize their mechanism for serving farm people.

The amendment was agreed to.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 6330) to amend section 8 of the Public Buildings Act of 1959, relating to the District of Columbia.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 261. An act to continue for a temporary period the existing suspension of duty on certain istle;

H.R. 2323. An act to continue until the close of June 30, 1974, the suspension of duties on certain forms of copper;

H.R. 2324. An act to continue until the close of June 30, 1975, the existing suspension of duties for metal scrap;

H.R. 3630. An act to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty;

H.R. 4200. An act to amend section 122 of the Internal Revenue Code of 1954;

H.R. 6394. An act to suspend the duty on caprolactam monomer in water solution until the close of December 31, 1973;

H.R. 8215. An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976; and

H.R. 8917. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 261. An act to continue for a temporary period the existing suspension of duty on certain istle;

H.R. 2323. An act to continue until the close of June 30, 1974, the suspension of duties on certain forms of copper;

H.R. 2324. An act to continue until the close of June 30, 1975, the existing suspension of duties for metal scrap;

H.R. 3630. An act to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty;

H.R. 4200. An act to amend section 122 of the Internal Revenue Code of 1954;

H.R. 6394. An act to suspend the duty on caprolactam monomer in water solution until the close of December 31, 1973; and

H.R. 8215. An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976. Referred to the Committee on Finance.

H.R. 8917. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes. Referred to the Committee on Appropriations.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 6330) to amend section 8 of the Public Buildings Act of 1959, relating to the District of Columbia.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Moss).

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ABOUREZK). Under the same conditions as before?

Mr. MANSFIELD. Yes, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill making appropriations for the Department of Agriculture be laid aside temporarily, for not to exceed 10 minutes, and that the Senator from Rhode Island be recognized.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMTRAK IMPROVEMENT ACT OF 1973

Mr. PASTORE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the motion of June 21, 1973, to reconsider the passage of S. 2016.

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

Mr. PASTORE. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which S. 2016 was passed, together with the third reading of the bill.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2016) to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Rhode Island? The Chair hears none, and it is so ordered.

Mr. COOK. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COOK. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 1, immediately after line 4, insert the following:

"SEC. 2. Section 102 of the Rail Passenger Service Act (45 U.S.C. 502) is amended by striking in subsection (5) '(A)' striking all after 'operations', and inserting in lieu thereof a period; and by the addition of the following new subsection: '(9) "Auto-ferry" service means service characterized by transportation of automobiles and their occupants.'"

On page 1, line 5, strike "SEC. 2." and insert in lieu thereof "SEC 3.".

On page 2, line 2, delete the word "shall" and insert in lieu thereof the words "is authorized to".

On page 2, line 5, strike "passengers" and insert in lieu thereof the following: "passengers, except that nothing contained in this Act shall prevent any other person other than a railroad from engaging in such auto-ferry service over any route whether or not such route is a part of the basic system."

On page 2, lines 5 and 6, delete the words "and directed".

On page 2, line 6, insert after the word "acquire" the word "lease,".

On page 2, line 8, strike "service" and insert in lieu thereof the following: "service, or to enter into contractual relationships for the provision of such service".

On page 6, lines 11 and 18, strike "SEC. 3." and "SEC. 4.", respectively, and insert in lieu thereof "SEC. 4." and "SEC. 5.", respectively.

On page 6, immediately after line 20, insert the following new section:

"SEC. 6. Section 401(c) of the Rail Passenger Service Act (45 U.S.C. 561(c)) is amended by striking 'No' and inserting in lieu thereof 'Except as provided in section 305(b) of this Act concerning auto-ferry service, no'."

On page 6, line 21, strike "SEC. 5." and insert in lieu thereof "SEC. 7.".

On page 8, lines 10 and 21, strike "SEC. 6." and "SEC. 7.", respectively, and insert in lieu thereof "SEC. 8." and "SEC. 9.", respectively.

On page 10, lines 1 and 19, strike "SEC. 8." and "SEC. 9.", respectively, and insert in lieu thereof "SEC. 10." and "SEC. 11.", respectively.

Mr. COOK. Mr. President, since its inauguration in December 1971 between Washington and Sanford, Fla., auto-train service has been used by more than 250,000 people. This is vivid testimony to the convenience, time savings, and economy this important transport innovation affords to the traveling public. Regrettably, however, existing law greatly restricts the opportunity to make available this valuable new service to people in all parts of the country.

The basic reason is that section 401(c) of the Rail Passenger Service Act of 1970 has, in effect, given Amtrak the power to keep anyone else from providing auto train service on those routes along which it operates even though it is unwilling or unable to provide such service itself. This is an anomalous situation, to say the least, and it both denies the public an opportunity to make use of such service and prevents private companies, with their own funds, from responding to the demands of the market. There is no good reason why Amtrak should not be allowed to conduct auto train operations, but there is certainly no justification for keeping others from doing so if they are willing to make the requisite investment. And yet, with the law as it now stands, Amtrak is in a position and of a disposition to stop others from inaugurating this service, as illustrated by its June 20 announcement objecting to the proposed initiation of service from Louisville to Florida by the Auto Train Corp. From the standpoint of the public interest this is an absurd situation. Remedial legislative action is badly needed.

My proposed amendment would correct this situation. It would allow any private firm to offer auto-train service anywhere in the country where suitable terms could be agreed upon with participating railroads. Its purpose is very simple: To remove the artificial restrictions that now exist and to allow unsubsidized private companies to make auto-train service available along any rail route in the United States. If adopted the amendment would have substantial benefits to the traveling public and be fully consistent with the congressional aim of promoting modern, efficient, intercity rail passenger service as part of a balanced transportation system.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PASTORE. I understand that this amendment is agreeable to the manager of the bill on the previous occasion, Mr. HARTKE, and we are ready to vote.

Mr. COOK. I say to the distinguished Senator from Rhode Island that I have gone over it with him.

Mr. PASTORE. Does this provide the 1-year extension?

Mr. COOK. The bill does, not this amendment.

Mr. PASTORE. It does not change that at all?

Mr. COOK. No.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COOK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(Later in the day, the following proceedings occurred:)

Mr. HARTKE. Mr. President, I ask unanimous consent that the vote earlier today by which S. 2016 was passed, together with the third reading of the bill, be reconsidered.

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

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2016) to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes.

The Senate proceeded to consider the bill.

Mr. HARTKE. Mr. President, on behalf of the Senator from Kentucky (Mr. COOK), I call up an amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Strike from the amendment on page 1 the words "other than a railroad."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2016) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2016

An act to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes

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

SEC. 2. Section 102 of the Rail Passenger Service Act (45 U.S.C. 502) is amended by striking in subsection (5) "(A)", striking all after "operations", and inserting in lieu thereof a period; and by the addition of the following new subsection: "(9) 'Auto-ferry' service means service characterized by transportation of automobiles and their occupants."

SEC. 3. (a) Section 305(a) of the Rail Passenger Service Act (45 U.S.C. 545(a)) is amended by striking the second sentence thereof.

(b) Section 305(b) of such Act (45 U.S.C. 545(b)) is amended by deleting the second sentence and inserting in lieu thereof the following: "In order to increase revenues and to better accomplish the purposes of this Act, the Corporation is authorized to modify its services to provide, as a part of the basic passenger services authorized by this Act, auto-ferry service characterized by the carriage of automobiles or other property belonging to passengers, except that nothing contained in this Act shall prevent any other person from engaging in such auto-ferry service over any route whether or not such route is a part of the basic system. The Corporation is authorized to acquire, lease, modify, or develop the equipment and facilities required for the efficient provision of mail, express, and auto-ferry service, or to enter into contractual relationships for the provision of such service.".

(c) Section 305 of such Act (45 U.S.C. 545) is further amended by adding at the end thereof the following three new subsections:

"(c) The Corporation is authorized to take all steps necessary to insure that no elderly or handicapped individual is denied intercity transportation on any passenger train operated by or on behalf of the Corporation, including but not limited to, acquiring special equipment and devices and conducting special training for employees; designing and acquiring new equipment and facilities and eliminating architectural and other barriers in existing equipment and facilities to comply with the highest standards for the design, construction, and alteration of property for the accommodation of elderly and handicapped individuals; and providing special assistance while boarding and alighting and in terminal areas to elderly and handicapped individuals.

"(d)(1) The Corporation is authorized, to the extent financial resources are available, to acquire any right-of-way, land, or other property (except right-of-way, land, or other property of a railroad or property of a State or political subdivision thereof or of any other government agency), which is required for the construction of tracks or other facilities necessary to provide intercity rail passenger service, by the exercise of the right of eminent domain, in accordance with the provisions of this subsection, in the district court of the United States in which such property is located or in any such court if a single piece of property is located in more than one judicial district: *Provided*, That such right may only be exercised when the Corporation cannot acquire such property by contract or is unable to agree with the owner as to the amount of compensation to be paid.

"(2) The Corporation shall file in the district court, with the complaint or at any time prior to judgment, a declaration of taking which shall contain or have annexed thereto—

"(A) a statement of the public use for which the property is taken;

"(B) a description of the property taken sufficient for the identification thereof;

"(C) a statement of the estate or interest in the property taken;

"(D) a plan showing the property taken; and

"(E) a statement of the amount of money which the Corporation reasonably estimates to be just compensation for the property taken.

"(3) Upon the filing of the declaration of taking and the depositing in the court of the amount of money estimated in such declaration to be just compensation for the property, the property shall be deemed to be condemned and taken for the use of the Corporation. Title to such property shall thereupon vest in the Corporation in fee simple absolute or in any lesser estate or interest specified in the declaration of taking, and the right to the money deposited as estimated just compensation shall immediately vest in the persons entitled thereto. The court, after a hearing, shall make a finding as to the amount of money which constitutes just compensation for such property and shall make an award and enter judgment accordingly. Such judgment shall include, as part of the just compensation awarded, interest on the amount finally awarded as the value of the property on the date of taking minus the amount deposited in the court on such date, at the rate of 6 per centum per annum from the date of taking to the date of payment.

"(4) Upon application by the parties in interest, the court may order immediate payment of the money deposited in the court or any part thereof for or on account of the just compensation to be awarded in the proceeding. If the just compensation awarded by the court exceeds the amount deposited, the court shall enter a judgment against the Corporation for the amount of the deficiency.

"(5) Upon the filing of a declaration of taking, the court may fix the time within which and the terms upon which the parties in possession shall surrender possession of the property taken to the Corporation. The court may enter such orders as it deems just and equitable with respect to any encumbrances, liens, taxes, assessments, insurance, or other charges which are applicable to such property.

"(e) The Corporation is authorized to take all steps necessary to—

"(1) establish improved reservations systems and advertising;

"(2) service, maintain, repair, and rehabilitate railroad passenger equipment;

"(3) conduct research and development and demonstration programs respecting new rail passenger services;

"(4) develop and demonstrate improved rolling stock;

"(5) establish and maintain essential fixed facilities for the operation of passenger trains on lines and routes included in the basic system, over which no through passenger trains are being operated at the time of enactment of this Act, including necessary track connections between lines on the same or different railroads;

"(6) purchase or lease railroad rolling stock; and

"(7) develop and operate international intercity rail passenger service between points within the United States and points in Canada and Mexico, including Montreal, Canada; Vancouver, Canada; and Nuevo Laredo, Mexico. For purposes of section 404(b) of this Act, such international rail passenger service is service included within the basic system.".

SEC. 4. Section 306 of the Rail Passenger Service Act (45 U.S.C. 546) is amended by adding at the end thereof the following new subsection:

"(h) The Corporation or any railroad or government agency contracting for the operation of intercity trains shall not be subject to any State or local law interfering with its efficient provision of mail, express, or auto-ferry service.".

SEC. 5. Section 308(b) of the Rail Passenger Service Act (45 U.S.C. 548(b)) is amended by striking out "January 15" and inserting in lieu thereof "March 15".

SEC. 6. Section 401(c) of the Rail Passenger Service Act (45 U.S.C. 561(c)) is amended by striking "No" and inserting in lieu thereof "Except as provided in section 305(b) of this Act concerning auto-ferry service, no".

SEC. 7. Section 402 of the Rail Passenger Service Act (45 U.S.C. 562) is amended by redesignating subsection (c) as subsection (d) and inserting the following new subsection:

"(c) If the Corporation and a railroad or government agency are unable to agree upon the terms and conditions for the sale to the Corporation of property (including interests in property) owned by such railroad or agency and required for the construction of tracks or other facilities necessary to provide intercity rail passenger service, the Corporation may apply to the Commission for an order establishing the need of the Corporation for such property and directing that such railroad or agency convey such property to the Corporation on reasonable terms and conditions, including just compensation. Unless the Commission finds that—

"(1) conveyance of such property to the Corporation would significantly impair the ability of the railroad or agency to carry out its obligations as a common carrier; and

"(2 the Corporation can adequately meet its obligations to provide modern efficient, and economical rail passenger service by the acquisition of alternative property (including interests in property) which is available for sale on reasonable terms to the Corporation or which is available to the Corporation pursuant to section 305(d) of this Act,

the need of the Corporation for such property shall be found to be established, and the Commission shall order such property to be conveyed to the Corporation on such reasonable terms and conditions as it may prescribe, including just compensation. The Commission shall expedite proceedings under this subsection and shall, in any event, issue its order not less than one hundred and twenty days after receipt of the application from the Corporation. If just compensation has not been determined as of the date of such order, the order shall require, as part of just compensation, payment of interest by the Corporation at the rate of 6 per centum per annum from the date prescribed for conveyance until the date of payment of just compensation.

SEC. 8. Section 403 of the Rail Passenger Service Act (45 U.S.C. 563) is amended by adding at the end thereof the following new subsection:

"(d) The Corporation shall initiate not less than one experimental route each year, such route to be designated by the Secretary, and shall operate such route for not less than two years. After such two-year period, the Secretary shall terminate such route if he finds that it has attracted insufficient patronage to serve the public convenience and necessity, or he may designate such route as a part of the basic system."

SEC. 9. (a) Section 601 of the Rail Passenger Service Act (45 U.S.C. 601) is amended to read as follows:

"AUTHORIZATION FOR APPROPRIATION

"(a) There is authorized to be appropriated to the Secretary for the benefit of the Corporation for the fiscal year ending June 30, 1974, such sums as are necessary, not to to exceed $185,000,000. Funds appropriated pursuant to such authorization shall be made available to the Secretary for payment to the Corporation during the fiscal year for which appropriated and shall remain available until expended. Such sums shall be paid by the Secretary to the Corporation, for expenditure by it in accordance with spending plans approved by Congress at the time of appropriation.

"(b)(1) Whenever the Corporation submits any budget estimate or request to the President, the Department of Transportation, or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Corporation submits any legislative recommendation, proposed testimony, or comments on legislation to the President or the Department of Transportation, or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Corporation to submit its legislative recommendations, proposed testimony, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.".

SEC. 10. (a) Section 602(d) of the Rail Passenger Service Act (45 U.S.C. 602(d)) is amended to read as follows:

"(d) The aggregate unpaid principal amount of securities, obligations, or loans outstanding at any one time, which are guaranteed by the Secretary under this section, may not exceed $500,000,000. The Secretary shall prescribe and collect a reasonable annual guarantee fee.".

(b) Section 602 of such Act (45 U.S.C. 602) is further amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of this Act, a guarantee may not be made

of a security, obligation, or loan if the income from such security, obligation, or loan which is not includable in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.".

SEC. 11. Section 801 of the Rail Passenger Service Act of 1970 (45 U.S.C. 641) is amended to read as follows:

"REGULATIONS AND ENFORCEMENT

"(a) The Commission shall promulgate and shall from time to time revise such regulations as it considers necessary to provide adequate service, equipment, tracks and other facilities for intercity rail passenger service.

"(b) Any person who is found by the Commission, upon its own initiative or through petition of any person, to be in violation of any regulation issued under subsection (a) of this section or any standard established pursuant to section 402(d) of this Act shall be assessed a civil penalty by the Commission or its deisgnated agent. Each day of noncompliance shall constitute a separate violation. The amount of such penalty shall not exceed $5,000 for each such violation. No penalty shall be assessed unless the person is given notice and an opportunity for a hearing in accordance with section 554 of title 5, United States Code. Any such penalty may be compromised by the Commission or its designated agent.

"(c) If a person fails to pay any penalty assessed under subsection (b) of this section, the Commission may by its own attorneys institute and prosecute a civil action against such person in the district court of the United States for any district in which such person is found, resides, or transacts business, to collect such penalty, or the Commission may request and the Attorney General shall institute and prosecute such action. Such court shall have jurisdiction to hear and decide such action, regardless of amount in controversy. In hearing an action under this subsection, the court shall sustain the Commission's finding of violation and the amount of civil penalty assessed if such action is supported by substantial evidence.".

DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AND CONSUMER PROTECTION AGENCIES APPROPRIATIONS, 1974

The Senate continued with the consideration of the bill (H.R. 8619) making appropriations for the Department of Agriculture and environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes.

Mr. EAGLETON. Mr. President, I ask unanimous consent that Jack Lewis have the privilege of the floor during the consideration of this measure.

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

Mr. McGEE. Mr. President, I ask unanimous consent that the amendments of the Appropriations Subcommittee on Agriculture and the Environment be considered and agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be waived by reason of the agreement to that request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 1, in line 4, after "appropriated," insert "and shall be made available for expenditure except as specifically provided by law,";

On page 2, in line 14, strike out "$10,822,000" and insert "$10,872,000";

On page 3, beginning in line 13, strike out:

None of the funds provided by this Act shall be used to pay the salaries of any personnel which carries out the provisions of section 610 of the Agricultural Act of 1970.

None of the funds provided by this Act shall be used to pay the salaries of personnel who formulate or carry out:

(1) programs for the 1974 crop year under which the aggregate payments for the wheat, feed, grains, and upland cotton programs for price support, set aside, diversion, and resource adjustment to one person exceed $20,000, or.

(2) a program effective after December 31, 1973, which sanctions the sale or lease of cotton acreage allotments.

On page 5, in line 1, strike out "172,790,000" and insert "$178,828,900".

On page 6, at the end of line 1, insert "*Provided further,* That $830,000 of this appropriation shall remain available until expended for plans, construction, and improvement of facilities without regard to the foregoing limitations;"

On page 7, in line 2, strike out "$5,000,000" and insert "$10,000,000"; in line 22, strike out "$287,171,000" and insert "$342,871,000";

On page 8, at the end of line 1, strike out "conditions" and insert "conditions, and $49,000,000 shall be for repayment to the Commodity Credit Corporation of advances (and interest thereon) made in accordance with authorities contained in the provisions of the appropriation items for the Agricultural Research Service in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1972, and for the Animal and Plant Health Inspector Service in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1973:".

On page 9, beginning in line 11, insert: "*Provided further,* That $6,700,000 shall remain available until expended for plans, construction, and improvement of facilities, without regard to limitations contained herein:".

On page 10, in line 7, strike out "$68,565,000" and insert "$69,104,000"; in line 15, strike out "$5,962,000" and insert "$6,444,000"; in line 18, strike out "$11,183,000" and insert "$11,583,000"; in line 21, strike out "$500,000" and insert $2,500,000;

On page 11, in line 5, strike out "$86,700,000" and insert "$90,121,000"; in line 16, strike out "$434,217,000" and insert "$141,217,000";

On page 12, in line 6, strike out "$500,000" and insert $2,500,000"; in line 8, strike out "$195,027,000" and insert "$204,027,000";

On page 13, in line 2, after "$4,546,000" insert a colon and the following "That not to exceed $15,000 shall be available for employment under 5 U.S.C. 3109." In line 22, strike out "$22,834,200" and insert "$22,859,200:"

On page 14, in line 22, strike out "$15,505,000" and insert "$15,780,000";

On page 16, in line 3, strike out "$34,528,000" and insert "$34,865,000";

On page 17, in line 3, strike out "$508,560,000" and insert "$510,560,000 (including not to exceed $2,000,000 to assist local public or nonprofit agencies with the cost of distributing supplemental foods to pregnant and lactating women and infants and";

On page 18, in line 6, strike out "$4,054,650" and insert "$4,154,650"; in line 23, strike out "$25,805,000" and insert $26,000,000";

On page 19, in line 18, strike out "$189,051,000" and insert "$289,051,000"; in line 21, strike out "$264,587,000" and insert "$364,587,000: *Provided,* That the availability of this appropriation is contingent upon enactment of necessary legislative authorization."

On page 24, in line 18, strike out "$5,000,000" and insert "$20,000,000."

On page 25, in line 20, after "loans," insert "not less than"; and in the same line, after "$618,000,000" insert "but not more than $750,000,000"; in line 21, after "loans," insert "not less than"; in line 22, after the first comma, insert "but not more than $200,000,000,";

On page 27, in line 1, strike out "$1,500,000,000" and insert "$2,144,000,000"; in line 2, after "not" strike out "to exceed $500,000,000" and insert "less than $1,200,000,000"; in line 3, after "for" insert "subsidized interest"; in line 5, after "Secretary" insert a colon and the following: "*Provided* That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein:".

On page 28, in line 15, after "disaster" insert a colon and the following: "*Provided,* That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein.".

On page 29, in line 16, strike out "$5,000,000" and insert "$15,000,000"; in line 22, strike out "$3,000,000" and insert "$5,000,000";

On page 30, at the beginning of line 5, strike out "water and sewer" and insert "water, waste disposal and other community"; in line 6, strike out "$445,000,000;" and insert "$545,000,000 and"; in line 7,

strike out "$100,000,000; and community facility loans, $50,000,000" and insert "$400,000,000; *Provided,* That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or invests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein."

On page 33, in line 19, strike out "$49,475,000" and insert "$50,375,000"; beginning in line 20, strike out:

For an amount to provide for the preparation of Environmental Impact Statements as required by section 102(2)(C) of the National Environmental Policy Act on all proposed actions by the Environmental Protection Agency, except where prohibited by law, $5,000,000.

And insert

For an amount to provide for the preparation of environmental explanations on all proposed actions by the Environmental Protection Agency, $5,000,000.

On page 34, in line 7, after the semicolon, insert "uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902;" in line 14, strike out "$154,175,000" and insert "$182,975,000"; in line 15, strike out "$13,000,000" and insert "$9,000,000"; in line 23, after the semicolon, insert "uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902;".

On page 35, in line 5, strike out "$251,100,000" and insert "$258,500,000"; in line 6, strike out "$5,700,000" and insert "$1,700,000"; in line 8, strike out "1973" and the period and insert "1973: *Provided,* That these funds shall be available to carry out the activities authorized by sections 104(g)(1) and (2) of the Federal Water Pollution Control Act." In line 17, after "waste" insert "to be transferred to and merged with the authority of the Agricultural Conservation Program (REAP) of the Department of Agriculture for the 1974 program".

On page 36, in line 6 after the semicolon, insert "uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902;" in line 12, strike out "$45,950,000" and insert "$46,850,000". Beginning in line 19, insert:

In allocating funds for reimbursement under Section 206 of the Federal Water Pollution Control Act Amendments of 1972, of the total amount of $1.9 billion available for the purposes of that Section, the Administrator of the Environmental Protection Agency shall obligate no less than $200 million for reimbursement provided for by Subsection 206(b).

On page 37, in line 8, strike out "$2,000,000" and insert "$4,000,000"; beginning in line 12, insert:

NATIONAL STUDY COMMISSION ON WATER QUALITY MANAGEMENT

SALARIES AND EXPENSES

For an additional amount for the National Study Commission on Water Quality Management authorized by section 315 of the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816–904), $7,500,000:

On page 39, in line 14, strike out "aircraft" and insert "aircraft; and for necessary expenses for carrying out responsibilities under section 302 of the Rural Development Act of 1972 (Public Law 92–419), approved August 30, 1972,".

In line 18, strike out "$160,000,000" and insert "$168,069,000."

On page 41, in line 10, strike out "$7,053,000" and insert "$12,000,000."

On page 45, beginning in line 19, insert:

WATER BANK PROGRAM

For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301–1311), $10,000,000, to remain available until expended.

On page 46, beginning in line 8, insert:

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, established by Executive Order 11583 of February 24, 1971, as amended, $1,200,000, including servvices authorized by 5

On page 47, at the end of line 17, strike out "area" and insert "area: *Provided,* That funds made available by this section for the Food and Drug Administration tea inspection program shall not exceed the amount of fees collected during the same period in accordance with the Tea Import Act (21 U.S.C. 41), as amended.".

On page 49, in line 3, strike out "$29,600,000" and insert "$32,090,000"; in line 17, strike out "$16,110,000" and insert "$28,110,000";

And on page 50, in line 15, strike out "$25,000,000" and insert "$97,123,000"; and in line 18, strike out "$2,200,000,000" and insert "$2,500,000,000".

Mr. McGEE. Mr. President, the committee is reporting today its recommendation for appropriations for the Department of Agriculture and the environmental and consumer agencies. I will capsulize the bill as reported, for I am submitting for the RECORD a lengthy and detailed explanation of the various segments of this bill. But in order to expedite matters in this body, I will report its highlights informally.

The bill appropriates a total of $10,159,208,500. That is a great deal of money. That exceeds the budget estimates by $653 million. It is more than the House figure by $773 million. But it is below our last year's appropriation bill by $2.5 billion. That is the significant factor in this effort.

The committee, in its deliberations, made every effort to cut, to trim, and yet to preserve the equities that are so important in this measure. The fact that we succeeded in going under our effort last year by $2.5 billion, I think, is testimony to the efforts of the committee and its membership.

I particularly want to express my appreciation to the ranking minority member of the committee, the Senator from Hawaii (Mr. FONG), for his diligent efforts in attempting to arrive at just allocations and at the same time respecting the urgency of economies in these particularly troubling days. Also, I express my appreciation to the Senator from North Dakota (Mr. YOUNG), who spent a great deal of time with us on this measure, and to the Senator from Nebraska (Mr. HRUSKA). Until this year, Senator HRUSKA and I were the team working on this matter; but the shifting of other responsibilities has made it necessary that he serve in another capacity. Nonetheless, his expertise and cooperation on all the measures are very much appreciated. The chairman of the full committee, Senator MCCLELLAN, was invaluable in arriving at compromises and adjustments in the balance of it all.

Finally, all the members of the subcommittee participated with an attendance that exceeded all preceding experiences—at least, in my tenure as chairman of the subcommittee. There was almost a religious fervor in attendance at the subcommittee markup sessions.

I should like to discuss briefly at this point a decision made by the chairman of the subcommittee and lived with by all of us in regard to hearings. After last year's hearings in which we spent several hundred hours in toto listening to the Department's case for agricultural programs, listening to all facets of our population concerned with those problems, we were suddenly confronted without warning or intimation—in fact, we read about it in the newspapers—that the Secretary had not only cut back funds through a freezing process but also eliminated programs for which he himself had requested funds and in behalf of which he had submitted a case eloquently for the continuation of those programs when we held those hearings a year ago.

So, because of the summary way in which I felt the committee had been treated after its conscientious efforts to hear it all out and to do the best it could, I announced we would not be interested this year in hearing from the Secretary of Agriculture and his assistants on their petition for new requests for agriculture appropriations.

It seemed to me to be straining the sense of responsibility and to be an imposition on committee members, in the light of the experience last Christmastime, when the program for 2-percent REA loans at that time were summarily disposed of by the decision of the Secretary as well as the Water Bank, the Water and Sewer Development program, and the REAP were all wiped out after funds were requested for them during the hearings.

We felt there was no assurance that whatever the committee did this year, however detailed our hearings might have been, we would have no assurance that our deliberations would be honored or recognized.

Therefore, in our procedures we studied carefully the House hearings; we yielded very substantially to the President's requests for economies in Government, and on the basis of our accumulative records in all these well-known programs, ongoing activities, we submitted our proposed overall budget.

Mr. HRUSKA. Mr. President, will the Senator yield at that point?

Mr. McGEE. I am glad to yield to the Senator from Nebraska.

Mr. HRUSKA. It is with interest that the Senator from Nebraska hears the explanation for the lack of hearings on this bill. It is the first time in my experience in Congress, let alone my experience on the Committee on Appropriations, that this situation has occurred. I would like to make inquiry of the Senator from Wyoming at a later time as to his expectations for the following year.

In the meantime, however, may I say with respect to wiping out the programs and the impoundment of funds—a word which has a wide and wicked connotation in the minds of some people—and in connection with the policy of the Secretary of the Department of Agriculture, larger considerations were existent.

To be sure there are priorities, expressed in our appropriations bills for this fiscal year. There are priorities that also must be established on a national basis. A nation which has been very severely endangered by devaluation of its currency, and other economic problems must cut down on extravagant expenditures to insure continued existence in an orderly fashion. It was the judgment of the administration and the Department of Agriculture when it came to cutting down or eliminating programs that the higher priority was being served.

That, of course, is a debatable question. It was with some reluctance that I acquiesced in the lack of hearings; first, because of the impact it has on the Appropriations Committee and Congress, and, second, because this method shortchanged those people who are interested in agriculture and would desire to come here and present their views on this important subject.

My next question is: What assurance is there, even without hearings, that the Secretary of Agriculture will pay any greater attention to the bill we turn out, without hearings, than he would if we had the regular hearings, which serve a highly useful purpose?

Mr. McGEE. I would say to my colleague that there is no assurance; we cannot have any assurance on something like that, particularly after the way it was handled last year. That was a shock to a great many of us.

We would have expected that a responsible head of a department would at least have extended the courtesy to the committee, to its chairman and ranking minority member, of preceding the Washington Post release with a little consultation with members of the committee. We thought that was a courtesy that should have been extended.

Second, as to eliminated programs for which he, himself, had requested the funds, I think the Constitution probably would justify our expectation that there would have been a submission of a case to wipe it out, as long as it was an ongoing program. We felt we were given short shrift in that respect. In any case, one cannot guarantee, but this was one way of simply saying that we were not interested in hearing a few thousand more words of rhetoric about something he might not even mean after his petition.

I appreciate the Senator's point about higher priorities, but I wonder whether those higher priorities would take precedence over the constitutional process. I thought that was strained a bit on the programs that were wiped out.

Mr. HRUSKA. After all, is it not a fact that the Secretary did mean what he testified to last year, and the witnesses did mean what they testified to about proper programs, and so forth. Nevertheless, there was the proposition that there had to be a rescission of some spending by the Government.

In this fiscal year, together with the next 2 fiscal years, the expenditures would have reached a total of $54 billion over and above a full employment budget. Obviously that is a situation which this country, as strong and rich as it is, could not tolerate or endure. That is the firm feeling of the administration, as well as many economists and financial experts.

Agriculture is not the only department where that judgment was imposed. Every department and every activity in Government went through the same wringer to reduce the budget by $11 billion, from $261 billion to $250 billion.

I fail to see the point of saying we will not listen to him because he did not carry out the pledges he made in his testimony; they are, but there is something higher.

I agree with the Senator from Wyoming. Maybe the treatment we received by way of intelligence and lack of timeliness is something to which we should direct our attention. Looking at it, in retrospect, I imagine Cabinet officers realize that now. To have been informed by reading the morning newspaper and then learning the particulars from the Department is a little abrasive. If it is abrasive to us, imagine what it is to the recipients affected by the programs.

Frankly, I felt some of the programs did not warrant such rough and summary treatment. Certainly, the idea of phasing them out, or some other plan, could have been given consideration.

That is behind us now. So I would ask my second question: Has the Senator now established his point of shock treatment in reciprocation of the shock treatment we received? Does he think we can now resume the regular practice next year when we get to the budget for fiscal 1975:

Mr. McGEE. I would say to my colleague that I certainly hope so. A government cannot be run in the way these events have followed one another. It has to be run in the ways that we are accustomed to running it. That means an understood process under the Constitution, not over the Constitution, and in regular hearings. That is what hearings are all about.

I am certainly hopeful, as is the Senator from Nebraska, that the members of the Cabinet got the message which we were trying to give, too. We felt we had a say in this business, and that should such a crisis arise again, it will be handled differently with members of the committee.

I feel the whole committee process is very important. It is an irreplaceable, fundamental part of our system of government.

I have no intention that this be interpreted as a precedent or policy. It could be provoked again if messages have not gotten through, or perhaps something more extreme, but we did address ourselves to the question, likewise, of the budget crunch. We are all concerned about that. In fact, we lowered our appropriations from last year in the amount of $2.5 billion, which attested the bona fide concern of the committee.

Mr. HRUSKA. Congress also got the message by reason of that shock treatment, because we formed immediately a Joint Committee on the Budget. We have a recipe now, so that Congress will pay closer attention to keeping within a general level of expenditures that is livable, to the extent that this bill is now $650 million over. I imagine that if those budget control measures were in effect right now, we would have to perhaps put a surcharge on our taxes in order to raise the extra $650 million, or announce that we will want to raise the public debt ceiling, which we operated on yesterday, to accommodate the $650 million, or decide we are going to cut out something so that we would come down $650 million.

That response on the part of Congress I think is salutary. I think it is good. I hope Congress will proceed to enact some of the rules adopted by the joint committee.

There is no doubt that a shock was received by both sides. I join the Senator from Wyoming in the hope that the executive branch has also benefited by the shock treatment.

Mr. McGEE. I think it is a two-way benefit in the long run.

I ought to point out the new procedure initiated by the chairman of the full Appropriations Committee, the Senator from Arkansas (Mr. McCLELLAN). The chairman asked his subcommittee chairmen to submit an estimate of the amount of money which was to be included in the respective bills so we could balance these matters out at the beginning of this session of Congress. It is the first time we have done that in the Appropriations Committee. I think it is a great step forward, but I think it does also dramatize the fact that we probably do not have one wizard who can determine what those figures must be. We have a constitutional process that seeks to arrive at a collective judgment. We still believe we belong in that collective judgment process.

Mr. HRUSKA. I think so, also. I forecast, and firmly believe, that the events of the last 6 or 8 months in the field of appropriations will result in a closer and more effective cooperation between the departments and Congress. I hope it will happen, because that is the only way we can make it firm.

I thank the Senator for allowing this colloquy with him.

Mr. McGEE. I appreciate the colloquy with my colleague from Nebraska.

I would just inject there that as the subcommittee sorted through the programs and submitted a tentative figure to the chairman of the committee early in April, we estimated that we would exceed the budget estimate by approximately $800 million. We held that down.

As I indicated earlier we are over the budget by approximately $650 million in the bill now before us.

Mr. HRUSKA. I want to compliment the chairman. He was very kind in allowing me to express my views as the bill developed. It testifies to the fine leadership he is giving us in this field.

Mr. McGEE. Mr. President, I shall now proceed to a more detailed statement and explanation of the bill.

Mr. President, the appropriations bill we are considering here today for Agriculture, Environmental and Consumer Protection agencies contains new obligational authority of approximately $10.1 billion. As indicated in the figures contained in the report on this bill, this amount is about $650 million over the budget estimates and $773 million over the House figure. It is significant to note, however, that it is more than $2.5 billion less than the new obligational authority contained in the 1973 act.

As usual, the committee report accompanying the bill contained a detailed breakdown and explanation of the various items in the bill, and I shall not go into them at this time but I think that some preliminary remarks are in order on the size of the bill as presented to the Senate. I can assure you that my colleagues on the subcommittee and the full committee made every effort to hold this bill down in view of the critical fiscal situation facing the country today. It appeared to many of us that—as reflected in the budget estimates for fiscal year 1974—agriculture was being called upon to make financial sacrifices far in excess of any reasonable share or ratio and far in excess of its ability to absorb the proposed decreases and still survive.

A quick look at the budget estimates for 1974 revealed that this committee could in no way report a bill below the budget estimates and at the same time discharge its obligation to this country—not alone the farmer but also the consumer. We must not lose sight of the fact for a single minute that we are all consumers.

At a time when we are all desperately seeking ways to produce and market more effectively and more efficiently the administration-proposed drastic cuts in research across the board. Not only was the Agricultural Research Service recommended for drastic cuts, but the Cooperative State Research Service was proposed to be reduced substantially. The committee added funds for ARS, Cooperative State Research, and the extension service. It is my opinion that this type of research has paid off handsomely in the past and the committee thought it was sheer folly to reduce them so severely at this time.

At a time when we are directing more attention to conservation of our natural resources, the administration proposed to eliminate some of the finer and more successful conservation programs that we have. The agriculture conservation program, or REAP, as it is now known, was the first to get the ax. The water bank also was completely eliminated. The Soil Conservation Service, with a background of several decades of conservation activities to its credit, also felt the wrath of the OMB. Some of its programs were reduced by as much as two-thirds. Here again, this committee could not in good conscience stand by and let these cuts go unopposed. To do so would not be exercising fiscal responsibility but, in fact, would be the height of irresponsibility. We should have learned our lesson from experiences in the Dust Bowl days of the early and mid-thirties—the pre-Soil Conservation Service and the pre-ACP days—that the problems involving conservation and preservation of our natural resources do not just go away. So, we restored funding for REAP and we restored funding for the water bank program. We also restored at least some of the drastic reductions to which the Soil Conservation Service had been subjected.

The other large items of increase involved some of the food programs. At a time when the press and the administration reports that food prices continue to climb at an alarming rate—the latest figure I recall is something like 12 percent per year—and at a time when unemployment continues at a high and unacceptable level, the administration chose to propose a reduction of some $300,000,000 in the food stamp program. While I cannot fully explain the rationale behind such a proposal, I presume it must be based on some ill-conceived notion that the food stamp recipients have found some secret method to beat inflation and to absorb the higher food costs that the rest of us have not yet discovered. Now I sincerely hope that the spiraling food prices do adjust in the months ahead and that an improved economy will result in less unemployment so that fewer people will require food stamps. That is my hope, but it would be highly unrealistic to appropriate on such baseless assumptions. We must look at the situation we face today and what we can reasonably expect to face in the future and when one takes that long hard look it is readily apparent that this is not the time to reduce the food stamp program.

We added money for the school milk program. Every year it seems we are called upon to play this little game with the administration. As a budget-reducing measure, they recommend that this school milk program be eliminated or reduced. I am certain that it comes as no surprise to anyone that the Senate restores this money.

We also added considerable funds for environmental programs. At a time when the administration is giving considerable lip service to solving environmental problems, and I certainly agree that some headway is being made, they are still submitting budget estimates at a small fraction of the authorized levels of many programs.

Mr. President, later in my remarks I shall include a short table indicating the increases we made in several selected items but I did want to discuss just a few of them to indicate, to some degree at least, some of the priorities of the committee. I think a review of these items will show that the committee did act responsibly and I bring this bill to the floor of the Senate today with no apologies for being $650 million over the budget, but rather with this explanation of that action.

By way of further discussion, I feel there is no man in this body with a greater fiscal responsibility or with a greater dedication to discharging that responsibility than the chairman of the Appropriations Committee, the senior Senator from Arkansas, Mr. McCLELLAN. He has been a leader in this area and early this year he called upon his subcommittee chairmen to submit an estimate to him indicating what would be required in the various bills within the committee. To his great credit, he did not impose or even attempt to impose an artificial ceiling of his own on the subcommittee chairmen, but simply wanted the best estimates of the amounts which would be required to maintain at least a minimal program level for the various agencies included in the respective subcommittee jurisdictions.

At that time, I advised him that I expected to exceed budget estimates by approximately $800,000,000. The bill which we are considering here today falls about $150 million short of that figure, about $650 million over the budget, so it is obvious that we on the subcommittee and the full committee did not take our responsibilities lightly. We rejected several new programs, many worthwhile programs. We have recommended only one new construction item for the Department of Agriculture and that one is the critically needed animal quarantine facility at Fleming Key, Fla. This is, in my opinion, a bare-bones appropriation bill.

Now, Mr. President, I shall list several of the major items of increases over the budget estimate contained in this bill:

	Over Budget
1. Agricultural Research Service	$8,038,900
2. Animal and Plant Health Inspection Service	6,700,000
3. Cooperative State Research Service	16,421,000
4. Extension Service	11,742,000
5. Agricultural Stabilization and Conservation Service (REAP and Water Bank) Salaries and Expenses	17,235,000
6. Rural Water and Waste Disposal	$30,000,000
7. Environmental Protection Agency	68,000,000
8. Soil Conservation Servcie	68,246,000
9. ASCS–REAP	160,000,000
10. Water Bank	10,000,000
11. Food and Nutrition Service	384,573,000

We added: $300,000,000—to the 1973 appropriation for food stamps; $72,123,000—special milk; $12,000,000—nonfood assistance—equipment.

The committee is reporting this bill, H.R. 8619, the agriculture, environmental and consumer protection appropriations bill for fiscal year 1974, without subcommittee hearings having been held. While this is somewhat of a deviation from past committee and subcommittee practices, it was done only after serious deliberations and thought and for good reason.

In past years, the subcommittee conducted extensive hearings and received considerable testimony from both agency and nongovernmental witnesses. For ex-

ample, the subcommittee hearings for fiscal year 1973 consisted of almost 2,700 pages of printed testimony and supporting documents. Those hearings commenced on March 6, 1972, and concluded on April 13, 1972. The subcommittee examined the administration's budget estimates in detail and in good faith. Agency witnesses were questioned extensively and considerable weight was given to their views and comments because it was felt that they were familiar with their respective programs and had a real and significant input in the budgeting processes. This is not to say or suggest, of course, that their views were accepted because the committee was well aware that the recommendations of the agency heads were subject to review and adjustment at higher echelons, both within the Department and elsewhere in the administration. But their views were solicited to be considered by the committee in arriving at an overall judgment on the various items under the jurisdiction of this subcommittee.

The entire appropriations procedure—and the legislative procedure for that matter—was drastically and abruptly changed by the administration late in calendar year 1972 and early in 1973. At that time, as is well known, the administration suddenly announced the termination of many programs within the Department of Agriculture. The acts of termination were made without prior notice and without consultation with Congress.

These were programs which had been duly enacted by Congress through the regular legislative processes set forth in the Constitution. They were programs which had been reviewed by the President of the United States at the appropriate time—prior to their having been signed into law over the President's signature, as provided by the Constitution. Some of these had been enacted into law as late as last year, others had been on the statute books for several years. But one thing is common to all of them—they were enacted into law and became the law of the land.

Likewise, the terminated programs had been funded for fiscal year 1973, again through the established legislative and constitutional processes. They were programs for which specific requests had been made in the President's budget requests for fiscal year 1973 and/or proposals to utilize carryover funds from prior years' appropriations and which were contained in the official budget estimates. After having been approved by an overwhelming majority in both Houses of Congress, the bill for fiscal year 1973 was reviewed by the President and was signed into law on August 22, 1972.

At no time during this process was it even remotely suggested by anyone that programs such as the 2-percent direct loan program of the REA, the rural environmental assistance program, or the water and sewer grant program under the Farmers Home Administration and others would be terminated. As a matter of fact, the record clearly shows that administration witnesses supported these programs.

It is only too clear then that the administration completely ignored not only the unquestioned and clearly expressed intent of Congress, but also the laws which had been duly enacted. The work of the committee in developing the bill for fiscal year 1973 was completely obliterated by Executive fiat. With this background, the subcommittee could see little justification for convening the subcommittee and for devoting several weeks to hearings only to have their carefully considered judgments and decisions emasculated by some "higher authority" in the executive branch of our Government.

The committee, in this preface, will not go into detailed discussions on all of the programs involved, but a brief discussion of the rural environmental assistance program will serve to illustrate the point. This program, formerly referred to as the agriculture conservation program, was authorized in the mid-thirties and has been so authorized since that time. To the knowledge of this committee, the administration did not suggest or propose legislation to repeal this authority. For fiscal year 1972, the administration requested an advance program level of $140 million. Congress provided $195.5 million, and the full amount was authorized for use in fiscal year 1972. For fiscal 1973, the agency requested an advance program level of $200 million. This request was reviewed within the Department and reduced to $195.5 million. It was this amount that was requested by the Department. Upon further review, however, this was reduced to $140 million by the Office of Management and Budget and it was this amount that was contained in the official budget estimates which were forwarded to the Congress. Congress provided $225.5 million, with special emphasis to be placed on pollution control practices.

In September of 1972, the Secretary of Agriculture announced the program at a level of $140 million, the same amount requested by the administration. In addition to this program level, however, he held out great hope to those who supported a larger program by indicating that the $140 million was the initial authorization for the annual program, thereby suggesting that at least some of the $85.5 million would be released at a later date. The only subsequent announcement was that the program was terminated effective December 26, 1972.

The same story could be told with reference to other programs. This illustrates the extent to which the integrity of the appropriations process has been challenged.

The committee is deeply concerned with the budget estimates for the Department of Agriculture for fiscal year 1974, and finds it most difficult to believe that this budget represents the thinking of those involved with agriculture or the rural areas of this country. It appears that many of the decisions reflected in the budget represent the thinking of those who serve in the higher echelons of authority in the budget process, with little knowledge of and perhaps even less interest in agriculture or rural America.

The committee is reminded of the fact that the present Director of the Office of Management and Budget, Mr. Roy Ash, is the same individual who, just a couple of short years ago, recommended that the Department of Agriculture be abolished and that its present functions be distributed to various other departments and agencies. He is the same individual, in testimony before Senator McCLELLAN's Government Operations Committee some 2 years ago, said that:

> We believe that the farmer is today without substantial representation on issues that are very important to him.

The action taken by the President in December and January, and the 1974 budget estimates for the Department of Agriculture, seem to lend considerable credence to Mr. Ash's statements and this is a frightening thought.

Another disturbing fact is that we are, in effect, dealing with people in the Office of Management and Budget about whom we know nothing. It has been the practice of this subcommittee for many years to request a biographical statement on all departmental witnesses who appear before the committee for the first time. By reviewing that personal data, we are able to evaluate his testimony and relate it to his background and qualifications. His views, his testimony, and his decisions can be carefully weighed in connection with his experience, background, and expertise. But we have no such opportunity to question OMB personnel, nor are we privileged to know of their qualifications, expertise, or interest. In testimony before the House subcommittee this year, it developed that there are about eight "professionals" within the Office of Management and Budget assigned to work with the Department of Agriculture. A specific request was made that the qualifications and background of these individuals be furnished but it was noted that: "The Office of Management and Budget declined to provide this information."

We are faced with the untenable situation in which we cannot rely upon the knowledgeable administrators and experts with the Department since they are bound to defend the administration's budget and proposals, budgets and proposals clearly not of their making or to their liking. We cannot rely upon the real decisionmakers in the Office of Management and Budget because these "professionals" are not available to us.

While we do not know who is advising the President on matters involving agriculture and rural America, there is every indication that it is no one with an interest or background in agriculture and its various programs. It is most disconcerting, for example, for the President of the United States to appear before the American public and state that 80 percent of the REA loan funds go to country clubs and diletantes. The Secretary of the Treasury followed up this statement several days later by stating that:

> I think it is dumb to spend money in the form of a two-percent loan to finance a country club.

With statements such as these by the highest officials in Government, the people of rural America have every right to question the degree to which its elected leaders have an interest in or knowledge of their problems.

The months and years ahead will be

critical ones for agriculture and rural America. In addition to the social and economic problems which have plagued rural America, there are additional threats of a political nature. As indicated above, there are those in positions of great responsibility today who would abolish the Department of Agriculture, but this proposal met with great congressional opposition when it was put forth. The Congress, and this committee, have a particular interest in and responsibility to rural America, and intends to do everything possible to meet and discharge its obligations in a responsible and forthright manner.

One further matter I would like to discuss, Mr. President, is that of current activities within the Department of Agriculture of reducing field personnel. It was brought to the attention of this committee several weeks ago that substantial reductions were being programed effective July 1, 1973, on the basis that REAP and Soil Conservation Service programs were being eliminated or reduced. With that in mind, this committee wrote the following language in its report on the second supplemental appropriations bill in mid-May of this year:

REDUCTION OF PROGRAMS

The Committee is aware of the plans within the Department of Agriculture to substantially reduce personnel in both the Agriculture Stabilization and Conservation Service and the Soil Conservation Service. These proposed reductions are based on (1) the announced termination of the Rural Environmental Assistance Program, which is administered by the ASCS, and (2), the proposed reductions in appropriations for the Soil Conservation Service for fiscal year 1974. In connection with the proposed personnel reductions, several offices within these agencies have been scheduled for consolidation or closing.

When the appropriations bill for fiscal year 1974 is considered the Committee will consider funds for continuation of the Rural Environmental Assistance Program and funds for the Soil Conservation Service to maintain operations at a level above that proposed in the Administration estimates for fiscal year 1974.

The Committee feels, therefore, that the Department should take no action by way of transferring or terminating personnel nor closing, consolidating or otherwise changing the status of any offices of the above-named agencies, based on the proposed termination or reduction of programs of these agencies, until such time as the appropriation bill for fiscal year 1974 is considered and acted upon by the Congress, and it is so directed.

If it appears that the fiscal year 1974 bill will not be enacted into law prior to July 1, 1973, any funds required to carry out the policy set forth above may be included in an appropriate continuing resolution.

When the House committee filed its report on this bill on June 12, 1973, the following language was included:

The Committee has accordingly provided $247,581,000, the same amount as was available for fiscal year 1973, for salaries and expenses of the Agricultural Stabilization and Conservation Service, which would include funds for administration of the Agricultural Conservation Program (REAP) which has been reinstated by the Committee.

Notwithstanding any previous action that may have been taken by the Department to reduce personnel or eliminate various offices in this organization, the Committee directs that the organization be continued in fiscal year 1974 at essentially the same level that prevailed in fiscal year 1973. If, for the purpose of efficiency and/or economy, the Department has bona fide studies that would indicate the same work could be carried on with less personnel, the Committee will consider such proposals with the understanding that no reductions be made until prior Committee approval has been obtained.

Consolidation of county offices should not be made in view of the additional costs and maintenance and inconvenience which would be experienced by local farmers because of having to travel inordinate distances to transact day-to-day business.

Finally, Mr. President, in the report which accompanies this bill to the Senate, our committee provided the following language and direction:

The proposed reduction by the Department was based on the assumption that REAP and the Water Bank Program would be inoperative during fiscal year 1974. This Committee served notice some time ago that funds for these programs would be continued into fiscal year 1974 and, with the reinstatement of these programs, it is necessary that the administrative costs to manage them be provided and the recommended appropriation will suffice.

The Committee strongly concurs in the direction of the House Committee in reference to the prohibition against the reduction of personnel or the elimination of any offices of the agency based on any proposed reduction of the program. This is consistent with the action of this Committee in its report on the Supplemental Appropriations Bill which was recently considered by Congress. The Committee, of course, does not want to maintain or perpetuate any unnecessary or inefficient office facilities and if the agency at any time feels it can reduce its costs by increasing its efficiency without sacrificing service and without increasing the cost and inconvenience to the farmer, the Committee would most certainly be receptive to any such proposal. As is indicated in the House report, however, no such action should be implemented or finalized by the Department without prior notice to and approval of the Committee.

The disturbing thing, Mr. President, is that in spite of these clear and unequivocal directives and expressions, I continue to receive disturbing reports from throughout the country that massive terminations are still scheduled for June 30—just a few days hence. I hope that these reports are not accurate, but I fear they might well be and if so, this is a matter of grave concern to all of us.

This committee and the committee in the House has made every possible effort to be fair and cooperative with the Department. The Department has been kept advised of our position and views both officially and unofficially in this regard. I hope that they have not chosen to completely ignore and disregard our suggestions and directives because this could certainly lead to some further difficulties. With time drawing short, we should have some answer to these questions within the next few days.

Mr. FONG. Mr. President, I ask unanimous consent that Mrs. Alyce Thompson, of my staff, be allowed the privilege of the floor during the debate.

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

Mr. FONG. Mr. President, the importance of the pending appropriation measure, which provides funds for the fiscal year beginning July 1, for agricultural, environmental, and consumer protection programs, cannot be overestimated.

High among our national concerns at this time is the need to expand production of food and to protect and enhance our environmental resources. The pending measure provides funds that will enable our Nation's farmers to increase their crop yields, to carry on conservation measures, to develop our rural areas, and to continue the Environmental Protection Agency's drive to clean up America's air and water, dispose of solid wastes, and advance the technology necessary to permit even greater antipollution efforts in the future.

For agriculture programs, the Senate Appropriations Committee, on which it is my privilege to serve as ranking minority member of the Agriculture, Environmental and Consumer Protection Subcommittee, recommends a total of $5,258,490,500 in new authority to obligate funds.

This is $280,141,900 more than the House of Representatives provided, but it is $95,447,100 less than the President's budget request and $151,540,700 less than Congress appropriated for the current 1973 fiscal year.

For rural development programs, our committee recommends a total of $412,822,000 in new authority to obligate funds. This is $27,000,000 more than the House of Representatives approved and $56,000,000 more than the President's budget request, but $618,175,000 less than Congress appropriated for 1973.

For environmental programs, our committee recommends a total of $1,097,746,000. This figure is $78,516,000 higher than the House amount and $312,332,000 more than the President requested, but $1,870,602,000 less than Congress provided in fiscal year 1973.

The reason for the big decrease in new obligational authority is in the construction grant program. No new funds are required or were requested for 1974 as this program has been put on an advanced contract basis. EPA will be able to make grants to municipal, intermunicipal, State, and interstate agencies to help finance planning, design, and construction of municipal wastewater treatment facilities. Grants are made to States on a formula basis, with the Federal share at 75 percent.

Thus, the apparent decrease in environmental funds for fiscal year 1974 is not a real decrease in terms of program.

For consumer programs, our committee recommends $3,390,150,000 to fund such programs as the Office of Consumer Affairs; Food and Drug Administration salaries, expenses, buildings and facilities; the Consumer Information Center of the General Services Administration; the National Commission on Consumer Finance; the Consumer Product Safety Commission; the Federal Trade Commission; and the child nutrition programs; special milk program; and food stamp program.

Our committee total is $387,813,000 more than the House provided, $380,573,000 more than the President requested, and $134,870,500 more than Congress approved for fiscal year 1973.

The grand total recommended by the Senate Appropriations Committee in

this far-reaching bill is $10,159,208,500 in new obligational authority.

This is $773,470,900 more than the House provided and $653,457,900 more than the President's budget request. It is, however, $2,505,447,200 less than Congress appropriated for the 1973 fiscal year which ends June 30.

I believe the committee bill is a sound and well-balanced bill. While I personally would increase some items more than the committee did and would decrease some, on the whole I believe the committee has put emphasis where it belongs in the areas of agriculture production and quality of life in rural areas and on environmental needs and consumer protection.

As the Senator has a heavy workload during the remainder of this week, I shall not take any more time to explain the bill. The committee report is quite clear and comprehensive on the various items included.

I hope the Senate will move quickly to pass the pending bill, so that it can go to a House Senate conference for differences to be resolved and become law as soon as possible following the July 4 recess.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. FONG. Mr. President, I yield 5 minutes to the Senator from Minnesota.

Mr. MONDALE. Mr. President, I thank the Senator from Hawaii. I notice that the distinguished floor manager of the appropriations bill is not on the floor at the moment. I have discussed this amendment with both the Senator from Wyoming and the Senator from Hawaii.

I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

On page 35, between lines 11 and 12, insert the following:

For carrying out the provisions of section 314 of the Federal Water Pollution Control Act, $50,000,000.

Mr. MONDALE. Mr. President, this amendment is to carry out the provisions of section 314 of the Federal Water Pollution Control Act. Section 314 is the so-called clean lakes amendment which authorizes funds for the restoration of America's fresh water community lakes.

As the Senate is aware, most of our environmental programs to protect the quality of our water affect interstate waters such as Lake Superior, the Mississippi River, and other major waterways and do not deal with the problems of the thousands and thousands of fresh water community lakes that are deteriorating—some of which have already died.

In 1972 we passed strong new legislation to fill that gap and to provide funding for State and local communities to restore lakes and protect the lake shores. Funding was authorized for sewage collection and treatment to protect these lakes from further eutrophication, and money was also made available for restoration projects.

Unfortunately, there is no money in the pending appropriations bill, even though we now have a study by the U.S. Environmental Protection Agency that shows dramatic deterioration in the fresh water community lakes surveyed in various parts of the country.

Mr. President, I ask unanimous consent at this point that the preliminary results of the study submitted to me by Robert Sansom, assistant administrator of the Office of Air and Water Programs be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., May 7, 1973.

HON. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: The Administrator has asked me to respond to your correspondence of March 29 in which you requested additional information regarding implementation of Section 314 of the Federal Water Pollution Control Act Amendments.

Your letter addressed two specific issues: first, how many lakes the EPA has identified as endangered by accelerated eutrophication, sedimentation and pollution; and second, how much it is estimated it would cost to restore these lakes.

With regard to your first question, the data which currently are available indicate the following:

a. A state-by-state survey was conducted in 1971 under EPA contract to provide a preliminary assessment of the number of polluted lakes nationwide. The data for this survey were provided primarily by the Water Resources Board of each individual State. A total of 376 lakes in 33 States were identified as polluted and in need of rehabilitation. The survey results indicate the type and frequency of occurrence of pollution in these lakes to be as shown in Table I. The sources of pollution of these 376 lakes are as indicated in Table II.

b. A second source of data concerning endangered or polluted lakes in the EPA National Eutrophication Survey. This program was initiated during 1972 in ten states, will expand into seventeen additional states during 1973, and is scheduled to start west of the Mississippi River during 1974. We expect to include about 800 lakes nationwide in our Survey; interim results will be published as they become available, with the final series of reports to be issued during 1976.

TABLE I.—NUMBER OF POLLUTED LAKES

Lake size (surface acres)	Only eutrophication	Only sedimentation	Other pollution	Combined forms of pollution
0 to 50	50	0	0	11
50 to 100	35	1	3	4
100 to 500	84	2	3	27
500 to 1,000	33	0	1	7
1,000 to 5,000	46	4	1	12
5,000 to 10,000	13	1	4	3
10,000	13	3	10	8
Total	274	11	19	72

TABLE II.—NUMBER OF LAKES WITH SOURCE OF POLLUTION

Lake size (surface acres)	Municipal effluent	Rural runoff	Septic tanks	Industrial wastes	Urban runoff	Ground water	Feed lots	Marsh drainage
0 to 50	20	3	6	2	4	0	1	2
50 to 100	10	4	4	4	2	1	1	1
100 to 500	37	26	22	17	16	5	4	4
500 to 1,000	24	15	12	5	2	2	2	0
1,000 to 5,000	35	13	15	12	6	3	1	2
5,000 to 10,000	12	6	6	4	3	1	1	0
10,000	14	9	6	15	5	2	2	2
Total	152	76	71	59	38	14	12	11

The Survey involves periodic collection of water sample data on each lake over a one-year interval. We are now about half way through the sampling period for most of the lake projects initiated during 1972 and thus are in a position to provide only preliminary findings at this time.

A total of 242 lakes were sampled by our helicopter team in the ten-state area from Maine to Minnesota. The majority of these lakes are subject to potential accelerated eutrophication because they receive effluent from municipal sources. Preliminary results for these 242 lakes indicate that 64 lakes (26 percent) have algae problems, 29 lakes (12 percent) have nuisance weed problems, 54 additional lakes (22 percent) have both algae and weed problems, and 10 lakes (4 percent) have potential near-term algae or weed problems. Twelve lakes (5 percent) were found to be free from both algae and weed problems. The status of the remaining 73 lakes has not been established at this time. In terms of water quality as determined from chemical analyses of lake samples, it currently is estimated that 13 of the 242 survey lakes are oligotrophic (very pure), 25 are mesotrophic (good condition), 15 are mesoeutrophic (starting to go bad), 139 are eutrophic (bad condition), and 50 are hypereutrophic (going dead).

One of the important objectives of the EPA National Eutrophication Survey is to provide a sound scientific basis for developing a national lake rehabilitation program. To complete this objective requires that we determine a nutrient balance for each of the survey lakes and assess the significance of controllable sources of pollution. To assist us in this effort, National Guard volunteers are collecting tens of thousands of water samples from streams tributary to the Survey lakes; in June, the State of Vermont's year-long tributary sampling program will be the first to be completed. A third sampling activity, involving monthly collection of composite effluent samples by the operators of municipal sewage treatment plants (over 200 plants), will be completed by mid-to-late 1973 for the first ten states. Final interpretation of the Survey data for each lake requires completion of the three sampling programs outlined above followed by appropriate chemical analysis and assessment of the results.

Another fundamental part of our lake classification activity relates to the water basin planning required of all States under Section 303 of the Federal Water Pollution Control Act Amendments. Section 303 basin plans, which will include area-by-area assessment of lake water quality, will begin to be submitted for EPA approval starting in July 1973. In those situations where existing water quality and pollution source information is not adequate to develop acceptable 303 basin plans, the EPA will work closely with the States in implementing necessary monitoring and analysis programs. Funding support for this basin planning work will be provided to the States as a part of their program grants under Section 106 of the Act.

The second question which you raised in your letter to the Administrator was how much it is expected to cost to implement a national lake restoration program. In re-

sponding to this question, let me first review briefly for you our water pollution control strategy as it applies to lake restoration.

Phase I: Planning and Assessment. The planning and assessment phase of our clean lakes strategy consists of three elements:

Prepare an assessment of the national lake pollution problem. This requires a description of the pollution problem in each lake, its severity and causes.

Prepare an assessment of alternative measures available to eliminate the sources of pollution of each lake.

Determine what restoration techniques (chemical seeding, biological control, etc.) can be used most effectively in dealing with each specific polluted lake.

Phase II: Lake Rehabilitation. The lake rehabilitation phase of our clean lakes strategy consists of two elements:

Provide Federal assistance to the States under Title II of PL 92-500 in those situations where improvements in municipal waste water treatment systems are needed to achieve lake or impoundment water quality standards. It is noted that the data presented previously in Tables I and II indicate that effluent control of municipal sources is necessary for rehabilitating a large percentage of the polluted lakes identified by the States in our 1971 survey.

Development of a program for implementing approved lake renewal methods and procedures where our experience with demonstrated restoration techniques indicates there is high probability of accomplishing effective lake rehabilitation projects at reasonable cost.

In all cases the commitment of Federal, State, or local funds for dealing with lake pollution problems should be consistent with the water basin plans and the water pollution control plans submitted by the States and approved by the EPA.

Let me comment further about the three elements of our lake pollution control planning and assessment activities and indicate specifically what the EPA is doing as a prerequisite to estimating lake restoration costs.

First, we need a reliable ecological assessment of the nation's lakes, including the following diagnostics information for each individual lake or impoundment which may require treatment: (a) water quality; (b) sources of pollution; and (c) effect of each source of pollution on water quality. Although such information exists for some lakes, quantiative and reliable data are not available at this time on anything approaching a national scale. The need for this data is recognized in Section 314(a)(1) wherein each State is required to prepare and submit lake classification information to the Administrator. The State pollution control plans required under Section 106 and the State basin plans which I discussed previously, supported by our own lake survey work, will provide the lake ecological assessment information which we need to determine the magnitude of the lake pollution problem on both a lake-by-lake basis and in a total national sense.

Second, we need, for each individual polluted lake, an assessment of the alternative measures that can be taken to reduce or eliminate the root causes of pollution, be this from sewage treatment plants, septic tanks, agricultural runoff, industrial wastes, ground water, or other causes. The need for this information is recognized under the provisions of Section 314(a)(2) wherein each State is required to establish procedures, processes, and methods for controlling sources of lake pollution. The State basin plans being prepared under Section 303 and the State pollution control program reports to be submitted under Section 106 will serve as primary sources of information concerning measures that can be implemented to reduce or eliminate the flow of pollutants into our lakes.

Third, we need, for each individual polluted lake, a determination of what lake restoration technique should be adopted. In some instances, desired water quality can be achieved simply by eliminating pollutant sources. In other situations, additional measures such as chemical seeding, weed harvesting, biological control, draw-down and sediment consolidation, etc., may be required. The importance of this area is recognized in Section 314(a)(3) wherein it is required that each State establish methods and procedures for restoring the quality of its polluted lakes. The Office of Research and Monitoring within EPA is conducting a series of research projects aimed at developing improved lake restoration processes. One phase of this work is the EPA National Eutrophication Research Program, a companion program to the national Eutrophication Survey, under which we are investigating many promising lake restoration techniques via projects ranging from laboratory experiments through pilot demonstration programs. This effort currently is funded at some $2.1 million annually. A second phase of this work consists of a series of projects aimed specifically at developing and demonstrating advanced technology for reducing municipal sewage-related pollution, a primary source of pollution to the nation's lakes. These projects are concerned with nutrient, solid, and organic removal techniques, sludge disposal techniques, treatment of combined storm and sanitary sewer runoff, land-spreading disposal of treatment plant effluents, and the like. The level of EPA funding for this work in FY '73 is some $8.5 million; projected funding for FY '74 is approximately $9.0 million. In July of this year we will publish the results of an EPA contract study which reviews the state-of-art of lake rehabilitation activities and experiences worldwide. Further, as required under Section 304(i), the EPA shortly will issue a report summarizing all available pertinent information on lake restoration techniques.

Turning once again to your question of funding, I feel that the only way in which we can make credible estimates of the costs of carrying out lake restoration programs is to base such estimates on the results of the ongoing State planning activities together with our own assessment of what lake renewal projects appear to be justified on the basis of need and likelihood of success. I wish to emphasize that we currently are able to make good estimates of what a prescribed pollution control program on a given lake will cost, once it has been determined what control measures would be effective and should be implemented. However, at this time we do not have an accurate national inventory of the number of lakes which warrant restoration nor do we have an analysis of each polluted lake sufficient to permit us to determine the type and level of remedial action needed to achieve desired water quality objectives. Our guidance to the States for implementing PL 92-500 requires that the States prepare and submit such inventory and analysis information to the EPA as part of their 303 planning process and their proposed pollution control programs. Only when this information is available will we be able to provide you with an accurate accounting of the level of funding needed to accomplish the lake restoration provisions of the Federal Water Pollution Control Act Amendments.

Because there may be significant delays in receiving and analyzing State basin plans and State pollution control program submissions upon which future funding decisions will be based, I have directed my staff to prepare an interim preliminary estimate of the level of funding that we believe reasonably may be required to implement a national lake restoration program. We will issue guidelines to the States later this month which will direct the States to submit to the EPA, as part of their Section 106 reports, available information on the nature and extent of their lake pollution problems, sources of pollution, and measures that could be implemented to alleviate recognized lake eutrophication problems. These data are to be submitted to the EPA by June 15, 1973. Upon receipt of the 106 reports, we will prepare an overall analysis of the national lake pollution situation, including an assessment of restoration efforts which the States are planning to undertake as part of their FY 74 program. Although we will initiate this analysis as soon as the State 106 reports are submitted, please understand that both the time required to complete this project and the degree of its success will depend in large measure on the ability and responsiveness of the States in providing the necessary input data. If we receive good cooperation from the individual State water pollution control agencies, I anticipate that preliminary results will be available by late July. If we find that we do not receive good State cooperation or that the State data simply are not acceptable for making preliminary lake restoration funding estimates, I will so advise you and indicate at that time what additional steps we will take to provide you with the information you have requested.

We sincerely appreciate your interest in our lake restoration activities and your efforts toward achieving the goal of improved water quality. The EPA is vitally interested in this area, and I believe that the program which I have outlined for you will lead to effective State and national progress.

Sincerely yours,

ROBERT L. SANSOM,
Assistant Administrator, Office of Air and Water Programs.

Mr. MONDALE. Mr. President, this is the most thorough study that has yet been undertaken on the problem. I thank the EPA for its full response. I think that it shows we must act immediately. The study I have had printed in the RECORD shows that a total of 242 lakes were sampled by a helicopter team in the 10-State area from Maine to Minnesota.

The majority of these lakes are subject to potential accelerated eutrophication because they receive effluent from municipal sources. Preliminary results from these 242 lakes indicate that 64 lakes—26 percent—have algae problems, 29 lakes—12 percent—have nuisance weed problems, 54 additional lakes—22 percent—have both algae and weed problems, and 10 lakes—4 percent—have potential near-term algae or weed problems. Twelve lakes—5 percent—were found to be free from both algae and weed problems.

The study further shows that of the 242 lakes studied, 25 are in good condition. However, 15 are starting to go bad, 139 are in bad condition, and 50 are near dead.

Based on the preliminary results of this survey by the EPA, the first survey of its kind in the country, they have concluded that most of the lakes studied are in serious condition and many are near dead. Therefore, I think that the time is running out on us.

Congress passed the Clean Lakes Act unanimously. It is a program that is long overdue.

I would hope that we could begin to make a start by obtaining funds for States and communities in this long-overdue effort.

I would appreciate the response of the Senator from Wyoming.

Mr. McGEE. Mr. President, if the Senator will excuse me, I was negotiating on behalf of the proposal of the Senator from Minnesota.

Mr. MONDALE. And I was praying for the Senator as he was doing so.

Mr. McGEE. This measure which has been submitted by the Senator from Minnesota has had very careful attention paid to it. It has an excellent background and history. It was submitted to the committee with plenty of time for the committee to consider it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McGEE. Mr. President, I will be glad to yield such time as may be necessary for this colloquy.

The case is not only a very substantial one, but it is also a very urgent one, as well.

The committee felt, in view of the pressures that were on this year, and in view of the fact that all of these programs were being severely cut back, that we were compelled to disallow it at this time. They were not ready to implement it in the agency, and therefore, it would be subject to ongoing reconsideration. However, due to the Senator's case which he has articulated so well, my colleague and I want to be responsive to the request.

I must confess that I did not hear the Senator quite correctly. I thought the Senator mentioned the sum of $15 million. I now discover that he is asking for $50 million. I would be prepared to accept the $15 million request on behalf of the committee. It gives a toehold and gets it going along, which I think is important.

Mr. MONDALE. Mr. President, that would be satisfactory to me. I modify my amendment accordingly.

The PRESIDING OFFICER. The amendment is accordingly modified.

The amendment, as modified, is as follows:

On page 35, between lines 11 and 12, insert the following:

For carrying out the provisions of section 314 of the Federal Water Pollution Control Act, $15,000,000.

Mr. MONDALE. Mr. President, I am most grateful to the Senator from Wyoming and the Senator from Hawaii for their thoughtfulness.

Mr. FONG. Mr. President, we are very happy to accept the amendment of the Senator from Minnesota which requests $15 million. I believe it is a very worthwhile project. We think that it should be funded.

Mr. MONDALE. Mr. President, I am advised that the EPA has now issued guidelines requesting States to identify and classify lakes needing assistance under the act. Many States are ready to act. Although a year ago we were in a condition where they were not ready to use the money, we now have a pioneer study and the guidelines. And several States are ready to go. So, I am very hopeful that the same recognized and persuasive powers of the chairman of the subcommittee will prevail in conference.

Mr. McGEE. Mr. President, it is strange how my hearing has suddenly improved. I can hear that with great clarity [laughter].

We pledged to make every effort to hold as much of that as possible. The important thing is to get it going. They are moving on it now, and as these are implemented, that would certainly be one of the prime items for the supplemental, in order to keep it moving at an accelerated rate.

Mr. MONDALE. I thank the floor manager and the ranking minority member (Mr. FONG).

Mr. President, last year the Congress authorized the creation of a clean lakes program under section 314 of the 1972 Federal Water Pollution Control Act Amendments. That law authorized $50 million for fiscal 1973, $100 million for fiscal 1974 and $150 million for fiscal 1975 for grants to the States to carry out lake restoration and pollution control programs. Unfortunately, the administration requested no money to carry out this program in fiscal 1973 and proposed no expenditures for the program during fiscal 1974.

The amendment I offer today makes clear that it is the intention of Congress that this program be carried out in accordance with the 1972 law and, as modified, specifies that $15 million shall be made available in grants to the States.

Mr. President, soon after I discovered that no funds were included in the administration's fiscal 1974 budget for the clean lakes program, I wrote to Administrator Ruckelshaus at the EPA, requesting the agency's estimate of how many lakes the EPA has identified as endangered by accelerated eutrophication, sedimentation, and pollution, and how much money the agency estimated it would cost to restore them. On May 7 I received a reply.

EPA's letter of May 7 describes survey results which show a severe pollution problem in lakes located near sewage outfalls and widespread eutrophication of lakes from sources other than municipal effluent.

The results of a survey of 242 lakes in 10 eastern and midwestern States indicate that 26 percent have algae problems, 12 percent have nuisance weed problems, another 22 percent have both algae and weed problems; and another 4 percent have potential near-term algae or weed problems. Only 5 percent of the lakes were found to be free from both algae and weed problems.

In terms of water quality, it was estimated that 13 of the 242 lakes are very pure, 25 are in good condition; nevertheless, 15 are starting to go bad, 139 are in bad condition and 50 are near death.

Although we do not have figures on every lake in the Nation, the evidence clearly shows that many lakes are in desperate need of help.

The Environmental Protection Agency has issued guidelines to the States which will yield needed information from the States on the extent of their lake pollution problems, measures which can be utilized to alleviate these conditions and programs which are now planned or underway.

Many communities in Minnesota and throughout the Nation are struggling to clean up their lakes and keep them clean. Technology is available to do the job, but the cost is far beyond the ability of States and localities to meet without Federal help.

In 1972 Congress clearly recognized this problem, and also recognized that the Federal Government had a responsibility to help.

By including an appropriation of $15 million specifically for lake restoration and pollution control, we can begin to treat lakes that are suffering, and prevent them from being destroyed.

Mr. President, I urge the adoption of my amendment by the Senate.

The PRESIDING OFFICER (Mr. HATHAWAY). The question is on agreeing to the amendment of the Senator from Minnesota (Mr. MONDALE).

The amendment was agreed to.

Mr. MONDALE. Mr. President, I have one further amendment.

The PRESIDING OFFICER. The amendment will be stated.

Mr. MONDALE. I am not prepared to submit it yet. This is an amendment which would provide $200,000 for much-needed research in the field of wild rice.

Last year the committee was most cooperative, and recommended that $100,000 be put into this project for wild rice research, which was done. Now we are the recipient of a report which shows that for a total of $350,000, pioneering essential research could go forward to provide progress in one of the most hopeful areas of agricultural development in our State—namely, the growth and expansion of the production of wild rice.

I would hope that the additional funding might be permitted in this bill.

Mr. McGEE. Mr. President, as the Senator knows, in considering this project, we did encourage it last year.

Mr. MONDALE. That is correct.

Mr. McGEE. And we have put another $100,000 in this year, because it has real merit, and we are hopeful that we will be able to hold that. How we can maneuver to hold it we do not know yet. The House of Representatives does have some unearmarked money with which we might be able to work out some tradeoffs. We have every intention of trying to hold that item.

Mr. MONDALE. I am most grateful that the committee amendment does provide $100,000 to carry on this research. What my amendment calls for is an additional $200,000 consistent with the studies we have in our possession showing that that further amount is necessary to carry out the work in this field.

I am willing to be guided by the feelings of the floor manager.

Mr. McGEE. We would like to hold all that we can, and are fearful we might lose some trading stock for our case if we were to overload it. I would think, with this colloquy, and because there is great merit in the proposed addition of $200,000, the colloquy will make it very clear that we intend to continue to pursue this one. It would be my feeling that we will have a better chance to hold the $100,000 without the additional amounts at this time, because of the great cutbacks that both Houses are indulging in at this particular point.

Mr. MONDALE. I realize what the

Senator from Wyoming is up against, and in light of the those comments, I will withhold offering the amendment, but submit at this point for the RECORD a report which I think very clearly and eloquently proves the need for additional funding in the field of wild rice research. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

REPORT: CONTINUING FUNDS FOR WILD RICE RESEARCH UNDER PUBLIC LAW 89–106

SUMMARY

Wild rice is a wild crop native to the Northern Midwest region that is being proven as a potentially successful domestic crop—a bonanza to a financially depressed area.

Its development as an agricultural crop spans scarcely a decade, yet it is recognized as a boon to future food needs.

The development of paddies has already resulted in the expenditure of many millions of dollars annually in land, labor, and capital. It has caused land values to increase ten times and mode. It has significantly decreased outside aid to our schools because of the increased local tax base.

The Indian is involved in the industry, and is updating and more efficiently producing the crop that traditionally was his most staple food and source of income.

Wild rice paddy development, by providing improved habitat for nesting and food, has greatly increased waterfowl production.

But the industry is experiencing severe growing pains. There is need for financial and technical help. These needs include:

$250,000 annually for the next 3 years for research and development of processing methods to meet today's food standards.

$100,000 for research in agronomy to develop disease-resistant and better yielding varieties.

History of wild rice paddy development. Wild rice is as old as corn, both American native crops used by the Indians as a staple food. Since wild rice grew naturally in rivers and lakes, it was not discovered that wild rice could be grown and harvested successfully as an agricultural crop until the early 1960's. The industry got its biggest surge of growth when in the mid 1960's shatter-resistant varieties of wild rice were put into production. However, these early varieties, like the first models of anything, will need a considerable amount of additional research to isolate and perfect desirable characteristics. The very limited and unreliable supply from natural stands caused high prices and could not in any way satisfy demand. In the 1970's, with the assurance of a steady increase in production, we see the expansion of marketing by the involvement of "new" markets and the development of new uses for wild rice as a food product, for example—flour, dressing, prepared casseroles, frozen products, freeze-dried products, and the pure grain. The rapid expansion of wild rice in Minnesota as an agricultural crop, as reported by Dr. Ervin Oelke, University of Minnesota, illustrates the potential for growth, as follows:

Year, paddy acreage, "rough paddy" production: 1964: 22 acres, 6,000 pounds. 1968: 908 acres, 135,000 pounds. 1969: 2,645 acres, 400,000 pounds. 1970: 5,202 acres, 910,000 pounds. 1971: 8,705 acres, 1,520,000 pounds. 1972: 17,000 acres, 3,740,000 pounds.

Federal funds spent on wild rice paddy development. Over one-half million dollars in Federal Funds, through the Upper Great Lakes Resources Commission, OEO, BIA, EDA, and Indian Land Settlements, has been spent since 1968 to investigate and develop wild rice paddies on four major Indian reservations in Minnesota and Wisconsin, as follows:

Red Lake Indian Reservation, Minnesota.
Leech Lake Indian Reservation, Minnesota.
Nett Lake Indian Reservation, Minnesota.
Bad River Indian Reservation, Wisconsin.

Economic impact on an economically depressed area. A new agricultural crop that flourishes under the adverse growing conditions (cool weather and short growing season) of the Northern Midwest Region has changed an economy that was starving into one that has all the signs of "new life." These signs are apparent in the competition for land that previously had little or no value; in the rapidly increasing tax base providing funds for local government self-support; in the appearance of new equipment on sales lots and on farms that have been vacant in recent decades; in the full use of available labor in areas where jobs had been difficult to find; in the active flow of capital where money had been at a standstill; and in the optimistic fever of people who are creating new life in an area where an attitude of pessimism and decay had prevailed a few years ago. Funds spent annually by wild rice growers for land, labor, and equipment in Minnesota alone will exceed $10,000,000.

Wild rice paddies help conserve water and wildlife. Ideal habitat is provided in the construction of paddies for the reproduction of fish and waterfowl. Wild birds and animals seem to benefit from a controlled wetland environment. Water is stored in paddies during periods of excess water runoff (reducing flooding conditions) and is released during periods of shortage of water runoff (adding to short supplies in rivers for other industries).

Research projects underway. (1) In 1969 the University of Wisconsin started to receive funds through the Upper Great Lakes Resources Commission to do research on the processing of wild rice and work in the food science areas. About $155,000 has been spent in this program up to 1973, but funds will be cut off as of June 1973 with the termination of UGLR Commission. The research had just reached a point where it was becoming meaningful to the new industry. (2) In 1971 the Minnesota State Legislature appropriated $150,000 for agronomy research at the University of Minnesota for 1971–1972. In the short span of 2 years, the agronomy research has gotten off to a tremendous start with the employment of full-time research people in plant breeding, pathology, entomology, soils and agricultural engineering. The $150,000 is a part of the University of Minnesota budget for 1973–1974, with requests for additional funds to expand the program. Prospects are good for the continuation of this research. (3) In 1972 the Congress of the United States gave a mandate to the Department of Agriculture to use $100,000 of existing funds for research on wild rice. This mandate was passed on to Mr. Earl R. Glover, Deputy Administrator, North Central Region, Peoria, Illinois, and to Dr. R. J. Dimler, Director, Northern Regional Research Laboratory, Peoria, Illinois. Three-year contracts have been made with the U.S.D.A. and the University of Wisconsin providing $16,000 per annum for agronomy research and the Universtiy of Wisconsin providing $16,000 per annum for processing research. (4) The Manitoba Legislature has allocated $362,000 to support agronomy research during the next 5 years at the University of Manitoba. The University of Minnesota and the University of Manitoba are in close contact and exchange information and plant varieties. Canada's shorter growing season requires an earlier maturing wild rice than the varieties that are being grown in Minnesota.

Urgent need for continuing Federal funds. At this time the problems are in the two broad areas of processing and agronomy. The following is a brief description of the broad problems in the two areas and an estimation of the minimum amount of funds needed NOW per annum to seek solutions to these problems:

Processing. Green wild rice must go through a processing stage before consumption. This phase of the industry has not had enough research done to keep pace with the rapid growth and volume production of the industry, the changes brought on by new varieties and combine harvesting, and the demands of new markets for specialized and uniform product. Thus, processing has become a bottleneck for the industry. Research is desperately needed on the following problems related to processing: (1) Storage of perishable green wild rice to maintain quality and provide time to process large quantities of wild rice in limited facilities. (2) Evaluate samples of new varieties of wild rice for food quality. (3) Control of the fermentation process prior to roasting to insure beneficial results. (4) Design or find modern, technical equipment that will do the fermentation, roasting, cleaning, and grading more effectively and efficiently.

A minimum of $250,000 is needed annually for the next 3 years to find answers to these critical problems. Unless new funds are provided to the Northern Regional Research Laboratory at Peoria and to the University of Wisconsin, processing research will be greatly reduced, and the progress of this growing industry will be severely and definitely retarded.

Agronomy. Funds are being appropriated in Minnesota by the State Legislature to start and carry on a limited program in agronomy. The staff involved in wild rice research on plant breeding, entomology, pathology, soils and agricultural engineering have about one-half the funds needed to carry on a program that will fit the needs of the industry. The funds for supporting research people and equipment are limited to the point where competent research people are unable to work to their fullest capacity.

An annual Federal grant of $100,000 for agronomy research would match the Minnesota State effort and provide the total funds currently needed to develop a good agronomy research program.

Mr. MONDALE. I thank the distinguished floor manager.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. McGEE. The time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE RURAL HOUSING GRANT PROGRAM

Mr. CRANSTON. Mr. President, I would like to call to the attention of the Senate the language on page 32 of the Agriculture appropriations bill, H.R. 8619, which prevents the Farmers Home Administration from administering a rural housing grant program which dates back to the original rural housing title of the Housing Act of 1949. This language appears on page 32 at the end of the "Salaries and Expenses" section of the Farmers Home Administration appropriations and states simply that "no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949,

as amended." In other words, the rural housing grants authorized by section 504 are made inoperative.

I think this amounts to legislating through the appropriations process, and I am opposed to it. If the Congress feels that the grant program authorized by section 504 should not be continued then we should develop a better program to put in its place. To prevent the administration of this program by prohibiting the payment of salaries to those who would administer it not only leaves a tremendous void for those who might benefit, it does so by sneaking through the back door.

Mr. President, section 504 has been on the books since 1949 and it has remained there because housing conditions in rural America are deplorable: rural areas contain 63 percent of all housing units lacking essential plumbing. Rural areas contain 29 percent of all overcrowded units. According to Colman McCarthy in the Washington Post, June 5, 1973, an estimated 14 million rural Americans live in shacks, hovels, and car bodies.

Section 504 authorizes the Secretary of Agriculture to make low-interest loans and grants for the repair and improvement of farm dwellings. The recipients of these loans and grants are those not eligible for loans under sections 502 and 503 of the Housing Act of 1949—in other words, the very poor.

Section 504 loans and grants provide assistance to correct the most basic repairs necessary to make a rural dwelling safe and sanitary and to remove hazards to the health of the occupant. Section 504 provides assistance for repairing a roof, installing toilet facilities, making possible a convenient and sanitary water supply, repairing structural supports, and making other fundamental corrections.

The maximum amount of a loan, grant or combined loan and grant under section 504 is $3,500.

This program was designed to help the rural poor; yet the people for whom this section was enacted are denied access to assistance because the appropriations bill contains a proviso prohibiting the expenditure of funds to administer the grant portion of the program.

While loans may be made under section 504, in many cases rural families have incomes too low to carry the loan and need to combine it with a grant. The absence of the grant program thus precludes loans to those who need them most and severely cripples the program's ability to provide the housing assistance so sorely needed in rural America.

I submit, Mr. President, that the Senate must decide whether it will implement the Farmers Home Administration program for rural home repair grants or it must replace it with a better program. It cannot, in good conscience, continue to stand by and witness the atrophy of a needed and effective program. Perhaps the appropriate time to consider these questions will come later this year when the Senate takes up an omnibus housing and community development act now being developed by the Banking, Housing and Urban Affairs Committee. As a member of that committee, I will do all that I can to provide housing assistance to the millions of American citizens now living in substandard structures in rural America. The Senate cannot have it both ways: it cannot leave a program on the books and then block its implementation by prohibiting the payment of salaries to those who would administer it. The people who lose are those who can least afford this indecision.

While I will not offer a specific amendment to strike this language at this time, I will work in the Banking Committee to seek a better solution, if that is what is needed. And I will raise the issue again next year if we have another appropriation bill being used as the vehicle to cripple this housing program. The people of rural America deserve better.

SUPPLEMENTAL FOOD PROGRAM

Mr. EAGLETON. Mr. President, the agriculture-environmental and consumer protection appropriation bill now before us contains my amendment which makes available $2 million of section 32 funds to assist local public or nonprofit agencies with the cost of distributing supplemental foods to pregnant and lactating women and infants.

Under the supplemental food program administered by the Department of Agriculture, Federal funds are used only to purchase food and transport it to the States. The costs of local transportation, storage, and distribution have been a local responsibility. In fact, however, the principal source of local funding has been Federal—OEO's emergency food and medical services program which is now being terminated.

My amendment, making assistance available from the Department of Agriculture for these local administrative costs, is necessary to prevent the demise of many existing supplemental food programs during fiscal 1974.

In order to place my amendment in context, I want to describe briefly the three efforts, current and planned, to provide special nutritional assistance to expectant and new mothers and infants.

In 1969, the Department of Agriculture began, as an adjunct to the food distribution program, a program under which supplemental food packages are made available to local agencies for distribution to low-income pregnant women, nursing mothers, and infants who are found to be at nutritional risk.

The supplemental food program was initiated by the Department under the authority contained in section 32 of the act of August 24, 1935, to distribute surplus commodities to low-income persons.

In addition to this authority, the following more specific authority for the use of section 32 funds for the distribution of supplemental foods in food stamp areas has been included in successive appropriations acts:

(b) additional direct distribution or other programs, without regard to whether such area is under the food stamp programs or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food.

Where supplemental foods are made available in food distribution counties, the same administrative structure is utilized for both programs and the supplemental food program does not require any significant additional local expenditures.

In food stamp areas, however, local agencies distributing supplemental foods are required to bear the costs of transportation, storage, and distribution. As I mentioned earlier, the principal source of local funding has been OEO's emergency food and medical services program.

Foods made available for infants include evaporated milk, cereal, corn syrup, and juices. In addition to these items, women and older children receive instant milk, protein foods, and canned vegetables.

Participants in the program must be certified as in need of additional food by medical personnel. Assistant Secretary of Agriculture Yeutter, in recent testimony before the Senate Select Committee on Nutrition and Human Needs said:

Health officials report that the supplemental food program plays a role in attracting the target group to health clinics earlier, and over a longer period; this is seen as a definite plus factor in the over-all health and welfare of these women and children.

In June 1971, there were approximately 300 local supplemental food programs serving about 203,000 women and children. With the drying up of OEO funds for administrative expenses, the number of programs dropped to 263 in fiscal 1973 serving about 164,000 people. Today, the number of programs has dropped further to 248, serving about 161,000 women and children.

It is estimated that, unless another source of funding becomes available, participation in this program will be reduced by another 61,000 women and children by the end of this year, cutting the size of the program back to half of its June 1971 level.

In 1970, the Department of Agriculture initiated, under the same authority as the supplemental food program, a pilot food certificate program for mothers and infants.

At five projects, located in Georgia, Illinois, Texas, Vermont, and Washington, women are issued special certificates which may be exchanged at local stores for infant formula, infant cereal, and milk in various forms.

Women receive certificates worth $5 per month during pregnancy and for 12 months following delivery. Children under 1 year of age receive food certificates worth $10 per month.

Approximately 10,000 women and children are currently receiving food assistance through these five pilot projects.

Public Law 92–433, signed into law last September, authorizes a 2-year pilot program of grants through State health departments to local agencies to make available supplemental foods to pregnant and nursing women and infants who are medically determined to be at nutritional risk. This program is known as the special supplemental food program.

The law directed the Secretary of Agriculture to spend $20 million of section 32 funds for the pilot program in fiscal 1973 and authorized the appropriation of $20 million for fiscal 1974.

To date, however, the program has not been implemented. In fact, the Department has not yet issued proposed regulations.

The Department of Agriculture spent approximately $14.2 million in fiscal 1972 and $16.1 million in fiscal 1973 for supplemental feeding programs, about $1.5 million each year for the pilot food certificate program and the remainder for supplemental foods.

The President's fiscal 1974 budget includes a total of $20 million in section 32 funds to carry out all three of the programs I have described—the supplemental food program, the pilot food certificate program, and the special supplemental food program.

Although Congress authorized the use of $20 million for the new program in fiscal 1974, the Department has indicated it intends to spend only a fraction of that amount.

While the Department has sufficient authority under section 32 and existing appropriation language to assist local agencies with the cost of distributing supplemental foods, the President's budget this year, as in the past, includes no funds for that purpose.

In Missouri, about 50 of the 103 counties participating in the food distribution program also distribute supplemental foods to women and children. In February of this year, 1,800 women and children received supplemental foods in these counties.

A relatively small supplemental food program, begun in Kansas City in December 1971, was terminated recently when it exhausted OEO funding.

A major, and highly successful, supplemental food program still exists—by the skin of its teeth—in St. Louis.

This program, begun in the fall of 1969, has to date served some 70,000 women and children in St. Louis and St. Louis County. In fiscal 1973, it was serving about 12,000 each month and a total of 20,000 annually. Because of reduced funding, that level has now been cut back to about 8,000 women and children per month.

Under the St. Louis program, low-income pregnant women, post-partum mothers up to 1 year, and children up to age 6, who have been medically certified as being at nutritional risks, received supplemental foods through 17 distribution centers.

Every major private and public hospital and clinic in St. Louis and many neighborhood health clinics have been involved in this program on a voluntary basis.

Data compiled by the St. Louis Health Department shows that the infant mortality rate dropped from 35.6 per 1,000 births in 1969 to 28.2 per 1,000 births in 1971 in poverty areas of the city. The supplemental food program is believed to have played a significant role in this result by attracting mothers and babies into health clinics.

The St. Louis program was initially funded by an OEO grant. That funding was exhausted in June 1972. From June 1972 until March of this year, the program operated at a reduced level on $40,000 raised through a community fundraising effort and $29,000 contributed by the St. Louis model cities agency. Since March, the program has been continued by borrowing personnel from other community action programs. Efforts to find other sources of funding at the local level have been unsuccessful.

The supplemental food program in St. Louis, a program which has proved to be both popular and effective, will in all probability go under within the next few months unless it receives some assistance from the Federal Government.

Mr. President, an increasing body of scientific knowledge indicates that during fetal growth and the first few years of life an adequate diet is a crucial factor for normal mental and physical development.

And yet, despite this evidence, the sad fact is that we have no national policy with respect to providing nutritional assistance during this critical stage of life.

We spend over a billion dollars a year on food for school-age children, and rightly so. We will spend this year only about 2 percent of that amount on special nutritional assistance for expectant mothers and infants.

And now existing programs which are putting milk and cereal into the mouths of babies in St. Louis and other cities across the country are threatened with extinction simply because the Department of Agriculture has not seen fit to request the minimal amount of money necessary to keep them going.

My amendment makes available $2 million for this purpose in fiscal 1974.

Mr. President, I ask unanimous consent that a statement in support of the Federal funding of supplemental food programs by the Committee on Nutrition of the American Academy of Pediatrics and the most recent project by project monthly report on the supplemental food program be printed at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN ACADEMY OF PEDIATRICS, COMMITTEE ON NUTRITION, SUPPLEMENTAL FEEDING PROGRAMS FOR MOTHERS AND INFANTS

The Committee on Nutrition of the American Academy of Pediatrics is seriously concerned about the fate of several thousand mothers and infants who may soon be denied further participation in a special feeding program designed to provide adequate nutrition for infants from low income families during the critical developmental period extending from pregnancy through the first few years of life. The Supplemental Feeding Program currently operated by the Department of Agriculture provides nutritious surplus foods to 157,000 program participants, which is less than ten percent of the women and children whose low incomes place them within the population of nutritional risks. According to recent surveys, approximately 37% of that already dwindling program is likely to cease operation soon due to the elimination of OEO funds that had been used in many localities to administer the program and distribute the foods.

The need to accord special attention in federal feeding programs to pregnant and lactating women and to infants and preschool children is supported by medical evidence indicating that improper nutrition during gestation and during the first few years of life can cause serious damage in the course of a child's physical and mental development. Studies have shown that iron, protein, and calorie deficiencies are especially dangerous during the first two years of life because of adverse effects upon the child's growth during a critical developmental period.

The nutritional experience of the mother is crucial to the child's development. There is no doubt that malnutrition in pregnant women contributes to the birth of premature and low-birth-weight infants. Prematurity and low-birth-weight contribute in turn to infant mortality and mental retardation. Seventy percent of all infant deaths in the first year of life occur in infants of low-birth-weight, and a high proportion of premature babies have demonstrable intellectual or behavioral deficits when they reach school age. Optimal maternal nutrition and prenatal care should decrease the high incidence of low-birth-weight infants, and, since prematurity is correlated with mental retardation, relief of maternal malnutrition may have a long range effect upon the prevalence of mental retardation as well.

The special needs of mothers and infants, then, are well established. Solutions to the problem are perhaps less evident. Ideally, family feeding programs should be sufficient to assure that all members of the family get a nutritious diet. At the present time, however, this is simply not the case. The recently completed Ten-State Nutrition Survey conducted by the Department of Health, Education, and Welfare indicates that "substantial numbers" of American children are malnourished and that evidence of retarded growth is apparent in children from low income families. The survey further points to a widespread protein deficiency among pregnant and lactating women, stating that the problem demands special attention because of its relationship to the frequency of unsatisfactory pregnancies and the excess of low-birth-weight babies in low income groups.

While the current Supplemental Feeding Program is far from an ideal solution, it is a source of much needed food for some 157,000 people. Furthermore, it is a means of getting pregnant women to visit clinics where they get medical care they probably would not receive otherwise. The Committee on Nutrition therefore urges that the program be maintained through federal efforts to distribute the already available commodities until a better means of caring for mothers and infants has been implemented. In the many areas where OEO funds supported commodity distribution and where local communities cannot take over that responsibility, it is incumbent upon the federal government to lend its support.

The initial step toward improving nutritional services for mothers and infants was taken by Congress last year with the establishment of a $20 million pilot feeding program designed, not to kill the current supplemental program, but to explore alternative approaches and to test the effects of those approaches. Unfortunately, the implementation of the pilot has been delayed for many months because the Department of Agriculture has not promulgated the regulations under which the program will operate. Furthermore, the federal budget reflects a minimal interest in the pilot program. USDA's Food and Nutrition Service has estimated that $500,000 to $1 million will be spent on the new program in FY 1973, and of the $20 million requested for the two supplemental programs in FY 1974, about $5 million will be available for the pilot.

If the two year pilot is to serve its function as a means of evaluating special feeding programs for pregnant and lactating women and infants, it must get off the ground immediately. The Committee on Nutrition urges

that the entire authorization of $20 million per year be appropriated and spent so that the pilot will be a meaningful tool for the collection of data and the fulfillment of nutritional needs rather than a mere exercise.

Until more is known about control of the higher incidence of morbidity, mortality, and developmental problems among children from low income families, the special feeding programs are a rational response to at least part of the problem. From a practical viewpoint, we would point out that malnutrition leads to social and economic costs far beyond the expense involved in these programs. From a humane viewpoint, we should remind ourselves that, while federal programs may be expendable, our children are not.

U.S. DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION SERVICE, SUPPLEMENTAL FOOD PROGRAM REPORT, FEBRUARY 1973

Number of States participating, (includes District of Columbia)	34
Number of areas participating:	
Food stamp	113
Nonfood stamp	132
Total	245

Item/area	Infants	Children	Women	Total
Participation:				
Food stamp areas	23,815	86,001	25,172	134,988
Nonfood stamp areas	6,342	17,256	6,753	30,351
Total	30,157	103,257	31,925	165,339
Foods distributed:				
Food stamp areas:				
Sec. 32	798,292	2,672,623	564,848	4,035,763
Sec. 416	36,708	155,481	18,296	210,485
Total	835,000	2,828,104	583,144	4,246,248
Nonfood stamp areas:				
Sec. 32	215,594	551,483	155,078	922,155
Sec. 416	8,903	26,254	5,059	40,216
Total	224,497	577,737	160,137	962,371
Total:				
Sec 32	1,013,886	3,224,106	719,926	4,957,918
Sec. 416	45,611	181,735	23,355	250,701
Total	1,059,497	3,405,841	743,281	5,208,619

Item/area	Infants	Children	Women	Total
Cost of commodities:				
Food stamp areas:				
Sec. 32	129,962	613,586	140,134	883,682
Sec. 416	5,511	23,341	2,745	31,597
Total	135,473	636,927	142,879	915,279
Nonfood stamp areas:				
Sec. 32	34,712	121,504	38,585	194,801
Sec. 416	1,337	3,941	761	6,039
Total	36,049	125,445	39,346	200,840
Total:				
Sec. 32	164,674	735,090	178,719	1,078,483
Sec. 416	6,848	27,282	3,506	37,636
Total	171,522	762,372	182,225	1,116,119

State and area	Type of family food assistance program in area	Participation (number of persons)			Quantity of commodities (pounds)			Value of commodities (dollars)		
		Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total
Alabama (1): Elmore (total)	Food district		789	789		27,077	27,077		5,742	5,742
Arkansas (10):										
Baxter	Food stamp	76			2,289			479		
Boone	do	195			6,849			1,369		
Hot Spring	do	333			12,227			2,648		
Jefferson	do	1,352			49,443			10,396		
Marion	do	288			8,020			1,576		
Newton	do	155			3,482			698		
Pulaski	do	5,434			198,658			42,256		
St. Francis	do	331			6,985			1,450		
Saline	do	346			12,799			2,727		
Washington	do	200			5,683			1,126		
Total		8,710		8,710	306,435		306,435	64,725		64,725
California (12):										
Alameda	Food stamp	447			13,439			2,819		
El Dorado	Food district		42			1,125			246	
Inyo	do		43			1,528			306	
Lake	do		322			10,008			2,098	
Los Angeles (Watts)	Food stamp	1,058			39,207			8,269		
Marin	do	472			9,420			1,933		
Quechan Tribe	Food district		55			1,325			230	
Sacramento	Food stamp	988			29,847			6,789		
San Benito	do	84			2,361			483		
San Francisco	do	7,875			208,139			46,479		
Santa Barbara	do	207			6,668			1,193		
Ventura	Food district		119			4,271			863	
Total		11,111	581	11,692	309,081	18,257	327,338	67,965	3,743	71,708
Colorado (7):										
Conejos	Food stamp	301			11,106			2,419		
Costilla	do	226			7,322			1,630		
Denver	do	6,941			230,986			49,612		
Mesa	do	414			14,495			2,926		
Prowers	do	330			11,675			2,511		
Rio Grande	do	298			10,927			2,336		
Weld	do	1,379			49,985			10,796		
Total		9,889		9,889	336,496		336,496	72,230		72,230
Connecticut (1): Norwich (city) (total)	Food stamp	63		63	1,639		1,639	367		367
District of Columbia (1): Washington (total)	do	10,756		10,756	329,835		329,835	74,104		74,104
Georgia (6):										
Clarke	Food district		115			3,920			874	
De Kalb	do		1,341			47,755			10,051	
Fulton	do		3,567			94,293			19,301	
Gwinnett	do		48			1,522			298	
Rockdale	do		33			1,011			202	
Webster	do		59			1,899			405	
Total			5,163	5,163		150,400	150,400		31,131	31,131
Idaho (1): Fort Hall Indian Reservation (total)	Food district		85	85		1,952	1,952		444	444
Illinois (2):										
Cook	Food stamp	3,173			100,816			21,629		
East St. Louis (city)	do	2,141			68,273			15,566		
Total		5,314		5,314	169,089		169,089	37,195		37,195

State and area	Type of family food assistance program in area	Participation (number of persons)			Quantity of commodities (pounds)			Value of commodities (dollars)		
		Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total
Iowa (35):										
Audubon	Food stamp	67			2,038			429		
Benton	do	110			3,768			758		
Black Hawk	do	577			19,568			4,052		
Buchanan	do	106			3,226			653		
Buena Vista	do	88			2,635			478		
Calhoun	do	93			3,281			666		
Carroll	do	162			5,114			1,086		
Cedar	do	42			1,155			241		
Clay	do	88			2,100			398		
Clinton	do	202			6,218			1,278		
Crawford	do	55			2,053			443		
Dallas	do	233			7,678			1,574		
Dickinson	do	56			1,641			317		
Emmet	do	75			2,441			455		
Greene	do	128			4,137			834		
Guthrie	do	113			3,712			777		
Harrison	do	96			3,368			763		
Iowa	do	29			957			194		
Jasper	do	126			3,579			655		
Johnson	do	193			5,084			1,114		
Jones	do	139			4,744			1,039		
Kossuth	do	86			2,648			513		
Linn	do	1,017			24,841			5,137		
Marion	do	132			4,234			766		
Monona	do	122			4,167			896		
Muscatine	do	248			6,877			1,247		
Palo Alto	do	66			1,721			316		
Pocahontas	do	83			2,442			480		
Polk	do	1,633			48,175			9,072		
Poweshiek	do	80			2,726			559		
Sac	do	80			2,619			540		
Scott	do	928			26,613			5,420		
Shelby	do	49			1,707			380		
Tama	do	156			4,975			975		
Warren	do	52			1,490			273		
Total		7,510		7,510	223,732		223,732	44,778		44,778
Kansas (3):										
Migrant health service	Food district		99			3,551			741	
Do	Food stamp	154			5,361			1,118		
Shawnee	Food district		1,147			39,489			8,083	
Total		154	1,246	1,400	5,361	43,040	48,401	1,118	8,824	9,942
Kentucky (1): Warren (total)	do		102	102		2,251	2,251		448	448
Louisiana (2):										
Orleans	Food stamp	13,955			357,616			73,412		
Webster	do	1,523			40,878			8,647		
Total		15,478		15,478	398,494		398,494	82,059		82,059
Massachusetts (1): Boston (city) (total)	Food district		203	203		5,878	5,878		1,311	1,311
Michigan (1): Detroit (city) (total)	Food stamp	14,683		14,683	507,740		507,740	112,582		112,582
Minnesota (4):										
Leech Lake Indian Reservation	do	325			11,032			2,535		
Ramsey	do	1,013			28,143	3		6,226		
Red Lake Indian Reservation	Food district		384			12,334			2,744	
White Earth Indian Reservation	do		371			12,698			2,793	
Total		1,338	755	2,093	39,175	25,032	64,207	8,761	5,537	14,298
Mississippi (2):										
Bolivar	Food stamp	3,800			65,944			16,778		
Holmes	do	2,014			61,390			12,726		
Total		5,814		5,814	127,334		127,334	29,504		29,504
Missouri (54):										
Atchison	Food district									
Audrain	do		53			1,326			251	
Barry	do		19			699			108	
Barton	do		8			303			47	
Bollinger	do		16			576			100	
Boone	do		99			2,941			576	
Calloway	do		49			1,449			294	
Camden	do		23			732			146	
Carter	do		1			34			5	
Cass	do		29			996			187	
Charlton	do		2			62			10	
Christian	do		35			1,064			218	
Clay	do		42			1,291			247	
Cole	do		45			1,432			289	
Cooper	do		28			826			169	
Crawford	do		36			1,136			232	
Dade	do		32			1,026			197	
Dallas	do		36			1,130			234	
Dent	do		72			2,191			453	
Hickory	do		10			272			52	
Iron	do		57			1,782			385	
Jackson	Food stamp	193			6,413			1,133		
Jasper	Food district		125			3,949			809	
Jefferson	do		150			4,620			941	
Lafayette	do		21			677			129	
Lawrence	do		42			1,396			269	
Macon	do		4			147			23	
Madison	do		28			923			182	
Miller	do		35			1,136			224	
Montgomery	do		21			652			124	
Morgan	do		41			1,350			270	
Newton	do		108			3,604			717	
Oregon	do		53			1,698			338	

State and area	Type of family food assistance program in area	Participation (number of persons)			Quantity of commodities (pounds)			Value of commodities (dollars)		
		Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total
Osage	Food district		29			933			184	
Ozark	do		4			136			23	
Pettis	do		47			1,245			237	
Pike	do		22			716			141	
Platte	do		1			35			5	
Polk	do		26			852			169	
Pulaski	do		58			1,907			381	
Ralls	do		5			181			29	
Reynolds	do		14			459			90	
Ripley	do		7			230			36	
St. Charles	do		15			538			91	
St. Genevieve	do		19			609			105	
St. Louis (independent city)	Food stamp	7,530			264,940			55,649		
St. Louis	do	2,464			87,215			18,128		
Saline	Food district		30			961			195	
Shannon	do		30			938			197	
Taney	do		91			2,903			593	
Warren	do		3			110			17	
Wayne	do		70			2,263			446	
Webster	do		8			293			45	
Wright	do		16			577			92	
Total		10,187	1,815	12,002	358,568	57,306	415,874	74,910	11,304	86,214
Nebraska (2):										
Douglas	Food stamp	2,008			59,499			13,103		
Thurston	Food district		172			5,670			1,157	
Total		2,008	172	2,180	59,499	5,670	65,169	13,103	1,157	14,260
Nevada (5):										
Clark	do		472			12,185			2,225	
Lyon	do		21			653			134	
Mineral	do		25			825			158	
Washoe	do		192			5,912			1,174	
White Pine	do		15			359			84	
Total			725	725		19,934	19,934		3,775	3,775
New Jersey (1): Passaic (city) (total)	Food stamp	174		174	1,692		1,692	390		390
New York (3):										
Oneida	do	1,207			41,433			8,769		
Rockland	do	286			10,274			2,291		
Tioga	do	111			3,651			791		
Total		1,604		1,604	55,358		55,358	11,851		11,851
North Carolina (30):										
Alamance	Food stamp	606			22,048			4,725		
Alleghany	Food district		40			1,493			311	
Ashe	do		97			3,655			801	
Avery	do		86			3,105			686	
Buncombe	do		97			3,042			613	
Caldwell	do		93			3,244			675	
Camden	do		134			4,770			1,075	
Caswell	do		12			381			69	
Cherokee	do		13			416			78	
Chowan	Food stamp	204			7,478			1,587		
Gaston	Food district		842			29,909			6,434	
Gates	do		22			686			130	
Guilford	do		1,513			51,995			10,787	
Halifax	Food stamp	617			22,632			4,809		
Haywood	Food district		156			5,110			1,117	
Hertford	do		165			5,339			1,036	
Madison	do		179			6,296			1,325	
Mecklenburg	do		4,688			157,710			32,447	
Northampton	Food stamp	199			6,827			1,430		
Orange	do	402			13,377			2,894		
Pasquotank	Food district		320			10,315			2,218	
Perquimans	do		195			7,310			1,545	
Rowan	do		244			8,276			1,726	
Rutherford	do		10			313			60	
Wake	do		678			23,621			4,971	
Washington	do		165			6,018			1,271	
Wayne	Food stamp	59			1,968			413		
Wilkes	Food district		212			7,705			1,566	
Yadkin	do		82			3,001			634	
Yancey	do		10			308			62	
Total		2,087	10,035	12,122	74,330	344,018	418,349	15,859	71,637	87,496
North Dakota (4):										
Fort Berthold Indian Reservation	Food district		90			2,305			410	
Fort Totten Indian Reservation	do		34			1,128			215	
Standing Rock Indian Reservation	do		51			1,608			263	
Turtle Mountain Indian Reservation	do		325			8,606			1,485	
Total			500	500		13,647	13,647		2,373	2,373
Oregon (13):										
Clackmas	Food district		15			409			98	
Clatsop	do		8			205			43	
Columbia	do		46			1,661			362	
Crook	do		86			3,163			642	
Gilliam-Wheeler	do									
Hood River	do		123			3,820			885	
Jefferson	do		95			2,426			610	
Linn	do		646			18,966			4,527	
Malheur	do		2			35			9	
Sherman	do		7			224			49	
Tillamook	do									
Wasco	do		166			5,154			1,159	
Total			1,194	1,194		36,063	36,063		8,384	8,384

State and area	Type of family food assistance program in area	Participation (number of persons)			Quantity of commodities (pounds)			Value of commodities (dollars)		
		Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total	Food service areas	Nonfood service areas	State total
Pennsylvania (1): Philadelphia (Temple University) (total).	Food stamp	83		83	2,841		2,841	660		660
South Carolina (5):										
Allendale	do	111			4,343			914		
Beaufort	do	971			36,204			7,590		
Berkeley	do	1,672			42,837			9,282		
Jasper	do	675			24,959			5,287		
Sumter	do	690			26,724			5,898		
Total		4,119		4,119	135,067		135,067	28,971		28,971
South Dakota (7):										
Brown	Food stamp	70			2,254			506		
Charles Mix	do	109			2,511			712		
Cheyenne Ibdian Reservation	Food district		693			11,610			2,853	
Day	do		47			1,408			315	
Kingsbury	do		12			283			57	
Pine Ridge Indian Reservation	do		597			18,052			4,182	
Rosebud Indian Reservation	do		580			13,662			3,468	
Total		179	1,929	2,100	4,765	45,015	49,780	1,218	10,875	12,093
Tennessee (14):										
Cheatham	Food district		121			3,934			906	
Davidson	Food stamp	6,236			221,192			47,046		
Decatur	do	52			1,883			392		
Dyer	do	531			19,159			4,100		
Gibson	Food district		545			10,319			1,548	
Henry	Food stamp	231			8,777			1,851		
Lake	do	280			10,407			2,215		
Marshall	Food district		103			3,221			684	
Obion	Food stamp	166			5,313			1,209		
Robertson	Food district		375			13,955			3,031	
Shelby	Food stamp	7,109			222,071			50,074		
Shelby (Hap-South)	do	3,008			111,131			23,653		
Stewart	Food district		56			1,666			411	
Weakly	Food stamp	217			7,954			1,726		
Total		17,830	1,200	19,030	607,887	33,095	640,982	132,266	6,580	138,846
Texas (3):										
Dallas	Food district		2,818			105,669			21,424	
Grayson	do		101			3,411			716	
Willacy	do		552			13,788			3,096	
Total			3,471	3,471		122,868	122,868		25,236	25,236
Utah (10):										
Box Elder	Food stamp	464			9,972			1,969		
Cache	do	322			10,958			2,269		
Carbon	do	74			1,499			348		
Davis	do	314			11,123			2,246		
Emery	do									
Grand	do									
Salt Lake	do	2,658			92,165			19,157		
Uintah and Ouray Indian Reservation	do	203			5,328			1,283		
Utah	do	546			16,021			3,840		
Weber	do									
Total		4,581		4,581	147,066		147,066	31,112		31,112
Washington (1): King (total)	Food stamp	1,316		1,316	44,764		44,764	9,551		9,551
Wisconsin (1): Lac du Flambeau Indians (total).	Food district		84	84		1,902	1,902		507	507
Wyoming (1): Wind River Indian Reservation (total).	do		302	302		8,966	8,966		1,832	1,832
U.S. total		134,988	30,351	165,339	4,246,248	962,371	5,208,619	915,279	200,840	1,116,119

THE ENERGY CRISIS

Mr. HART. Mr. President, the Senate Appropriations Committee recommends that "in light of the current energy crisis, particularly in the petroleum and natural gas sectors," $2 million be added to the budget of the Federal Trade Commission to fund a detailed investigation of the energy shortage.

It is my hope that the Senate will accept that recommendation and that our conferees will press for the increase when they meet with their counterparts from the House.

Based on a discussion of a similar amendment offered on the floor when the House considered this bill, I think it is fair to state that there is disposition in the House to accept this amendment.

Before outlining the justification for the increase, I would like to thank Senator McGEE, chairman of the Agricultural, Environmental, and Consumer Protection Appropriations Subcommittee, for taking the lead in securing committee approval of the amendment.

As the committee report states, the justification for the increase stems from the energy shortage.

Recent events in the energy industries, particularly the petroleum and natural gas sectors, lead me to believe that a detailed, hard-hitting study of the current situation is desperately needed. Thousands of small branded and independent service stations are either being curtailed in their fuel supply or completely cut off. Independent refiners are operating well below capacity, in a time of shortages, because they can no longer get adequate crude oil supplies from the majors who control these supplies. Significant dislocations and major oil company withdrawals from various geographic areas are in process. The rate of possible anticompetitive market structure changes in both refining and marketing is accelerating.

On June 8, the Subcommittee on Antitrust and Monopoly heard testimony from the Attorney General of six States concerning the lack of competitive behavior in the petroleum industry. Several of these gentlemen have already filed antitrust cases against the major companies. Five days later, the National Association of Attorneys General passed, without dissent, a resolution encouraging congressional legislation to establish a task force with adequate funding for a thorough investigation.

A number of persons have charged that a conspiracy among the major companies is the most probable reason for the present shortages. Other insist that, even absent an illegal conspiracy, the structure of the industry is such that the present crisis was almost inevitable. Any investigation should be deep and thorough enough to establish the validity or lack of validity of either of these positions.

Three years ago, I urged the Federal Trade Commission to conduct a comprehensive investigation into the petroleum industry. Even earlier, the then Chairman, Caspar Weinberger, had included the energy industry in an announcement of a detailed study of a group of concentrated industries. Most recently, Commission Chairman Ehgman has promised a preliminary report on or about July 1 of this year. This is a long period of time for Congress to wait for guidance.

In fairness to the Commission, let me point out that staff resources are limited and must be allocated to a broad area of Commission responsibilities. It is for this reason that I proposed that the Commission budget be increased by $2.6 billion in order to carry out a special "task force" type of study of the energy industry.

In its report to the Congress, the Commission should be specifically charged with presenting findings on whether either conspiracy or market structure is at fault. If the former, certainly cases should be immediately instituted. If the latter, then the Commission should be prepared to make responsible suggestions for correction of the market structure.

WATER POLLUTION

Mr. NELSON. Mr. President, as we consider the 1974 Environmental Appropriation bill, I think that it is appropriate to direct our attention to the serious problems that have arisen as a result of the impoundment of previous congressional appropriations of a similar nature. Specifically, I refer to appropriations for the implementation of the Water Quality Act of 1972. I am concerned about the failure of the Environmental Protection Agency to spend funds appropriated for much-needed water pollution abatement.

In December of 1972, the administration impounded 55 percent of the congressional appropriation for municipal waste treatment plant construction for 1973 and 1974. This impoundment has severely retarded the national effort for water quality improvement.

In Wisconsin, 130 water quality control projects are currently being delayed because of the impoundment of Federal funds. The twin cities of Neenah and Menasha are under Federal order to cease their discharge of wastes into the Fox River. Neenah and Menasha have been promised Federal funding for a new municipal waste treatment facility, and on the basis of that promise have spent over $1 million in planning and bid-letting processes. These cities are ready to begin construction of their project, but construction cannot be commenced until the receipt of Federal funds. During this period of delay, Neenah and Menasha have been fined $46,900 by the Environmental Protection Agency for failure to comply with Federal orders. And while these cities await the receipt of promised Federal funds, they anticipate added expenses of over $2 million for additional planning and reopening of bids. All of this delay period results in 31 million gallons of municipal and industrial wastes being discharged into the river every day, wastes which would be handled by the new waste treatment facility, were it completed.

In the Milwaukee Metropolitan Sewerage District, the 1973 construction schedule has come to a complete halt as a result of the lack of Federal funds. One project pending in Milwaukee would eliminate the discharge of raw waste into Lake Michigan during storm periods, when the present sewerage system becomes overloaded. Milwaukee currently faces a lawsuit brought by the State of Illinois to cease and desist the discharge of waste into Lake Michigan. With the completion of the new sewerage system, the discharge will cease, but until the district receives Federal aid, this serious situation will continue.

Nationally, as in Wisconsin, many cities have had to halt construction of new waste treatment facilities because of a lack of funds. The Chicago Regional Office of the Environmental Protection Agency, which serves Minnesota, Michigan, Indiana, Ohio, Illinois and Wisconsin, has over 500 project applications from cities awaiting Federal funding. The matter of cleaning up our environment, which has been recognized as a national priority by the American people has been grossly neglected by the administration.

We in the Congress have set standards and deadlines for cleaning up our Nation's waterways. We have appropriated the funds to implement these standards and deadlines. I urge the administration to allow this country to get on with the business of improving the quality of our waterways by releasing all appropriated funds for the implementation of the Water Quality Act of 1972.

INTRODUCTION OF A BILL

Mr. McGEE. Mr. President, I ask unanimous consent that the pending business may be set aside for not more than 10 minutes.

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

(The remarks Senator McGOVERN made at this point on the introduction of S. 2094, to protect food producers and food consumers, and the ensuing discussion, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AND CONSUMER PROTECTION AGENCIES APPROPRIATIONS, 1974

The Senate continued with the consideration of the bill (H.R. 8619) making appropriations for the Department of Agriculture and environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes.

Mr. McGEE. Mr. President, the Senator from Hawaii has a proposal.

Mr. FONG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 37, between line 18 and 19, insert the following:

"DEPARTMENT OF COMMERCE, NATIONAL INDUSTRIAL POLLUTION CONTROL COUNCIL

"For necessary expenses to provide staff support for the National Industrial Pollution Control Council, $323,000."

Mr. FONG. Mr. President, my amendment would restore to the pending bill (H.R. 8619) $323,000 for the National Industrial Pollution Control Council.

This is the amount of the President's budget request and is the same amount that Congress appropriated for fiscal year 1973.

In reporting H.R. 8619, the House Appropriations Committee recommended $1,323,000 for the Council, an addition of one million dollars above the budget request.

This is what the committee stated in its report on this matter:

The National Industrial Pollution Control Council was established by Executive Order 11523, April 9, 1970 to advise the President and the Chairman of the Council on Environmental Quality on programs of industry relating to the quality of the environment. The primary objectives of the Council are to provide top-level industrial advice on formulation and implementation of environmental policy and to stimulate more vigorous pollution cleanup action by industry.

The Committee is impressed with the work of the Council and will expect the Council to continue to provide the Council on Environmental Quality and the Environmental Protection Agency with industrial advice on environmental policy. The Committee also encourages the Council to study and report on the cost of agricultural pollution abatement practices.

The Committee recommends adding $1,000,000 over the budget request to allow the Council to conduct a major study of the effect of environmental requirements on the competitive position of American business. The study should also examine the extent to which American business or branches of American business are relocating to foreign countries in order to protect their competitive position in world trade.

To the maximum extent possible the Council should seek the assistance of the appropriate agencies of the Department of Commerce in conducting the study and preparing the final report. The Committee will expect the Council to make preliminary reports to the Committee periodically and to complete the report by February 1, 1974. Copies of the report shall be provided to the appropriate executive departments and agencies and to the Congress.

When H.R. 8619 came up in the House of Representatives for debate, the language and funding for the National Industrial Pollution Control Council were stricken on a point of order as not authorized by law.

The chair ruled that it was not in a position to construe the origin of the President's authority to issue the Executive order establishing the Council. Because the Executive order was the only authority cited in the committee provision in H.R. 8619, the chair was compelled to rule that under House rule XXI, the Executive order is not a law and does not qualify as a law and, therefore, the point of order was sustained.

Actually, the Council is established by law. Originally, it was set up by Presidential Executive Order No. 11523 on April 9, 1970. But it has been continued pursuant to the authority of section 9 (a)(1) of the Federal Advisory Committee Act of 1972—Public Law 92-463, October 6, 1972—as an advisory committee authorized by the President. Charters have been filed with the appropriate congressional committees for NIPCC and each of its subcouncils under section 9(c) of the act, and it has otherwise been operating under other provisions of the act.

Additional statutory basis for the Council is the National Environmental Policy Act of 1969—Public Law 91-910, January 1, 1970. Pursuant to section 205, the Council on Environmental Quality is

authorized to consult with industry representatives and to utilize information thereby obtained. The NIPCC advises the Council on industry programs relating to the quality of the environment and in other respects, in accord with Executive Order 11523 and as the Council otherwise deems advisable.

In addition, under section 102 of the act, the Secretary of Commerce utilizes the NIPCC to assist and advise him in identifying and developing methods and procedures, separately and in consultation with the Council on Environmental Quality, which insure that environmental values are considered along with other considerations in departmental decisionmaking.

Also, the Secretary of Commerce utilizes the NIPCC not only as an industry advisory committee to assist and advise him in fulfilling his responsibilities under the National Environmental Policy Act, but also pursuant to his general authority in 15 U.S.C. 1512 to foster, promote, and develop the foreign and domestic commerce of the United States. Commerce Department employees who support NIPCC operations are paid under this and above-related authorities.

There are 63 top industry executives who serve on the Council. In addition, there are 167 top industry executives who serve on industry subcouncils of the Council. None of these executives receives any pay or compensation for his service. Neither do they, under NIPCC policy, receive any per diem or travel expenses.

I reiterate, Mr. President, that 63 top industry executives serve on this Council. In addition to the 63 top industry executives, 167 top industry executives serve on industry subcouncils, and none of these executives receives any pay whatever, nor any per diem or travel expenses.

The Council has 11 staff members, including seven professionals and four clerical workers, all Department of Commerce employees. The $323,000 which my amendment would provide is to pay their salaries and expenses. This small staff, working with the Council and industry subcouncils, has prepared more than 50 reports with recommendations on a wide range of industrial pollution problems. A listing of the reports follows my remarks.

I am not requesting the $1 million the House Appropriations Committee proposed for the Council to conduct a major study of the effect of environmental requirements on the competitive position of American business and the extent to which American business or branches of American business are relocating to foreign countries in order to protect their competitive position in world trade.

Although I believe such a study is urgently needed to give us a comprehensive picture of the impact of environmental requirements on American industry, I am not asking for the $1 million. I am only asking that the budget amount of $323,000 be provided.

This is less than two-thousandths of 1 percent of the total increment expenditures industry will make between fiscal year 1971 and 1980.

They will make probably $65 billion worth of expenditures for maintaining pollution control facilities. These capital investments are over and above the costs of operating and maintaining pollution control facilities in 1970.

Inasmuch as industrial pollution comprises one of the largest segments of our Nation's pollution problems, I urge approval of my amendment.

The Council has done very fine work. Reports which have been made by the National Industrial Pollution Control Council are as shown on a list I have before me. I ask unanimous consent that the list may be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

REPORTS OF THE NATIONAL INDUSTRIAL POLLUTION CONTROL COUNCIL

The following list represents reports prepared by the National Industrial Pollution Control Council or its Sub-Councils on specific environmental problems. These reports have been submitted to the President and the Chairman of the Council on Environmental Quality and are made publicly available through the U.S. Government Printing Office:

Acid Mine Drainage.
Air Pollution by Sulfur Oxides.
Airports and the Community.
Animal Slaughtering and Processing.
Animal Wastes.
Appliance X-Ray Pollution Problem, An Evaluation of the Cans.*
Chemical Industry and Pollution Control. Council Report.
Deep Ocean Dumping of Baled Refuse.
Detergents.
Detergents (A Status Report).
Disposal of Major Appliances (The).
Electric Power Industry (The).
Engineer's Responsibility in Environmental Pollution Control (The).
Exhaust Emissions from Diesel Locomotives.
Exhaust Emissions from Gas Turbine Aircraft Engines.
Fertilizers and Agricultural Chemicals.
Fluorescent Lamps.
Forest Chemicals.*
Glass Containers.
Industrial Solid Waste.
Junk Car Disposal.
Land and Water Pollution from Recreational Use.
Leisure Time Product Noise.
Maintaining Vehicular Emission Control System Integrity.
Mathematical Models for Air Pollution Control Policy Decision-Making.
Mercury.
Natural Gas Industry & the Environment (The).
Noise from Gas Turbine Aircraft Engines.
Non-Coal Surface Mining.*
Paper.
Paper and Wood Packaging in Solid Waste.
Plastic and Solid Waste.
Pollution Control Costs & Research Priorities in the Animal Slaughtering & Processing Industries.
Pollution Problems in Selected Food Industries (Excludes Meat, Poultry and Grain-Based Foods).
Railroads and the Environment.*
Railroads and the Environment in Rail Freight Operations.
Regionally Consolidated Industrial Wastewater Treatment.
Rubber.
Self-Analysis of Pollution Problems.
Synthetic Rubber Industry, Environmental Protection in the.*
Steel Industry and Environmental Quality (The).
Tank Car Cleaning and Pollution Problems.*
Textile Industry and Pollution Control (The).
Tobacco Industry and Pollution (The).
Use and Disposal of Electrical Insulating Liquids (The).
Waste Disposal in Deep Wells.
Wastewater Reclamation.
Wood Products.

*For submission in the near future.

In addition, the following have been presented to the President and the Chairman of the Council on Environmental Quality as evidence of the members taking seriously the President's charge of industry leadership impilict in Council membership:

Commitments: Industry Cleanup Actions in Progress—Volume I—February 10, 1971; Volume II—December 21, 1971; and Volume III—March 5, 1973.

Casebook: Pollution Cleanup Actions—February 10, 1971.

Mr. FONG. Mr. President, I also ask unanimous consent to have printed in the RECORD a memorandum covering examples of commitments by the National Industrial Pollution Control Council members to pollution abatement practices within their own corporate organizations.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

NIPCC COMMITMENTS OF INDUSTRIAL POLLUTION CLEANUP

The following are examples of commitments by National Industrial Pollution Control Council members to pollution abatement practices within their own corporate organizations.

These examples have been summarized for brevity from the three volumes of *Commitments* presented to the President and the Chairman of the Council on Environmental Quality over the past three years. Copies of the *Commitment* volumes are attached as well as the specific letters from which these summarized examples were taken:

Trans-World Airlines:

Has spent or committed $16.8 million capital investment for noise attenuation programs.

Initiated a new fuel dumping policy in regard to unscheduled landings which during its first six months in operation resulted in an estimated 1,000,000 pounds less of fuel being dumped into the atmosphere.

Burlington Northern: Has expenditures of $750,000 in 1971; $100,000 in 1972, and proposed expenditures of $125,000 for reclaiming to useful purposes its strip mined coal land in Montana.

CPC International, Inc.: Has met with other industry members to give them the benefit of CPC developments in an unique wastewater treating facility for corn wet milling operations.

Long Star Industries, Inc.: Has initiated a $3.5 million program involving highly efficient electrostatic precipitation at cement plant in Birmingham, Alabama, which is scheduled to be on stream eighteen months from July 1972.

Interlake, Inc.:

One of the first companies in Illinois to analyze its pollution problems voluntarily, report effluent loading and provide a timetable of projects to local officials.

Pioneered development of a recirculation water system for blast furnaces through a Federal grant for $175,000. Invested $1 million to perfect and install it.

Adolph Coors Company: Coors Distributors continue to pay $200,000 a month for return of aluminum cans and Coors bottles. As of

July 1972, 36 million pounds of aluminum cans had been turned in for recycling—in some areas amounting to 60–75% of Coors cans coming back for recycling.

General Electric Company: Has undertaken a major plant improvement program at the Erie, Pennsylvania facility involving use of low-sulfur coal and installation of electrostatic precipitators that is scheduled for completion July 1973. Capital cost is—estimated at $2.3 million.

Firestone Tire & Rubber Company: Expended a total of $6,710,000 since 1971, including $347,000 for eliminating sulfur dioxide and particulates, $2,560,000 for installing air pollution control facilities from production processes, $3,427,000 for water treatment, and $376,000 for solid waste management.

Outboard Marine Corporation: Reported that its operating division, producing leisure products throughout various locations in the Midwest and Northern Plain states, was committed to 1972 expenditures of $1.6 million; and a probable 5-year spending level for pollution abatement of an estimated $7.7 million.

National By-Products, Inc.: Since 1969 has completed installations at 9 plants, totalling almost $12 million. This includes $785,000 for rendering odor control, $180,000 for water treatment, and the remainder for incineration and other air cleaning. Projected expenditures at 4 plants total $720,000, of which $150,000 will be spent on water treatment and the remainder on odor and other air emission control.

Atlantic-Richfield Company: In 1971, Atlantic-Richfield spent $170 million on environmental control. This involved control facilities, devices, new procedures, land improvements, and noise considerations.

Armco Steel Corporation: Through 1971, Armco had total capital expenditures of $115 million at its installations. At its Middletown, Ohio plant alone, the company spent $42 million in 1965–71, including almost $20 million for hot strip mill water clarification and $15.2 million for high-energy wet scrubbers to remove air particuates.

Ideal Basic Industries, Inc.: This company identified seventeen projects, primarily to control air pollution. They were to be undertaken at an authorized cost of up to $20 million. By the time of this report, nine projects had been completed, and environmental improvement expenditures exceeded $10 million. All these figures excluded the sizeable operation and maintenance costs associated with these improvements.

Stauffer Chemical Company: Stauffer completed capital commitments of $4.8 million in the 16-month period ending on May 1, 1971. These expenditures included in excess of $1 million for mist elimination and dust emission control and the remainder for wastewater treatment.

The Procter & Gamble Company: Procter & Gamble had capital expenditures of $65 million during the five-year period 1970–74 for environmental control, mainly air and water control. Since then, supplemental spill protection type projects have invoved expenditures of $500 million and pretreatment projects amount to another $500 million.

Shell Oil Company:

As noted in the report of the Shell Chemical Company, its parent organization had been expending some $50 million a year in environmental improvements.

Over and above this, the Chemical Company reported that Shell Oil's decision to provide a third, unleaded, gasoline pump at its retail outlets, resulted in obligation of $70 million for this particular action leading to cleaner-burning automobiles.

Mr. FONG. Mr. President, I ask unanimous consent to have printed in the RECORD a memorandum showing accomplishments of the Council and what would not have been accomplished without the Council.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE NATIONAL INDUSTRIAL POLLUTION CONTROL COUNCIL

WHAT THE COUNCIL HAS ACCOMPLISHED

1. Furnished a legal entity to bring chief executives of American industry together in partnership with government to address pollution problems.

2. Educated consumers, through 50 reports on subjects as diverse as mercury and animal wastes, on industry's assessment, solutions, and recommendations on various pollution problems. (Approx. 160,000 items have been distributed through the Government Printing Office.)

3. Made industry aware of the nation's environmental concern and elicited industry's support for improving the environment through a yearly *commitment program*.

4. Stimulated industry to initiate cost-benefit studies on pollution problems.

5. Focused on the need for government to examine international market effects of pollution abatement policies.

6. Focused, through cross-industry relationships, on multi-industry pollution problems.

7. Focused on the need for technology development and international marketing of pollution control equipment.

8. Focused on the need for industrial environmental impact statements as a policy for industrial planning.

9. Reduced adversary attitudes between government and industry.

10. Provided industry's views and comments to the Executive Branch on legislation dealing with: water pollution; land use; pesticides; toxic substances; ocean dumping; PCB's; noise; and radiation.

11. Become a major source of industrial information for Commerce and other government agencies on industrial pollution activities.

WHAT WOULD NOT HAVE BEEN ACCOMPLISHED WITHOUT NIPCC

1. Top management of industry would have been on the side-lines in the country's fight against pollution.

2. Industry's adversary role with government regulations would not have been mollified.

3. Government would not have access to top level industrial advice and counsel.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Mr. President, I yield to the Senator from Missouri.

Mr. EAGLETON. Mr. President, I understand we will have a vote on the nomination of Mr. Schlesinger to be Secretary of the Department of Defense at 12:30.

The PRESIDING OFFICER. The Senator is correct.

Mr. EAGLETON. Mr. President, it is my intention to move to table the amendment of the distinguished Senator from Hawaii with the expectation we will have a back-to-back vote on the motion to table after the vote on the Schlesinger nomination, and that we will be able to get the yeas and nays when Senators arrive in the Chamber for the vote on that nomination.

Mr. McGEE. Mr. President, if I may interrupt the Senator, I supported the effort of the Senator from Hawaii in the subcommittee and I voted with him in the full committee. But the full committee voted against him and, therefore, I am compelled to support the committee action. I wanted the RECORD to reflect that.

Mr. ROBERT C. BYRD. Mr. President, I understand both sides will yield their time back and the Senator from Missouri will then offer a motion to table. I ask unanimous consent that the vote on the motion to table occur immediately upon the disposition of the nomination of Mr. Schlesinger.

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

Mr. EAGLETON. Mr. President, I shall be brief. I must be brief because of the vote at 12:30 p.m. on the Schlesinger nomination.

As a member and vice chairman of the Subcommittee on Air and Water Pollution of the Committee on Public Works, it was my privilege to hold hearings last year on the implementation of the Clean Air Act. During those hearings in March and April of 1972 we inquired into the utilitarian value, if any, of the National Industrial Pollution Control Council, the agency referred to in the amendment of the Senator from Hawaii. We found no legitimate purpose being served by this Council. It was created by Executive order. It is one of the classic examples of a committee wandering around with some vague authority which then seeks certain funding to conduct its business.

The amount of money in the amendment of the Senator from Hawaii, insofar as the total Federal budget is concerned, is not large—only $323,000. But an important principle is involved.

This council, which represents 500 of the biggest and wealthiest corporations in the country has no business utilizing taxpayers' money to the extent of $323,000. In effect, the taxpayers are subsidizing this group to represent themselves before the Federal Government. It gives industry disproportionate influence in the sense that this group, by reason of the fact that it has official standing, can influence EPA regulations even before they are printed in the Federal Register. It has a leg up that no other citizen, consumer or organization has. When EPA regulations come out they are printed in the Federal Register for public comment, but NIPCC has its nose in the tent before that process begins.

I want to point out and emphasize that this item was stricken on the floor of the House and eliminated from the budget. As pointed out by the distinguished chairman of the subcommittee (Mr. McGEE) when it was voted on at the full committee level by the Senate Committee on Appropriations the item likewise was stricken, even though it was defended by the Senator from Hawaii (Mr. FONG).

Mr. President, this agency is of highly dubious value. During the hearings we had last year, Mr. Hamilton of the Council testified before our committee for a considerable period of time. We could find little if anything the Council was doing of a constructive and useful nature. It printed some reports, but libraries are filled with reports printed by councils and commissions. We do not need another collector's item on a big

shelf. We have more reports printed and hanging around now than we need. So far as I can determine, the Council has no legitimate function. Its purpose is to provide input and thereby gain advantage in framing EPA regulations prior to promulgation.

Therefore, when the time is yielded back, pursuant to the unanimous-consent request obtained by the Senator from West Virginia, I shall move to table the amendment to restore funding of this Council and I request a vote after the vote on the Schlesinger nomination.

Mr. FONG. Mr. President, this Council is doing yeoman work. Representing the chief executives of industry, this Council is giving its talent and time, and the only expense for the Council is for the 11 staff members comprised of seven professionals and four clerks. These are all employees of the Commerce Department, and the real work is being done by these men themselves.

It is helping the Government to a very great extent, because they themselves will be expending approximately $65 billion on these antipollution projects.

Mr. EAGLETON. Mr. President, if all time on the amendment has been yielded back, I move to table the Fong amendment. I ask for the yeas and nays on that motion.

The yeas and nays were ordered.

EXECUTIVE SESSION—NOMINATION OF JAMES R. SCHLESINGER TO BE SECRETARY OF DEFENSE

The PRESIDING OFFICER. The hour of 12:30 having arrived, the Senate will go into executive session.

The question is, Shall the Senate advise and consent to the nomination of James R. Schlesinger, of Virginia, to be Secretary of Defense? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. FULBRIGHT. Mr. President, on this vote I have a pair with the junior Senator from Mississippi (Mr. STENNIS). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Iowa (Mr. CLARK) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Idaho (Mr. MCCLURE) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) and the Senator from Connecticut (Mr. WEICKER) are detained on official business.

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 91, nays 0, as follows:

[No. 252 Ex.]

YEAS—91

Abourezk	Ervin	Metcalf
Aiken	Fannin	Mondale
Allen	Fong	Montoya
Baker	Gravel	Moss
Bartlett	Griffin	Muskie
Bayh	Gurney	Nelson
Beall	Hansen	Nunn
Bellmon	Hart	Packwood
Bennett	Hartke	Pastore
Bentsen	Haskell	Pearson
Bible	Hatfield	Pell
Brock	Hathaway	Percy
Brooke	Helms	Proxmire
Buckley	Hollings	Randolph
Burdick	Hruska	Ribicoff
Byrd, Harry F., Jr.	Huddleston	Roth
	Hughes	Schweiker
Byrd, Robert C.	Humphrey	Scott, Pa.
Cannon	Inouye	Scott, Va.
Case	Jackson	Sparkman
Chiles	Javits	Stafford
Church	Johnston	Stevens
Cook	Kennedy	Stevenson
Cotton	Long	Symington
Cranston	Magnuson	Talmadge
Curtis	Mansfield	Thurmond
Dole	Mathias	Tower
Domenici	McClellan	Tunney
Dominick	McGee	Williams
Eagleton	McGovern	Young
Eastland	McIntyre	

NAYS—0

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mr. Fulbright, against

NOT VOTING—8

Biden	McClure	Taft
Clark	Saxbe	Weicker
Goldwater	Stennis	

So the nomination was confirmed.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative business.

DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AND CONSUMER PROTECTION AGENCIES APPROPRIATIONS, 1974

The Senate continued with the consideration of the bill (H.R. 8619) making appropriations for the Department of Agriculture and environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes.

The PRESIDING OFFICER. The vote occurs on the motion to table the amendment of the Senator from Hawaii (Mr. FONG). On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, will the Chair ask Senators to take their seats during the rollcall vote so that we may have order in the Senate.

The PRESIDING OFFICER. The Senators will take their seats and the Senate will be in order. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Iowa (Mr. CLARK) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Idaho (Mr. MCCLURE) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) and the Senator from Connecticut (Mr. WEICKER) are detained on official business.

The result was announced—yeas 48, nays 44, as follows:

[No. 253 Leg.]

YEAS—48

Abourezk	Ervin	Mondale
Allen	Fulbright	Montoya
Bayh	Hart	Moss
Bentsen	Hartke	Muskie
Bible	Haskell	Nelson
Brooke	Hathaway	Pastore
Burdick	Hollings	Pell
Byrd, Harry F., Jr.	Huddleston	Proxmire
	Hughes	Randolph
Byrd, Robert C.	Humphrey	Scott, Va.
Cannon	Jackson	Stevens
Case	Kennedy	Stevenson
Chiles	Magnuson	Symington
Church	Mansfield	Tunney
Cotton	McGee	Williams
Cranston	McGovern	
Eagleton	McIntyre	

NAYS—44

Aiken	Fong	Nunn
Baker	Gravel	Packwood
Bartlett	Griffin	Pearson
Beall	Gurney	Percy
Bellmon	Hansen	Ribicoff
Bennett	Hatfield	Roth
Brock	Helms	Schweiker
Buckley	Hruska	Scott, Pa.
Cook	Inouye	Sparkman
Curtis	Javits	Stafford
Dole	Johnston	Talmadge
Domenici	Long	Thurmond
Dominick	Mathias	Tower
Eastland	McClellan	Young
Fannin	Metcalf	

NOT VOTING—8

Biden	McClure	Taft
Clark	Saxbe	Weicker
Goldwater	Stennis	

So the motion to table was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McGEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY and Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. McGEE. Mr. President, I had agreed to yield first to the Senator from New York.

Mr. HUMPHREY. May I just ask unanimous consent to have two staff members come to the floor?

Mr. McGEE. I yield.

Mr. HUMPHREY. I ask unanimous consent that Mr. James E. Thornton and Mr. Barnacle be permitted the privileges of the floor during the consideration of this measure.

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

Mr. JAVITS. Mr. President, I am grateful to the Senator from Minnesota and the Senator from Wyoming for yielding, as I have a question I would

like to ask. I call attention to language in the committee report, at page 51, with reference to the allocation of $100 million for basic sewer and water facilities to deal with a demonstration program which is under the jurisdiction of HUD to fund a special Great Lakes program in an effort to deal with the pollution in the Great Lakes. As you know, my State has a great shoreline on the Great Lakes.

The language reads as follows:

The committee concurs with the action of the House in its desire for the use and distribution of these funds and for the reactivation of this program.

Referring back to the action of the House, I ask unanimous consent that a statement from the report of the House committee on page 61 under the heading "Special Great Lakes Program" be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SPECIAL GREAT LAKES PROGRAM

Last year the Committee recommended that the Environmental Protection Agency, the Department of Housing and Urban Development and the Office of Management and Budget work together to establish a program, coordinated by the Environmental Protection Agency, to make "frozen" HUD water and sewer funds available, under HUD's legislative authority, to fund the Special Great Lakes Program. The $100,000,000 would have been used to fund nine or ten selected storm and combined sewer projects on a demonstration basis to study the cost/benefits of the various systems. This procedure was recommended by the Committee because EPA did not, at that time, have the necessary legislative authority to fund storm and combined sewer projects. Regrettably, the Office of Management and Budget did not see fit to release these funds for this critically-needed program.

Therefore, this year the Committee has recommended that langauge be included in the bill transferring *$100,000,000 of* the $400,000,000 in "frozen" HUD water and sewer funds to the Environmental Protection Agency in order that this very important de-demonstration program may be carried out.

The Committee has also included language in the bill to continue the availability of $3,500,000 that was provided last year by the Congress for other activities in connection with the Special Great Lakes Program which shall be in addition to the $5,000,000 for this program contained in the budget request.

PUBLIC AFFAIRS

Mr. JAVITS. Mr. President, I refer also to page 73 of that report which reads as follows:

Last year, the committee directed the Department of Housing and Urban Development to cooperate with the EPA in establishing a procedure to make $100 million of frozen funds available to fund a special Great Lakes program. This program calls for the construction of nine or ten selected storm and combined sewer projects and a study of the cost-benefits of various systems.

Mr. President, I might add that one of those experimental projects is likely to go into the town of Amherst, which is near Buffalo, N.Y.

Continuing to read:

However, the funds were never made available to the EPA to fund this important program for cleaning up the Great Lakes. Therefore, this year, the committee recommends that language be carried in the bill to provide for the transfer of $100 million to the EPA to carry out this important program.

Language has been included in both the House and Senate versions of the bill and provides that $100 million of the $400 million for water and sewer grants shall be available to the EPA to fund storm and sewer projects on the Great Lakes.

Mr. President, it will be noted that these funds have been frozen by the administration in spite of past congressional intent and that the House committee emphatically wanted them unfrozen. Now the Senate committee report without, however, spelling it out specifically, concurs with the action of the House.

What I should like to ask the distinguished manager of the bill is whether he would be kind enough to make it clear for the RECORD that our feeling about this, the judgment of the committee, that this is a desirable and vital thing to do, is just as specific and just as detailed as that of the House with respect to the $100 million for the special Great Lakes program.

Mr. McGEE. Mr. President, I say to my colleague from New York that we feel very strongly on this. We agree completely with the House language. Had we written our report in the sharpest capsule form, it would have been one word, "Amen." And I want to reiterate the position of the Senate on the House language.

Mr. JAVITS. We expect these funds to be spent and we consider the purpose so desirable that even at a time of financial stringency, we think it should be done.

Mr. McGEE. Indeed, yes.

Mr. JAVITS. I thank the Senator from Wyoming very much.

I am happy now to yield to my colleague from Hawaii.

Mr. FONG. Mr. President, I would say to the distinguished Senator from New York that I join my chairman in response to the Senator's question.

Mr. JAVITS. I thank the Senator from Hawaii very much.

The PRESIDING OFFICER (Mr. MUSKIE). The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I send an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 14, line 22, delete "15,780,000" and insert in lieu thereof "$15,880,000".

On page 15, line 17, strike out the period and insert in lieu thereof a colon and the following:

"Provided further, That $100,000 shall only be available for the purpose of undertaking, in cooperation with appropriate Federal agencies, as well as State and local governments, an in-depth study of the existing crisis in rural transportation and recommend to Congress by June 30, 1974, steps to be taken by all levels of government to overcome inadequacies in rural rail, farm-to-market roads, highways, waterways, and port facilities and services."

Mr. HUMPHREY. Mr. President, I modify my amendment to make it $15,880,000.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. HUMPHREY. Mr. President, the amendment would provide up to $100,000 for the Department of Agriculture's Economic Research Service to undertake a study of the current rural transportation crisis and recommend steps to alleviate it.

These funds would be available for this purpose and this purpose only. By June 30, 1974, the USDA would be expected to report its findings to the Congress. In carrying out this study, the USDA would draw on all of the appropriate Federal agencies, as well as State and local governments.

The rural transportation system of this country has been seriously neglected for 30 years. The soaring food prices in our supermarkets today and the clogged grain movements all over the country, are symptoms of the inadequate attention that has been given to the transport needs of agriculture and other rural industries.

Railroad abandonments have cut off many rural areas of the country from their markets. Freight car shortges have seriously delayed, and in some cases actually prevented, delivery of agricultured commodities from the farm to our urban population centers. Inadequate farm-to-market roads prevent large enough trucks from delivering fertilizer and other items farmers need to produce our food at economically competitive unit prices. Of course, the same high costs exists for shipping the farmer product to market.

We have asked the relevant Government agencies to carry out studies of this type in the past. Our requests have been by letter and congressional resolution, but, to date, no response has been forthcoming. Perhaps we can get the advice we need on what to do about this critical transportation problem if we specifically appropriate funds to carry out the proposed study. At least, this is my hope in offering this amendment today.

Mr. President, I have introduced a resolution, Senate Concurrent Resolution 28, on June 4, 1973, which expresses the same request, but I believe that this is the quickest and most appropriate way to get at the problem.

Mr. President, I ask unanimous consent to have the text of Senate Concurrent Resolution 28 printed in the RECORD.

There being no objection, the text of Senate Concurrent Resolution 28 was ordered to be printed in the RECORD, as follows:

S. CON. RES. 28

Concurrent resolution expressing the sense of the Congress that a moratorium be declared on any further abandonment of rail services or facilities within the rural and nonmetropolitan regions of the United States until such time that appropriate investigations can be conducted to determine what might be done to continue such service where it is determined to be essential to the continued growth and development of communities and industries located within such regions. This moratorium shall remain in effect until at least June 30, 1974

Whereas the American people, in the early days of our Nation's history, made generous grants of land, including the mineral rights of such land, to American railroad companies in order to stimulate the growth and development of the then unsettled rural parts of our Nation; and

Whereas the pursuit of a more balanced national growth and development pattern in the United States has been declared by the Congress as a matter of the highest priority, and

Whereas the President and Executive branch of the Federal Government has indicated concurrence in the pursuit of this goal; and

Whereas it has been acknowledged by both the Legislative and Executive branches of Government that revitalization of rural America and our Nation's smaller communities is essential to the successful attainment of this goal; and

Whereas the continued availability of rail transportation services and facilities within rural America today are absolutely essential to the continued economic and social viability of those communities and industries located within this part of our Nation; and

Whereas wholesale abandonments of rail service are being permitted within rural areas, which is causing major disruptions in the commerce and movement of goods and services produced and required in such areas; and

Whereas little is known about the overall impact that these abandonments are having on future growth and development of such areas: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Federal Interstate Commerce Commission, in cooperation with the United States Department of Transportation and other appropriate departments and agencies of Federal and State governments, declare a moratorium on all further abandonment of rail service or railways until such time as appropriate studies and analysis can be made concerning the adverse impact that such abandonments are having on the areas and communities served by rail transportation. As a part of these studies and analysis, recommendations should be submitted to the Congress, the executive branch, and to the Interstate Commerce Commission regarding what actions might be taken to continue such rail service where it is essential to the continued growth and development of the regions and communities largely dependent upon such service.

Mr. HUMPHREY. Mr. President, I am hopeful that the distinguished chairman and the members of his committee might see fit to accept this amendment.

Mr. McGEE. The urgency of this matter is demonstrated all over the country in all the rural areas. The Senator has been constructive in placing his urgency tag in a fully promiscuous way to force action now.

The two of us managing the bill have agreed to accept the request for the $100,000 as a starting transfusion to get it off the ground and we will carry that to conference. We are willing to accept the amendment.

Mr. HUMPHREY. I am very grateful to the Senator from Wyoming and the Senator from Hawaii. I believe that if the Department will pursue this matter, we can get some valuable information that will give us some guidance in the future.

Mr. President, I yield back the remainder of my time.

Mr. McGEE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota (Mr. HUMPHREY).

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I have another amendment which I send to the desk and ask that it be stated. I might say to the distinguished chairman that I should like to engage him in a colloquy on the school lunch program for just a few moments afterwards.

Mr. McGEE. Certainly.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 30, line 20, insert the following immediately after the period:

"Loans provided to rural communities, under the Rural Development Insurance Fund, to enable them to attract new or expand industrial enterprises, by providing sewer, and water, and for other necessary facilities, may allow for a grace period of not to exceed three years on the repayment of principal and interest on direct and insured loans, if these communities demonstrate to the satisfaction of the Secretary of Agriculture that they do have serious economic problems that such industrial expansion would help to alleviate."

Mr. HUMPHREY. Mr. President, this amendment does not involve any appropriation, as the Senator knows. What it would do——

Mr. McGEE. I find that very refreshing at this stage of the afternoon.

Mr. HUMPHREY. I am sure that the Senator does find it a unique experience as well as a refreshing one.

Mr. President, the purpose of the amendment, without requiring an expenditure of one additional dollar, would greatly assist in the economic development of the poorest communities in rural America.

The Senator from Wyoming and the Senator from Hawaii may recall that it was my privilege in the previous Congress to serve as chairman of the Rural Development Subcommittee. Our full Committee on Agriculture and Forestry unanimously brought here to the Senate last year the Rural Development Act of 1972, which was passed, I believe, almost unanimously by the Senate. We have found, however, in monitoring rural development needs there are some serious deficiencies that still require attention because of the economic conditions that persist in some of our Nation's smaller rural communities.

I will not take the time to restate the statistics that thoroughly document the depressed conditions that afflict so may of this Nation's rural areas. We are all aware of the extremely high levels of unemployment, the dilapidated housing conditions, the terribly inadequate health care available, the meager levels of income, and all the other dismal data that has been collected.

Nor will I draw the detailed picture of outmigration of the young from these areas to our urban centers and the problems that this creates. We are all too familiar with this. The need for and value of balanced growth in our urban and rural areas is apparent and widely accepted. The amendment I am proposing would go directly to the aid of the poorest of our rural areas.

This amendment would provide a grace period of up to 3 years to rural communities, that the Secretary of Agriculture determines to be economically distressed, receiving loans for industrial development, including water and sewer loans for this purpose, under the rural development insurance fund.

Many small depressed rural communities cannot afford to make principal and interest payments on the loans they require to provide the water and sewer and other facilities needed to get desperately needed industry to move in. However, a few years after an industry is established and begins paying taxes, and the community begins, in other ways as well, to benefit from the new investment, it could then afford to repay a loan. This amendment would, help the poorest rural communities to attract new investment or permit existing industry to expand. The employment, income, taxation, and other benefits to our rural communities would be substantial. In some cases, it would make it possible for poor communities for the first time to actively help themselves out of their economic depression.

Mr. President, poor rural Americans need our help. I believe that the proposed grace period on industrial development loans would contribute to a permanent solution to decline in rural areas of this Nation.

This amendment would not relieve the communities of their obligation to repay; but where there are extenuating circumstances that can be documented fully to the Rural Development authorities of the Department of Agriculture, it would provide a grace period, on interest and principal, not to exceed 3 years. It might only be 6 months or 1 year or 2 years, whatever the Secretary and his appropriate officers deem necessary to make the loan a viable one to assure repayment in full.

Mr. FONG. It only gives them a deferment of payment?

Mr. HUMPHREY. That is correct. It does not relieve them of their loan repayment obligations. It permits a flexibility for those communities that find themselves overstretched or unable to meet the immediate commitment, up to a period of 3 years.

Mr. FONG. It is a very reasonable amendment.

Mr. McGEE. The committee will accept the amendment.

Mr. HUMPHREY. I appreciate that very much, and I am sure rural America will be very grateful.

I yield back the remainder of my time.

Mr. McGEE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, will the Senator yield me some time?

Mr. McGEE. I yield.

ANTICIPATED ADDITIONAL FUNDS FOR SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS BEGINNING FISCAL YEAR 1974

Mr. HUMPHREY. Mr. President, I invite attention to the fact that Congress will soon be asked to increase the basic authorization levels for cash reimbursements under our national school lunch

and child nutrition programs. Given the sharp rises in food costs and other costs relating to the operation of our Nation's school lunch, school breakfast, and other child nutrition programs that have occurred over the last year, current Federal reimbursement rates will undoubtedly have to be increased prior to the beginning of school this fall.

Representative CARL PERKINS, chairman of the House Education and Labor Committee, and I have introduced companion bills to provide for such necessary increases—H.R. 4974 and S. 1063 respectively.

Mr. President, I ask unanimous consent to have the full text of S. 1063 printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1063

A bill to establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and to amend the National School Lunch and Child Nutrition Acts for purposes related to strengthening the existing child nutrition programs

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

SEC. 2. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate the basic elements of a nutrition education program for children to be extended on a voluntary basis through State educational agencies to schools and service institutions as a part of the school lunch and child nutrition programs. Such a program shall include, but shall not be limited to, the preparation of course outlines, based on the advice of experts in the field of child nutrition, classroom teaching aids, visual materials, the training of school food service personnel, and the training of teachers to conduct courses in nutrition utilizing the school food service program as a laboratory. In developing such a program the Secretary shall consult with the Office of Education of the Department of Health, Education, and Welfare and with recognized authorities in the field of human nutrition and nutrition education.

(b) For the fiscal year 1974, the Secretary is authorized to use not to exceed $2,000,000 out of funds made available for the conduct of school lunch and child nutrition programs for the purpose of developing a nutrition education program as outlined under (a) above. From the funds made available under this subsection, the Secretary shall advance to each State educational agency an amount not to exceed $25,000 for the fiscal year 1974. The amounts so advanced shall be for the purpose of the employment of a nutrition education specialist in each State educational agency in order to provide for the planning and development of a nutrition education program for the children in each State.

(c) For the fiscal year 1975 grants to the States for the conduct of nutrition education programs for children shall be based on a rate of 50 cents for each child enrolled in schools or service institutions within the State and, for each fiscal year thereafter, grants will be based on a rate of $1 for each child so enrolled. Enrollment data so used will be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(d) The funds made available under subsection (c) may be used for the employment of personnel including supporting services, in the State educational agencies to coordinate and promote the conduct of nutrition education programs in participating school districts, and for other purposes related to such programs.

There is hereby authorized to be appropriated the funds necessary to carry out the purpose of this section.

(e) A nutrition education advisory council shall be established in each State to provide guidance and assistance in formulating the nutrition education program to be conducted in the State under the authority of this section. The members of the council shall be appointed by the chief state school officer of each State, and approved by the State educational agency and shall be professionals in the fields of nutrition, education, health, and welfare.

STATE ADMINISTRATIVE EXPENSES

SEC. 3. Section 7 of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following:

"For each fiscal year beginning with the fiscal year 1974, State educational agencies are authorized to use an amount, not to exceed 2 per centum of aggregated payments made to such agencies by the Secretary under the National School Lunch Act and the Child Nutrition Act of 1966 in the preceding fiscal year, to assist in the administration and supervision of the programs authorized under such Acts: *Provided,* That not less than 75 per centum of any funds used under this authority shall be directed to the employment of field nutrition supervisors and auditors who have a certificate of training in the subject areas or the equivalent in field supervisory or auditing experience: *Provided further,* That the funds expended under this section shall be used to supplement the existing level of administrative support services and expenditures therefor for the child nutrition programs in each State."

SCHOOL BREAKFAST PROGRAMS

SEC. 4. (a) The first sentence of section 4(c) of the Child Nutrition Act of 1966 is amended to read as follows:

"Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency to assist such schools in financing the costs of operating a breakfast program and for the purpose of subsection (d)."

(b) The second sentence of section 4(c) of the Child Nutrition Act of 1966 is deleted.

(c) Section 4(b) of the Child Nutrition Act of 1966 is amended by adding the following paragraphs at the end of such section:

"The national average payment established by the Secretary for all breakfasts served to eligible children shall not be less than 8 cents; an amount of not less than 15 cents shall be added for each reduced-price breakfast; and an amount of not less than 20 cents shall be added for each free breakfast. In cases of severe need, a payment of up to 45 cents may be made for breakfasts served to children qualifying for a free breakfast.

"For the fiscal years subsequent to the fiscal year beginning July 1, 1973, the breakfast payments specified in this subsection shall reflect changes in the cost of operating a school breakfast program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor."

NATIONAL ADVISORY COUNCIL

SEC. 5. Section 14 of the National School Lunch Act is amended as follows:

(1) In subsection (a) replace the word "thirteen" with the word "nineteen" and insert after the phrase "(or the equivalent thereof)", the first time it appears the following: "one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof); one member shall be a supervisor of a school lunch program in a school system in a rural area; two members shall be parents of school age children; two members shall be secondary school students participating in the school lunch program,";

(2) Subsection (b) is amended by striking out "nine" and inserting in lieu thereof "fifteen", and by adding the following to said subsection: "The new members to be appointed to the council as provided for by reason of the amendment to subsection (a) made by section 5 of the Child Nutrition Education Act of 1973, shall be appointed for terms of three years, except that the terms of the secondary students shall be two years."

(3) In subsection (e), delete the word "seven" and insert in lieu thereof the word "ten".

(4) Subsection (f) is amended by adding the following at the end of such subsection: "For the purpose of obtaining information incident to making the aforesaid recommendations, the council, by vote of its members present may request the appearance, at any of its meetings, of representatives from governmental or nongovernmental agencies or organizations concerned with the nutrition and welfare of children."

(5) Such section is amended by adding at the end thereof the following:

"(i) The Council shall continue in existence until terminated by Act of Congress enacted after the enactment of the Child Nutrition Education Act of 1973."

REGULATIONS

SEC. 6. The National School Lunch Act is amended by adding after section 15 the following new section:

"SEC. 16. Prior to the publication in the Federal Register of any proposed regulations to implement the provision of this Act or the Child Nutrition Act of 1966, the Secretary shall solicit the comments and recommendations of the National Advisory Council on Child Nutrition, and a representative group of State and local school food service administrators and selected lay citizens and shall establish a five-member group to work with the Department of Agriculture in the development of such regulations that reflect the comments of such groups."

REIMBURSEMENT

SEC. 7. (a) Section 4 of the National School Lunch Act is amended to delete the phrase "8 cents per lunch" as it appears in said section and substitute the phrase "10 cents per lunch". For the fiscal years subsequent to the fiscal year beginning July 1, 1973, the national average payment shall reflect changes in the cost of operating the school lunch program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor.

(b) In any fiscal year in which the national average payment is increased above the amount prescribed in the previous fiscal year, the maximum Federal food-cost contribution rate, for the type of lunch served, as provided for under section 8 of the National School Lunch Act, shall be increased by a like amount.

SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 8. Section 13 of the National School Lunch Act is amended by adding the following to subsection (d) of said section ": *Provided, however,* That the Secretary may enter into agreement with the State educational agencies for the administration of the program in situations where it is conducted under sponsorship of the local government. In

such situations the Secretary shall reimburse participating service institutions through State eduactional agencies under agreement with the Secretary.".

COMPETITIVE FOODS

SEC. 9. (a) Section 9(a) of the National School Lunch Act (nutritional and other program requirements) is amended by adding at the end thereof the following: "Additional foods which make a significant nutritional contribution may be offered for sale to children during the periods of food service conducted under programs authorized under this Act and the Child Nutrition Act of 1966 to the extent such offerings are necessary to meet nutritional needs of pupils in participating schools: *Provided, however,* That the sale of such additional foods shall be under the management and control of the food service department of the school and proceeds from such sales shall accrue to said department."

(b) The second sentence of section 10 of the Child Nutrition Act of 1966 (42 U.S.C. 1779) is deleted.

SPECIAL ASSISTANCE FUNDS

SEC. 10. (a) Section 11 of the National School Lunch Act is amended by redesignating subsection (h) as subsection (c), and by striking out subsections (a), (b), (c), (d), (e), (f) and (g) and inserting in lieu thereof the following:

"(a) Except as provided in section 10 of this Act, in each fiscal year each State educational agency shall receive special assistance payments in an amount to be determined in the following manner: multiplying the number of lunches (consisting of a combination of foods and meeting the minimum nutritional requirements prescribed by the Secretary pursuant to subsection 9(a) of this Act) served free to children eligible for such lunches in schools within that State during such fiscal year by the special-assistance factor for free lunches prescribed by the Secretary for such fiscal year and multiplying the number of lunches served at a reduced price to children eligible for such reduced-price lunches in schools within that State during such fiscal year by the special-assistance factor for reduced-price lunches prescribed by the Secretary for such fiscal year. For the fiscal year beginning July 1, 1973, the Secretary shall prescribe a special-assistance factor for free lunches of not less than 45 cents and a special-assistance factor for reduced-price lunches which shall be 10 cents less than the special-assistance factor fro free lunches. For fiscal years subsequent to the fiscal year beginning July 1, 1974, the special-assistance factor to be prescribed by the Secretary for free lunches shall reflect changes in the cost of operating a school lunch program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor.

"(b) Except as provided in section 10 of the Child Nutrition Act of 1966, the special-assistance payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools of that State in financing the cost of providing free and reduced price lunches served to children pursuant to subsection 9(b) of this Act. The amount of such special assistance funds that a school shall from time to time receive, within a maximum per lunch amount established by the Secretary for all States, shall be based on the need of the school for such special assistance. Such maximum per lunch amount established by the Secretary shall not be less than 60 cents."

(b) Subsection (c) of such section (as so designated by subsection (a)) is amended by adding at the end thereof the following:

"(4) Notwithstanding any other provision of this Act, in the case of any school attendance unit in which 85 per centum or more of the students are eligible for free or reduced price meals, all students in such school attendance units shall be served meals free of charge. In such case, all meals served in such attendance unit shall be reimbursed at the special assistance factor for free lunches approved by the State educational agency."

COMMODITIES

SEC. 11. Section 9 of the National School Lunch Act is amended by adding the following subsection:

"(d) In any fiscal year in which the Secretary is unable to expend the full amounts budgeted and programed for the purchase of commodities under section 6 of this Act and section 32 of the Act of August 24, 1935, the amounts unexpended shall be distributed among the States for the purchase of food by public and nonprofit private schools participating in the school lunch program. The determination of the amounts available for such distribution shall be made by February 1 of each fiscal year and the actual distribution shall be made as soon as practicable after that date, but in no event no later than March 15. The distribution of funds to the States under this section shall be made on the basis of the formula used in allocating section 6 and section 32 commodities for the school lunch program among the States."

DEFINITIONS

SEC. 12. Subsection 5(e) of the Child Nutrition Act of 1966 is amended by adding the following sentence at the end of such subsection: "For the purposes of this subsection the term 'schools without a food service' shall include those schools which have initiated food service on a temporary and emergency basis and desire to establish an improved and more effective food service on a permanent basis to better meet the needs of children in attendance."

APPROPRIATIONS FOR NONFOOD ASSISTANCE

SEC. 13. The first sentence of section 5(a) of the Child Nutrition Act of 1966 is amended by deleting the figure "$20,000,000" and substituting the figure "$40,000,000".

EXTENSION OF PROGRAM TO ALL SCHOOLS

SEC. 14. Section 8 of the National School Lunch Act is amended by adding the following before the period at the end of said section: ": *Provided,* That a school food authority that operates a school lunch program under this Act in one or more of the public schools under its jurisdiction shall operate the program in all schools under its jurisdiction by no later than the fiscal year ending June 30, 1975. It is further provided that the national school lunch program is to be extended, by September 1, 1975, to all public schools in which children are in attendance who qualify for free or reduced price lunches under the standards established by this Act."

INCLUSION OF TRUST TERRITORY

SEC. 15. Subsection (d) of section 12 of the National School Lunch Act, as amended, is amended by inserting the phrase "the Trust Territory of the Pacific Islands," before the word "or" in paragraph (1); by deleting paragraphs (4), (5), and (6); and by redesignating paragraph (7) as paragraph (4).

GRANTS FOR PROGRAM COSTS

SEC. 16. The National School Lunch Act is amended by adding at the end thereof the following:

"LOCAL COSTS OF SUPERVISION

"SEC. 17. The Secretary is authorized to make grants to State educational agencies, out of amounts appropriated by Congress for the purposes of this section, to assist in the supervision of local program operations. The grant to each State is to be determined on the basis of $250 for each school attendance unit participating in programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966."

Mr. HUMPHREY. It should be noted that the proposed legislation provides for increasing general assistance under section 4 of the National School Lunch Act from 8 cents per lunch to 10 cents per lunch. It also provides for increased reimbursement rates for free and reduced priced lunches. It further provides for increased authorization levels for nonfood or equipment purposes. And, it provides for authorizing expenditures for nutrition education and reimbursement for administration costs relating to the administration of school lunch programs.

Mr. President, based upon my conversations with Chairman Perkins of the House, I anticipate his companion bill (H.R. 4974) to clear the House of Representatives sometime during the month of July, followed by Senate action on my bill S. 1063 sometime that same month.

My estimates of the principal additional costs that would be involved if these bills are enacted prior to the beginning of school this fall are as follows:

Estimated additional costs for school lunch and child nutrition programs under S. 1063 and H.R. 4974

[In millions of dollars]

	Fiscal years	
	1974	1975
Nutrition education	2	25
State administration	20	20
Breakfast	75	100
Lunch:		
General assistance	80	80
Special assistance	75	75
Special need	15	15
Supervison	22	22
Total	289	337

Mr. President, I ask the distinguished Senator from Wyoming, Senator McGEE, whether he and his Committee are prepared to provide the additional monies that will be required under this bill now, or whether he is prepared to make a commitment to us now with respect to providing them promptly following completion of congressional action on these legislative proposals.

Mr. McGEE. Obviously, we could not provide it now, in anticipation of legislation that is still pending.

Mr. HUMPHREY. That is correct.

Mr. McGEE. But we certainly will receive it warmly, as provided by the new law, and thus it would be a subject, I think, for consideration in a supplemental request.

Mr. HUMPHREY. That is the kind of commitment we received last year, and it was fully honored.

I express to the Senator my thanks, because I am sure I speak for many members of the Committee on Agriculture and Forestry. We are going to take some action on this. The Senator is saying that once we have authorized the increase in funds, we will take prompt action to provide the funds.

Mr. McGEE. There will be no delay so far as the committee is concerned.

Mr. HUMPHREY. Mr. President, on page 30, line 2, of the bill before us relates to a rural development insurance

fund. The language refers to "loans to be insured, or made to be sold and insured, under this fund in accordance with and subject to the provisions of," and so on.

There is a sum total of $545 million for community facilities, $400 million of that amount for industrial loans. What I should like to know is whether the amounts specified in that section include loans made on a guarantee basis, which, as we know, are loans which involve money being provided by private lenders. The Government merely guarantees the payment of these loans. It provides no money itself.

If these amounts in the bill cover guaranteed loans, I should like to ask "Why"? Would the manager of the bill and his committee associates be willing to exempt guaranteed loans from the ceilings that are there provided?

Mr. McGEE. It is the committee's understanding that that applies only to insured loans.

Mr. HUMPHREY. Guaranteed loans are exempt from the ceilings?

Mr. McGEE. That is the committee's understanding.

Mr. HUMPHREY. I do appreciate that clarification. That meets the needs of rural America.

Mr. HRUSKA. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 5, line 1, strike out "$178,828,900" and insert in lieu thereof "$178,928,900".

On page 6, at the end of line 4, add the following: *"Provided further*, That $100,000 of this appropriation shall be available only for the purpose of conducting a study to determine the feasibility of extracting fuel from grain:".

Mr. HRUSKA. Mr. President, I yield myself such time as I may require.

The amendment will provide funding to conduct a study to determine the feasibility of extracting ethyl alcohol from grain to be used as motor fuel, know as gasohol. Such a study would be timely as well as practicable in view of current and growing gasoline shortages.

Several years ago, the State of Nebraska began studies and experimentation on a gasohol project. It explored the utilization of alcohol distilled from grain and blended on a 10–90-percent basis with gasoline. It was found that the product of this mix can be successfully burned in any existing automobiles.

It is a fact that a major problem effecting the manufacture of gasohol is the cost. Up until now, the economics of the situation and the cost of the product have outweighed the feasibility of developing large scale production. However, even given the high cost, which was about 6 cents more per gallon, the National Petroleum Council has noted that:

When evaluated against assistance to many U.S. regional economies, improved air pollution control and engine performance, fermentation alcohol must be considered in any future industrial energy considerations.

It is my hope that the Senate will see the importance of including the requested funding for gasohol in the legislation that we are now considering. I hope the amendment will be accepted, so that we can explore the matter in conference and see whether the House has more recently received information on the subject.

Mr. FONG. I am quite sure that the manager of the bill (Mr. McGEE) is willing to accept the amendment, because it requests a very reasonable amount. In the meantime, since he temporarily has left the Chamber, he has asked me to engage in a colloquy.

Mr. HRUSKA. Very well; I am available.

Mr. FONG. May I ask the distinguished Senator from Nebraska: What was the result of the preliminary studies on blending alcohol with gasoline?

Mr. HRUSKA. Early studies indicated that the cost factor was quite great compared with the cost of motor fuel. In view of the more recent development regarding the increasing price of gasoline—6 cents or more per gallon—such a study is now even more important. The higher price now is an encouraging factor for this experimentation. In fact, it would now be very comparable on a cost basis.

Several factors now exist which encourage the further study of gasohol. New technology, coupled with the rising cost of gasoline, makes the situation entirely different from what it was during the original experimentation.

The rising cost of gas and the difficulty of transporting grain now provide an ideal opportunity to explore further the possibility of developing this needed resource. Before this project can be implemented on a large scale, a feasibility study must be made to determine the cost estimates and practicalities. Of course, this appropriation would include funds to make such a study. The amendment would include $100,000 to make such a study. The overall cost of the project is estimated to be in the neighborhood of $20 million.

It is clear that a study of the possible development of a gasohol program is of the utmost import with widesweeping ramifications, including the alleviation of the energy crisis.

Mr. FONG. Is this confined to wheat?

Mr. HRUSKA. No; grain of any kind. Very often, as the Senator knows, in the Middle West we get grain which is spoiled due to excessive moisture content or by storage, and while it is spoiled for human or animal consumption it is still good and can be used for extracting alcohol from it.

Mr. FONG. What is it used for now?

Mr. HRUSKA. Much of it is disposed of or discarded.

Mr. FONG. This would be a very fine experiment.

Mr. HRUSKA. I think it would be.

Mr. FONG. It would be a good experiment to see if we can generate enough alcohol from it to make it reasonably priced.

Mr. HRUSKA. It should be explored more scientificially and completely.

Mr. FONG. I think this is a very fine proposal and I am willing to accept it.

Mr. President, I am quite sure the manager of the bill will be willing to accept it. I suggest the absence of a quorum.

Mr. HRUSKA. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. McGEE. Mr. President, we discussed this amendment and we are prepared to accept it. I think it is very commendable and the committee will accept the amendment.

Mr. HRUSKA. I yield back my time.

Mr. McGEE. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McGEE. Mr. President, I ask unanimous consent that Leon Billings of the staff of the Committee on Public Works be permitted on the floor.

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

Mr. McGEE. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROTH). Without objection, it is so ordered.

Mr. McGEE. Mr. President, the Senator from Maine has a number of questions he would like to ask in the field he has established as a major concern of this Congress. It is a long time coming and many did not listen to him in the early years when it might have been less expensive than now, and that is in the field of environmental pollution control.

The committee welcomes the comments and inquiries of the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MUSKIE. I thank the Senator from Wyoming.

Mr. President, at the outset I wish to say that I am going to offer an amendment, but before I do so I wish to make several observations. The amendment would be to increase the appropriation for the national study commission on water quality management.

I think it is time for me to say frankly on the floor of the Senate how frustrating and difficult I find present arrangements in the Committee on Appropriations of the Senate for considering appropriations for environmental protection programs.

Three members of the Committee on Public Works, which has jurisdiction over those programs, are ex officio members of the Committee on Appropriations. But we are not members of the Agriculture Subcommittee, which for some strange reason handles Environmental Protection Agency appropriations. So what we have is an agricultural oriented subcom-

mittee without inputs from those of us who serve on the Committee on Public Works, making important decisions on appropriations for environmental programs.

This appropriations bill before us reflects the frustrations we have had. There have been three improvements made in the bill reported by the subcommittee to the full committee. Three increases were approved in full committee:

First. An increase of $20 million for sulfur oxide control;

Second. An increase of $5 million—$10 million had been recommended—for resource recovery technology; and

Third. An increase of $2 million for removal of in-place toxic pollutants from harbors.

All other recommendations relating to increases in funds, including those covering such areas as improving studies of the relationship of air pollution to public health, increasing the effectiveness of enforcement of auto emission standards, and improving Environmental Protection Agency staffing to aid in meeting deadlines specified in the laws were ignored. Further, the committee refused to consider sections of report language which were proposed in our report to the Appropriations Committee and which we believed particularly essential to assure proper implementation of the air and water pollution laws. As we know, report language is very important in appropriations legislation.

Also, the Appropriations Committee ignored the recommendation to restructure the appropriations legislation along programatic lines authorizing funds according to the air, water, noise, and other laws rather than authorizing funds for functional areas such as research or enforcement as in now done. Our hearings indicated this change was particularly essential to improve oversight because the present appropriations structure gives great discretion to EPA and makes it very difficult to determine if funds are being allocated consistent with congressional intent.

So I would like to include in the RECORD at this point, if I may—and I ask unanimous consent to do so—language indicating the improvements in appropriations for environmental programs which we sought from the Appropriations Committee and failed to achieve.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Recommendations for appropriations: The report recommends the following changes in the EPA budget:

Air pollution from $146,369,000 to $187,360,000.

Water pollution from $192,356,000 to $209,356,000.

Solid waste from $5,760,000 to $24,760,000.

Noise $4,037,000 with no change recommended.

Totals $348,522,000 to $425,513,000.

Within the substantive areas, the following changes are recommended:

Air Pollution:

(1) Increased funding for abatement and control by $10 million to provide more support for State programs and for increasing efforts to develop and publish new source performance standards.

(2) An increase of $1 million in enforcement funds to provide more persons for certification and surveillance in the auto emissions control program.

(3) An increase of $10 million in funds for research to identify adverse effects of pollution and further examine and develop air quality criteria and standards, along with a recommendation that the Appropriations Committee find ways to terminate funding for the Coordinating Research Council.

(4) An increase of $20 million for development of emission control technology for sulfur oxide control, and an expression of concern about funding for the alternative power systems program which we do not believe has been effectively administered.

Water Pollution:

(1) An increase of $15 million in the funding for abatement and control, to provide $10 million for increased funds for State programs and another $5 million to increase EPA's capacity to meet deadlines under the water bill which it has failed to meet regularly.

(2) A recommendation that the Appropriations Committee provide no funding for section 303(e) of the water pollution program, relating to development of water quality standards, until EPA has adequately implemented other sections of the new law which recognize the new directions toward effluent limitations and areawide basin planning which the new law had mandated but which EPA is placing at a low priority.

(3) A request that the Appropriations Committee provide enough funds to implement the waste treatment facilities grant program at the full $11 billion level recently required by the courts.

Solid Waste:

An increase of $9 million in abatement and control to provide continued technical assistance and other activities in the Washington office and an increase of $10 million in grant programs to develop new resource recovery demonstration projects. (As you will recall, the solid waste program was severely cut in this year's budget from a $36 million appropriation last year, and a $30 million budget request to only $5 million.) To assure funds are spent, it is recommended the funds for EPA publicity and legislative activities be conditioned on quarterly obligations of solid waste funds being consistent with the appropriated levels.

Noise:

A recognition that the noise program needs increased staff, but without a recommended increase in the budget because of concern expressed to the current confused way in which the program is run.

Mr. MUSKIE. And, Mr. President, one of the reasons, I think, is that those of us who have been close to these programs do not have an effective voice in subcommittee consideration of these appropriations.

Both with respect to the Clear Air Act of 1970 and the Clean Water Act of 1972, in connection with our action in reporting those bills to the floor, we sought and obtained from the administration estimates of the appropriations needed to implement the legislation.

It was our feeling that too often legislative committees report legislation to the floor and get Senate approval of policy that is later not implemented for lack of funds.

So we undertook to put in the record and it is in the record of the debate on that legislation, the actual numbers reflecting the dollars necessary to do what the Senate was committing itself to do in approving the authorizing legislation.

In 1966 we increased the authorization for waste treatment facilities several fold, but it took several years to persuade the Appropriations Committee to reflect that change in policy in appropriation bills, and we still have not fully overcome this problem.

I am not going to offer a multitude of amendments to try to achieve on the floor what we were unable to achieve in committee, but I am going to propose one amendment which illustrates the point I am making.

In the Clean Water Act of last year, we laid down specific deadlines in 1977, 1983, and 1985. The achievement of those deadlines depended upon the ability of American industry and government to stimulate the development of the technological breakthroughs necessary to do the cleanup job, but we set the deadlines notwithstanding those uncertainties because at the same time we created a National Study Commission whose job it is, under that law, to examine the possibilities, to tell us what the problems are, and to lay them out for us before those deadlines arrive, so that we can decide whether or not what we required of the American people in last year's law is achievable in 1977, 1983, and 1985.

For that purpose, the Congress authorized $15 million for a 2-year study. The administration has asked for that full $15 million to be appropriated this year. The commission has been created, headed by Governor Rockefeller of New York, made up of distinguished people, who also urged that the full amount be appropriated. The committee rejected the recommendation and appropriated half of that amount. The explanation in the committee report is as follows:

The committee is concerned with the possible duplication of the resources and efforts by the commission and the Environmental Protection Agency.

Mr. President, there is no conflict or overlap between this commission and the Environmental Protection Agency.

We are charged to inform the Congress on the impact of the 1972 clean water legislation and are given 2 years to do it. We asked for the full $15 million at the outset because much of this work is going to have to be contracted out. Some of it may take no longer than 30 days, some of it no longer than 6 months, some of it as much as 2 years; but we would like to get it all started now.

Mr. McGEE. Mr. President, I wonder if the Senator will yield?

Mr. MUSKIE. Under the committee proposal, we must hold up half of the work until next year.

Yes, I yield to the Senator from Wyoming.

Mr. McGEE. The Senator has burned up the remainder of the time on the bill itself, because there is no amendment pending. I wonder if he would submit an amendment.

Mr. MUSKIE. All right. I will submit my amendment.

Mr. President, I send an amendment to the desk and ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 37, line 18, strike "$7,500,000" and insert in lieu thereof "$14,800,000":

Mr. MUSKIE. Mr. President, the amendment increases the amount from $7.5 million to $14.8 million, because the committee has received $200,000 of its appropriation in the current fiscal year. So this is the full amount that was authorized.

I would like to read, if I may, from the remarks of the distinguished chairman of the full Committee on Public Works (Mr. RANDOLPH) last year on this commission. He said then:

Mr. President, the impact of programs contained in S. 2770 will undoubtedly be substantial. The large amounts of the money authorizations for pollution control would alone be felt, but in addition, we are directing new approaches to the total problem which should be carefully evaluated as they are placed in operation.

The House version of S. 2770 required the National Academies of Science and of Engineering to conduct certain studies on the impact of this legislation. The Senate conferees preferred a different approach, and as a result, I offered a proposal to create a National Study Commission which was accepted by the conference. Since the goals of this legislation are to be achieved through long-range programs, I believe it is essential to maintain some surveillance over these programs, particularly since, as I have said, much that is in this legislation is new. The study commission authorized by section 315 will have congressional representation. This is extremely important for it is the Members of Congress who will have the responsibility in the years ahead to make whatever changes may become necessary in our national water pollution control program.

Since the success of our program is to a large degree, dependent on existing and anticipated technologies, the National Study Commission will give its principal attention to the technological aspects of achieving the effluent limitations and goals set for 1983. It also will examine the total economic, social, and environmental effects of achieving these goals. Only by being fully informed can the Congress act when it is again called on to consider legislation in this general field. The National Study Commission will help provide the information on which to base the necessary decisions.

Mr. President, we are seeing almost every day now the consequences and the potential for disruption of our economy associated with achieving air quality and water quality goals; and these problems exist because all too often in the past we have failed to do what needed to be done at the time it needed to be done.

There was no doubt in the Congress about what we wanted this Commission to do when we created it. We wanted it to provide us with information necessary to get things moving as soon as possible. Now, what do we do? We have the Commission's requested appropriation cut in half so that we may have to postpone half our work for a full year.

We are going to spend the money. It is a question of deciding how best we can do 2 years of work, authorizing or appropriating the full amount now or delaying half of it for a year.

And it is for that reason that out of several subjects that I might have picked this afternoon, I chose this one.

This Commission has just been formed. Governor Rockfeller organizeed it in May. That is why we delayed the testimony before the committee. He is assembling his staff at the present time. It will be a distinguished staff. We should provide it with the resources already authorized by the Congress.

Mr. President, I withhold the remainder of my time.

Mr. McGEE. Mr. President, the distinguished Senator from Maine makes an eloquent case, and he always does. I would have to say in behalf of the committee that the amount which was submitted to the committee from the House of Representatives was zero. They gave them not one nickel. The administration requested $1 million. The subcommittee, on which two members of the Public Works Committee Subcommittee on the Environment were present, made no additional representation on these instances. However, because we also sensed the urgency of the matter which the Senator from Maine has pled so well, we increased the budget request 7½ times, to $7.5 million.

I simply submit it was attesting to the sense of urgency, knowing that we had to go to the House of Representatives which had provided nothing.

The Senator from Maine makes the case for congressional action.

That is why we proceeded in this fashion. We, too, have some responsibility to live up to.

Mr. MUSKIE. Mr. President, if the Senator will yield, at the time the House acted, the commission had not been appointed or organized. So, the House had no basis on which to act.

Mr. McGEE. But the point is that we considered this with a budget estimate of $1 million and a House allowance of zero.

Mr. MUSKIE. I understand. Let me fill in the rest of the picture. The budget request was based upon that same set of circumstances. However, the circumstances changed. In May the commission was appointed. It was organized. It is working on this program. It is appointing the staff, and it needs to get started. The executive branch supports our request for the full $14.3 million from the committee. Am I misinformed on that?

Mr. McGEE. The subcommittee has received no such affirmation from the director. That is the reason behind the committee's action.

Mr. MUSKIE. I can try to get it for the Senator this afternoon. Governor Rockefeller was on the telephone, and I was present with Mr. Ash on the other end. They assured me this was the administration's position.

Mr. McGEE. This is the second time that we have heard he is going to do that. We have had reports of a forthcoming budget amendment but I have not seen any such document yet. That is the reason for the explanation.

Mr. MUSKIE. That is not the reason given here in the committee report. The reason given here is:

The committee is concerned with the possible duplication of resources and efforts by the Commission and the Environmental Protection Agency."

That is entirely without justification.

Mr. President, it is evident the committee shares some of the frustrations I find in trying to get environmental appropriations up to the levels needed.

If the position of the Bureau of the Budget is not as I have stated, Mr. Ash is in difficulty with Senator MUSKIE, Governor Rockefeller, and Mr. Congressman JONES. We were assured that the letter was coming up and going to the committee.

Mr. McGEE. Mr. President, I wonder if in the interest of saving time, we were to agree with the Senator from Maine on a figure of $10 million to get going and agree that he could perhaps get another $2.5 million later. As these things come up we could consider them later.

Mr. MUSKIE. Mr. President, when will the first supplemental appropriations be up?

Mr. McGEE. It will likely be up in the early fall. However, this will at least assure that they are going full steam because it will be a relatively short period of time.

Mr. MUSKIE. Mr. President, I would be willing to cooperate in that respect. All I want is a hearing at the right time so that the committee can get at least an exposure to our point of view.

I understand the difficulties of the committee. It is so close to the end of the fiscal year. My principal objective was to get more money. Secondly, I wanted to try to get attention. I hope that we have gotten attention. If we get more money, we can go along.

Mr. President, I modify my amendment to change the $14,800,000 to $10,000,000, with the understanding that we can consider additional amounts later.

The PRESIDING OFFICER. The amendment is so modified.

Mr. McGEE. Mr. President, we have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Maine (putting the question).

The amendment, as modified, was agreed to.

Mr. MUSKIE. Mr. President, may I call the attention of the Senate to another point. The last sentence of the language which I was reading from the report states:

The commission is directed to notify this committee 30 days in advance of letting or awarding of any contracts.

That is going to be a very stultifying kind of requirement on the commission.

Mr. McGEE. If the Senator would wait just a moment, I will check that language. It is on page 50 of the report.

Mr. MUSKIE. Mr. President, I would like to have agreement that there be a suspension of that requirement until we can discuss that with the commission and the members of the committee later on.

Mr. McGEE. Mr. President, the committee would be willing to amend that portion of the report and delete the last sentence which the Senator has just read.

Mr. MUSKIE. Mr. President, I would like to express my appreciation to both the Senator from Wyoming and the Senator from Hawaii for this evidence of their cooperation.

I look forward to discussing the first

supplemental appropriations bill with them. I think that by that time we should have specific and sufficient indication of the direction in which we are moving and the things we want to do so that we can reassure the committee as to the budgetary aspects of the matter.

I am pleased to yield back the remainder of my time, Mr. President.

Mr. McGEE. The amendment has already been agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 5, line 1, strike out "$178,828,900" and insert "$178,846,900".

On page 6, line 7, strike out the period and insert in lieu thereof the following: *"Provided further,* That of the appropriations hereunder, the sum of $18,000 shall be available only for the purpose of offsite improvements on property adjoining the boundary of the Grain Marketing Research Laboratory, Manhattan, Kansas, to remain available until expended."

The PRESIDING OFFICER. Does the Senator request that his amendment be considered en bloc?

Mr. DOLE. Yes.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. DOLE. Mr. President, I wish to bring to the attention of my colleagues the immediate need for Federal funds to help finance improvements on a major traffic artery in Manhattan, Kans., which has been seriously affected by the recent construction of a U.S. Department of Agriculture grain marketing research center. Construction of this facility changed the watershed of the area whereby water, which previously drained harmlessly into a nearby pasture, now collects in the research center parking lot and is flushed directly into Dickens Avenue. Due to the steep grade, the water discharge has eroded the street and made it nearly impassable.

The local community has responded to this situation by making the necessary preparations for upgrading and paving the street. School district property has been annexed, right-of-way obtained, and legal petitions requesting funds for the street improvements have been prepared for submission to the city of Manhattan.

Since Dickens Avenue is the primary access route to the research center and its construction gave rise to the need for these improvements, the city has requested Federal participation in the costs, and the Agriculture Research Service has agreed to allocate funds for this purpose. However, implementation of this agreement has been delayed by a decision of the Comptroller General requiring Congress to specifically approve such an allocation of funds.

Similar provisions have been made for off-site improvements at ARS centers in Newell, S. Dak., and Riverside, Calif. I believe authority should also be granted in this case and at the earliest possible date. I, therefore, request that the 1974 Agriculture appropriations bill now under consideration include provisions to permit the expenditure of not more than $18,000 by the ARS for improvements on Dickens Avenue. Similar authority was provided by the Senate in the first and second 1973 supplemental appropriations bills. However, the provision was stricken during House consideration of the measure.

The funds are urgently needed to repair street damage caused by the Federal construction. They are needed to sustain adequate access to the grain maketing lab and also so that citizens attending the church and school also located on Dickens Avenue will not be plagued with the hazardous road conditions. It would seem reasonable that since it was a federally financed project which to a large degree created the existing road conditions, the Federal Government should assist in its small share of the repair costs, and I would ask that my colleagues join in support of this measure.

Mr. President, I have discussed this amendment briefly with the subcommittee chairman, who in turn has discussed it with the ranking Republican member. It has been offered before and accepted before. It involves as I have stated, an offsite improvement in Manhattan, Kans., in connection with the Manhattan Grain Marketing Research Laboratory.

Heretofore we have had difficulty convincing the House conferees that it is an expenditure which can be allowed, but I hope that the amendment will be accepted. It involves a very small sum, $18,000, for certain street improvements.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard.

Mr. McGEE. Mr. President, we have consulted on the subject matter of the amendment which the Senator from Kansas is offering. We have dealt with the matter once before, unsuccessfully, in connection with the supplemental bill.

Both Senator FONG and I heartily agree with the merit of the request, and we are willing to accept the amendment.

The PRESIDING OFFICER. Is time on the amendment yielded back?

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. McGEE. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas (Mr. DOLE).

The amendment was agreed to.

EXECUTIVE IMPOUNDMENT OF APPROPRIATED FUNDS

Mr. BAYH. Mr. President, the current controversy over impoundment comes down to a single question: Will the Congress and the President together determine national priorities, or will the President alone make these crucial determinations? The Constitution, I believe, requires decisions about priorities—about where we will spend the money we raise—to be made by both the executive and legislative branches. The decision is not Congress' alone—unless it can muster a two-thirds majority—for the President can veto any appropriations or legislative bill sent to him. But it is just as certainly not the President's decision alone. The Constitution specifically provides that—

No money shall be drawn from the Treasury, but in consequences of appropriations made by law.

And, except in certain narrowly defined areas, the Congress has not by legislation authorized any refusal to spend money it appropriates.

The issue involved is one of great principle. It cuts close to the heart of our representative democracy. Impoundment by this or any other administration—and both Republican and Democratic Presidents have claimed the power—violates the constitutional separation of powers. Recent court cases involving water pollution control funds, highway funds, and OEO funds have proved the point.

The battle over impoundment is not a battle between a high-spending Congress and a frugal President. The Congress does not—and I as one Member do not want—the Federal Government to spend more than the President has recommended. Indeed, the Senate has passed, and I have supported, a spending ceiling for fiscal 1974 which sets a limit on total outlays at $268 billion—a figure which is somewhat below the limit the President proposed, and which will result in a budget surplus if the economy runs at full employment. The differences between the Congress and the President revolve around only two points: How will the $268 billion be allocated between human needs and military needs, and how will that decision be made.

If the President can impound funds at will, without the opportunity for Congress to affect the decision, then the influence of the Congress over national priorities will be slight indeed. In effect, the President would have an item veto over appropriations. This is a power purposely not given to the President by the Constitution, for our Founding Fathers wisely recognized the dangers of the concentration of power. If the President can impound at will, then one man alone will decide where the country spends its tax dollars: one man would decide whose needs are most important, and whose will have to wait. That is simply not the way the Constitution meant for the system to work.

The Senate recently took one important step toward correcting the imbalance of power created by unilateral executive impoundments when it passed the Impoundment Procedures Act, introduced by the distinguished Senator from North Carolina (Mr. ERVIN). That bill, which I cosponsored, requires the President to obtain the approval of Congress in order to impound or withhold from obligation any appropriated funds or other grant of budget authority. That bill is presently pending in the House, and hopefully will soon be sent to the President for signature.

But in the meantime there is another step which the Congress can and should take. We should require that the money

we appropriate be spent in accordance with the law, so that our say in national priorities is preserved.

To accomplish this goal I offered an amendment to the Agriculture-Environment Consumer Protection Appropriations bill which is now before the Senate. My amendment, approved by the Appropriations Committee, requires that, except in very limited situations, all money appropriated by the act be expended. I have successfully offered this amendment, to the HUD-Space-Science-Veterans Appropriation bill and the continuing resolution in committee. I plan to offer an identical amendment to all future appropriations bills for fiscal 1974.

My amendment states that the sums appropriated by the bill—

Shall be made available for expenditure except as specifically provided by law.

The committee report accurately explains that this language is intended to assure that—

All funds be available for obligation except those which may legally be withheld under the Anti-Deficiency Act or other specific statutory authority.

This amendment will send the administration a message about what Congress means when it passes an appropriations bill. It will tear asunder the administration's argument—which I think specious in any event—that the amount granted in an appropriations bill is only the maximum which can be spent on the program in question, and that the administration has discretion to spend less—down to nothing if it feels like it. And it will make it perfectly clear to the courts that Congress intends that the money it appropriates be spent—and spent on the programs and activities for which it was intended.

The only exception to the instruction contained in the amendment is for situations in which the refusal to spend the funds appropriated is specifically authorized or directed by law. This is a narrow exception, and must be narrowly interpreted. The Anti-Deficiency Act is the best example of such authority. Under that act, the President is authorized, in carefully defined situations, to establish reserves for contingencies or to effect savings through changes in requirements, greater efficiency of operations, or other developments subsequent to the date of the appropriation. The act does not permit the President to impound funds simply because he thinks a program is no longer worthwhile, or because of broad social or economic policy considerations which go beyond the program he wants to restrict. The Anti-Deficiency Act does, however, allow limited withholding of funds where the program can be accomplished fully at a lower cost than had originally been anticipated. This is only sensible, and is permitted by my amendment.

There are a few other situations in which the failure to make funds available for obligation is justified by specific statutory authority. Under the Agriculture appropriations bill itself, for example, certain reserves are directed to be established until the States come into the fire ant program. Under the impoundment procedures bill, if it is enacted, the Congress may come to approve certain impoundments, and these withholdings too would be valid under my amendment. But in other situations, the mandatory language of the amendment—the requirement that the sums appropriated shall be made available for obligation—would be controlling. Thus impoundments said to be justified on some vague inherent powers of the Executive, or on the statutory debt ceiling or similar bases would not be permitted under the language I proposed. If in such situations the President believes that funds which have been appropriated should not be spent, he should come forward to Congress with a proposal for rescission of the appropriations or such changes in the authorizing legislation as he considers necessary.

I believe that this amendment is a sound, reasonable way for Congress to make its intentions clear. In combination with the impoundment procedures bill it is the proper way for Congress to reassert its constitutional rights and responsibilities for the budget, and for national priorities. I urge my colleagues to support it.

CHILD NUTRITION PROGRAMS—NONFOOD ASSISTANCE

Mr. EAGLETON. Mr. President, title V of the Child Nutrition Act authorizes a program of assistance to the States to enable schools to purchase equipment and provide facilities to establish, maintain, and expand a school food service program.

Testimony presented to the committee during consideration of the supplemental appropriations bill earlier this year indicated that there are at least 17,500 schools in the country without a school lunch program primarily because they lack kitchen equipment and facilities.

In recognition of the numbers of children who are still denied participation in a school lunch program, Congress last year increased the authorization for nonfood assistance to $40 million for fiscal 1974.

The administration requested only $16.1 million, and this is the amount made available by the House of Representatives.

The Senate bill increases this amount by $12 million, bringing the total appropriation for nonfood assistance to $28.1 million.

Within the last week, a survey of State school food service directors concerning their need for nonfood assistance funds during fiscal 1974 was conducted by the Food Research and Action Center in New York City. This survey clearly indicates the need for additional funds for this purpose if all children are to have the opportunity to participate in a school lunch program in the foreseeable future.

Mr. President, I ask unanimous consent that the survey I have referred to be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

A SURVEY OF STATE SCHOOL FOOD SERVICE DIRECTORS CONCERNING THEIR NEED FOR NONFOOD ASSISTANCE FUNDS DURING FISCAL YEAR 1974 TO MAINTAIN AND EXPAND THE NATIONAL SCHOOL LUNCH PROGRAM

This survey was conducted by the Food Research and Action Center between June 22 and June 26, 1973. During that time, the Center contacted 48 State School Food Service Directors by telephone and asked the following question:

What amount of non-food assistance funds do you need for fiscal year 1974 to effectively meet your State's need for the school kitchen equipment required to maintain and expand your State's participation in the National School Lunch Program?

The answer to this question was broken down into three categories:

The amount of non-food assistance funds needed for "no-program" public schools in fiscal 1974.

The amount of non-food assistance funds needed for "program" public schools in fiscal 1974.

The amount of non-food assistance funds needed for private schools in fiscal 1974. (This question was asked only of those State agencies that actually administer National School Lunch Program funds for private schools as authorized by State law.)

The responses of 48 State agencies are contained in this survey. The answers show those amounts that States "could effectively use." Each State director was asked for his own estimate. They used various sources from which to draw the figure they thought most reflective of their State's need. Some directors used figures quoted in their State Plan of Operation; some used the results obtained from other surveys; and some applied their own analysis to available information and quoted a compromise figure. Many State directors indicated that these were conservative estimates.

The results of this survey show a great need for non-food assistance funds to maintain existing programs and to implement new ones. Many State directors asserted that they could spend amounts far exceeding the figures quoted in the survey, but felt that the amounts they reported gave a realistic appraisal of need. Many directors, especially those from the southern States, stressed the need for "unreserved funds;" i.e., funds that could be used to modernize and revamp old programs operating with substandard equipment.

Fiscal year 1973's appropriation for nonfood assistance (from section 5 of the Child Nutrition Act of 1966, as amended) was $15,000,000. Each State's share of this $15 million is listed in the survey (the figures used are those after the reapportionment dated May 14, 1973). This appropriation, from an authorization of $40 million (section 5(a) of the Child Nutrition Act of 1966, as amended), was not sufficient to meet States' needs in fiscal 1973.

In a previous survey conducted by the Food Research and Action Center, published on March 7, 1973, it was determined that 43 State directors needed $28 million to meet their non-food assistance obligations as they saw them for the balance of fiscal 1973. The $6 million included in H.R. 7447 (the Second Supplemental Appropriations Bill of 1973), will only go a small distance toward meeting that need. If that bill is signed into law, that $6 million will be expended immediately and will in no way diminish the need for the $70 million expressed by State directors in this survey.

A summary of the survey results, by category, is as follows:

1. Total non-food assistance apportionment for fiscal 1973 to the 48 States surveyed

(after the May reapportionment), $13,853,880.

2. Amount of non-food assistance funds needed in fiscal 1974 for "no-program" public schools in the 48 States, $19,286,639.

3. Amount of non-food assistance funds needed in fiscal 1974 for "program" public schools in the 48 States, $44,619,571.

4. Total amount of non-food assistance funds needed in fiscal 1974 for public schools in the 48 States (sum of No. 2 and No. 3), $64,406,210.

5. Total amount of non-food assistance funds needed in fiscal 1974 for public and private schools in the 48 states, $73,206,749.

State	Total apportionment to State agency in fiscal year 1973 (1)	Amount needed for "No-program" public schools in fiscal year 1974 (2)	Amount needed for "Program" public schools in fiscal year 1974 (3)	Total amount needed for public schools in fiscal year 1974 (4)	Total amount needed for public and private schools in fiscal year 1974 (5)
Alabama	183,738	None	2,755,603	2,755,603	[1] 2,755,603
Alaska [2]					
Arizona	166,853	283,932	944,000	1,227,932	1,228,932
Arkansas	102,360	None	2,500,000	2,500,000	[1] 2,500,000
California	1,110,942	1,000,000	3,000,000	4,000,000	4,200,000
Colorado	111,275	237,000	238,000	475,000	[1] 475,000
Connecticut	340,012	358,000	102,000	460,000	[3] 460,000
Delaware	35,487	None	87,956	87,956	91,956
District of Columbia	23,199	None	308,000	308,000	408,289
Florida	388,539	50,000	4,350,000	4,400,000	4,500,000
Georgia	303,558	None	2,000,000	2,000,000	[3] 2,000,000
Hawaii [2]					
Idaho	54,091	86,000	47,900	133,900	[1] 133,900
Illinois	937,147	(4)	(4)	(4)	5,620,000
Indiana	351,784	550,000	258,160	808,160	[3] 808,160
Iowa	159,131	[5] 250,000	[5] 250,000	500,000	[1] 500,000
Kansas	176,070	250,000	80,000	330,000	350,000
Kentucky	199,729	16,707	271,202	287,909	305,909
Louisiana	235,233	None	300,000	300,000	[3] 300,000
Maine	86,872	1,700,000	825,000	2,525,000	[1] 2,525,000
Maryland	169,542	None	345,000	345,000	595,000
Massachusetts	948,427	1,600,000	550,000	2,150,000	2,490,000
Michigan	698,425	1,300,000	700,000	2,000,000	[3] 2,000,000
Minnesota	305,138	1,776,000	700,000	2,476,000	[3] 2,476,000
Mississippi	157,039	None	600,000	600,000	[3] 600,000
Missouri	206,012	None	2,000,000	2,000,000	[3] 2,000,000
Montana	96,656	270,000	90,000	360,000	[1] 360,000
Nebraska [2]					
Nevada	14,245	12,000	60,000	72,000	[1] 72,000
New Hampshire	92,135	300,000	300,000	600,000	[3] 600,000
New Jersey	833,112	1,000,000	600,000	1,600,000	[1] 1,600,000
New Mexico	77,204	75,000	825,000	900,000	1,000,000
New York	1,281,586	1,000,000	2,000,000	3,000,000	3,500,000
North Carolina	321,657	None	900,000	900,000	1,000,000
North Dakota	44,444	60,000	140,000	200,000	[1] 200,000
Ohio	665,169	2,500,000	1,040,000	3,540,000	[1] 3,540,000
Oklahoma	120,683	100,000	1,700,000	1,800,000	2,110,000
Oregon	141,720	280,000	1,000,000	1,280,000	1,400,000
Pennsylvania	827,671	750,000	750,000	1,500,000	[1] 1,500,000
Rhode Island	136,073	3,000,000	1,500,000	4,500,000	5,000,000
South Carolina	158,512	None	4,900,000	4,900,000	[1] 4,900,000
South Dakota	51,236	(4)	250,000	250,000	[3] 250,000
Tennessee	196,556	50,000	750,000	800,000	[1] 800,000
Texas	405,265	200,000	1,300,000	1,500,000	[3] 1,500,000
Utah	84,354	192,000	681,750	873,750	876,000
Vermont	42,862	80,000	80,000	160,000	170,000
Virginia	217,690	None	2,000,000	2,000,000	[1] 2,000,000
Washington	138,416	55,000	95,000	150,000	[1] 150,000
West Virginia	89,445	150,000	750,000	900,000	[1] 900,000
Wisconsin	339,963	245,000	175,000	420,000	[1] 420,000
Wyoming	26,623	10,000	20,000	30,000	35,000
Total	13,853,880	19,286,639	44,619,571	64,406,210	73,206,749

[1] Indicates estimates for State agencies that do not administer funds for private schools in their States. These figures, therefore, do not include the amount of funds needed for private schools in these States.

[2] Indicates the 3 States which are not included in this survey.

[3] No figure was available as to private schools' needs. The number which appears is the same as the figure in col. 4, so as to preserve the value of the totals.

[4] Information was unavailable.

[5] These figures were not available from the State director. For the purposes of the table, the $500,000 total in col. 4 was evenly distributed between "program" and "no-program" schools.

Note: The figures in col. 1 represent the total amounts of nonfood assistance received by the State agency from sec. 5 of the Child Nutrition Act of 1966, as amended, after the May reapportionment.

GYPSY MOTH CONTROL

Mr. SCOTT of Pennsylvania. The pending Agriculture Department appropriations bill contains $2,216,700 for gypsy moth control, which reflects a $500,000 increase initially proposed by the House Appropriations Committee. I am pleased that there has been an increase in funds. I wish there could be more.

Last November, well before the gypsy moth began chewing his way through northeastern Pennsylvania's forests, I wrote to Mr. Weinberger, who was then Director of the Office of Management and Budget, and urged him to recommend an increased budget request. In spite of the fact that USDA's Animal and Plant Health Service last year treated approximately 200,000 acres of land nationwide in an effort to eliminate the gypsy moth, the Department's scientists were predicting the defoliation of 500,000 acres in Pennsylvania alone this summer unless the pest was controlled. I feared that the eastern counties of the Commonwealth, especially Monroe, would sustain the heaviest damage.

I am afraid that those dire predictions have become stark reality. Letters coming into my office indicate that the forests are literally being eaten alive by the gypsy moth. Some areas are entirely bare, taking on a midwinter appearance. The Western Pocono Vacation Association in Lake Harmony is predicting a drastic reduction in tourism if the defoliation continues.

One young man who had just returned from Buck Hill Falls wrote that he saw—Millions and millions of gypsy moth caterpillars swarming all over the place and ruining the forest. If the trees are completely bare, without any leaves, can I sue? Or what?

The question, indeed, is "What can be done?" With this appropriation, I am strongly urging USDA to place the gypsy moth on its most-wanted list. It must be destroyed before it destroys our precious forest land.

THE SUPPLEMENTAL FOOD PROGRAM

Mr. COOK. Mr. President, I feel that it is important at this time to bring special attention to one particular item in H.R. 8619. In title I of that bill, the committee recommended an additional $2 million of section 32 funds be made available to assist local public or nonprofit agencies with the cost in distributing supplemental foods to pregnant and lactating women and infants.

I strongly support this item and urge my distinguished colleagues to do the same. This $2 million may seem an insignificant figure in comparison to the total figure of $10 billion appropriated in H.R. 8619, but this $2 million is extremely important to 161,000 Americans. This is the number of mothers and children now being reached through the supplemental food program. However, this figure has steadily decreased in the last year primarily due to the lack of local funds to administer the program and distribute the foods. Emergency food and medical service funds under OEO had been used for this purpose at one time, but the elimination of these funds have forced several programs to close down. It is likely that participation will continue to decrease unless Congress appropriates this $2 million for assisting localities in distributing the foods.

Why is it important that these supplemental foods get distributed? This feeding program helps provide adequate nutrition for mothers and infants from low-income families during the critical developmental period extending from pregnancy through the first few years of life. There is no doubt that malnutrition in pregnant women contributes to the birth of premature and low-birth-weight infants. Prematurity and low-birth-weight contribute in turn to infant mortality and mental retardation. Therefore, this program may greatly help in preventing malnutrition among the 161,000 participants. Once again, I strongly urge that this $2 million be appropriated by Congress.

Mr. ABOUREZK. Mr. President, I was one of the Members of this body who supported Chairman McGEE in his courageous efforts earlier this year to draw the line on Executive usurpation of the congressional power of the purse.

I was willing to lend my support to his efforts, even on legislation so vital to my State as this bill, because I believed that the principles which Mr. McGEE sought to defend were so basic to the constitutional separation-of-powers that the mustering of any power within this body's domain to their defense would be fully warranted.

Now we are told that the President is willing to entertain a new spirit of cooperation with the Congress; I, for one, cheer it.

I believe that in this bill we have

firmly demonstrated once again that this Congress does in fact behave in a fiscally responsible manner which deserves the cooperation of the executive branch.

Moreover, in this bill I believe that we have once again demonstrated that this Congress can lead the way, within the boundaries of fiscal responsibility, to attend to the huge tasks at hand within the confines of the borders of this Nation.

In particular, I refer to the committee's action with respect to rural housing.

By now you have heard the figures many times, but I repeat them again: more than 60 percent of this Nation's inadequate housing is suffered by 30 percent of its population—the rural Americans.

This disproportionate distribution of one of our worst problems only hastens the demise of rural America, compounds the impossibility of the urban dilemmas, destroys human health and well-being, robs the Nation of a rational distribution of prosperity across its landscape and wreaks destruction on the basic notions of equity which underpin the strength of this Government.

To put it more bluntly, the lack of decent housing at reasonable prices in rural America is a shortcoming we can ill afford in human and economic terms.

I am pleased that this bill takes cognizance of that simple, basic truth.

It restores the rural housing loan fund of the Farmers Home Administration to the level approved by Congress for fiscal 1973—a level of $2.144 billion.

Moreover, it directs that 50 percent of that amount, or $1.2 billion, be channelled to the interest credit subsidy of mortgage credit for low-and moderate-income rural families. It is, by any standard, a fairly meager amount. Moreover, this item is not an appropriation; it is merely an authorization of an operating level of an insured revolving loan fund which relies on the private capital market for its corpus.

I say this to preclude the possibility that its budgetary impact might be dramatically overstated.

The committee has likewise wisely acted to increase funding for the self-help technical assistance program of Farmers Home to a level of $5 million.

This program is the key to one of the soundest housing approaches we have in all of the Federal Government.

This program provides the administrative and staff money to teach low-income rural families how to build their own homes, to guide them through the bureaucratic process and to guide them as they contribute their own sweat to construction of a decent home.

This program, unlike many of our subsidized programs, enjoys widespread community support where it exists—there is one getting underway in Rapid City, S. Dak., my hometown. It demolishes the community stigma which often attaches to subsidized housing. A man who has built his own home can hold his head high in the community, even if he is poor.

What is more, having helped to build that home, he knows how to take care of it.

This program has been a success, and deserves 10 times the amount of money it is getting.

I was also pleased by the compassionate judgment shown by the committee in increasing funding for the domestic farm labor housing program to a level of $15 million. The migrant farmworkers who stoop and sweat in the fields of this land have too long been forgotten, to use a kind word.

It is my hope that this body will put a resounding stamp of approval on these actions. They are at one and the same time responsible and compassionate.

Having said that, I cannot in any honesty fail to express disappointment that once again one of the most potent, rational tools for dealing with bad rural housing has been relegated to the dungeon.

I am referring to the section 504 program of title V of the Housing Act of 1949, the Farmers Home Administration home repair grant and loan program. Although there is some activity in the loan portion of this program, the grant part of it has been killed every year since 1964 by what amounts to legislative language in an appropriations act.

Simply put, Congress has been instructing the Farmers Home Administration not to use the grant program. This program is intended for the very poor.

Under it, a loan-grant combination of up to $2,500 can be extended to a rural family to fix up its existing house. If the addition of water or sewage facilities is included, the combination can go as high as $3,500.

I would point out, somewhat cynically, that if this program were reactivated, we could cut down the expense of building a house for many of our very poor rural people under another program.

If a family needs additional space, or a new heating unit, or plumbing, or perhaps insulation, or a new roof, or if they simply need to make their house weather-tight, or to fix up the steps so the old folks do not fall and break their hips, then this program would be ideal—and if they were very poor, then the grant part of this program would bring the needed repair within their economic range.

In so doing, the family would be allowed to stay in its present home, the Government would not incur the expense of building a new home for them, and our inventory of repairable substandard homes could be more fully brought to bear on the total problem.

To make things worse, the cities, under HUD sections 312 and 115, have programs that are roughly comparable—while the rural areas have nothing. It is more of the same kind of discrimination to which our rural people have become altogether too well accustomed.

I would not presume to suggest the motivations of this Congress in shutting down one of its most sensible and potent tools, but I would hasten to add that the matter deserves reexamination and that I will be working to bring about that reexamination and a restoration of this program next year.

Otherwise, Mr. President, I believe that on balance the rural housing portions of this bill reflect the kind of sound judgment which is deserving of the support of every Member of this body who entertains in some corner of his conscience a concern for the health and well-being of the millions of rural American families for whom the promise of a decent home remains hollow.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8619) was read the third time.

Mr. McGEE. I yield back whatever time I may have remaining.

Mr. FONG. I yield back my time.

Mr. McGEE. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. CHILES). The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Iowa (Mr. CLARK) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Idaho (Mr. McCLURE) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

On this vote, the Senator from Idaho (Mr. McCLURE) is paired with the Senator from Ohio (Mr. TAFT). If present and voting, the Senator from Idaho would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 88, nays 6, as follows:

[No. 254 Leg.]

YEAS—88

Abourezk	Ervin	McIntyre
Aiken	Fannin	Metcalf
Allen	Fong	Mondale
Baker	Fulbright	Montoya
Bartlett	Goldwater	Moss
Bayh	Gravel	Muskie
Beall	Griffin	Nelson
Bellmon	Gurney	Nunn
Bennett	Hansen	Packwood
Bentsen	Hart	Pastore
Bible	Haskell	Pearson
Brock	Hatfield	Percy
Brooke	Hathaway	Proxmire
Buckley	Helms	Randolph
Burdick	Hollings	Schweiker
Byrd, Harry F., Jr.	Hruska	Scott, Pa.
	Huddleston	Scott, Va.
Byrd, Robert C.	Hughes	Sparkman
Cannon	Humphrey	Stafford
Case	Inouye	Stevens
Chiles	Jackson	Stevenson
Church	Javits	Symington
Cook	Johnston	Talmadge
Cranston	Kennedy	Thurmond
Curtis	Long	Tower
Dole	Magnuson	Tunney
Domenici	Mansfield	Weicker
Dominick	McClellan	Williams
Eagleton	McGee	Young
Eastland	McGovern	

NAYS—6

Cotton	Mathias	Ribicoff
Hartke	Pell	Roth

NOT VOTING—6

Biden	McClure	Stennis
Clark	Saxbe	Taft

So the bill, H.R. 8619, was passed.

Mr. McGEE subsequently said: Mr. President, in the rapid movement at the end of this debate on H.R. 8619, and the yeas and nays being called for, I inadvertently left on my desk a request for an amendment to correct a technical error in the bill. The ranking minority member (Mr. FONG) favors this amendment.

I ask unanimous consent that the vote by which the bill was passed and its third reading be reconsidered, that the amendment be adopted, and the bill as thus amended be passed.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. McGEE. Mr. President, this amendment is necessary because the citation contained in the bill as originally printed did not recognize a recodification of the statutes which has taken place. The basic law to which the citation refers remains the same. Only the legal citation has been changed.

The text of the amendment is as follows:

On page 3, lines 1 and 2, strike the following: "section 73 of the Act of January 12, 1895 (44 U.S.C. 241)" and insert in lieu thereof: "44 U.S.C. 1301"

Mr. McGEE. Mr. President, I ask unanimous consent that the Senate insist on its amendments, request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees.

There being no objection, the Presiding Officer (Mr. BARTLETT) appointed Mr. McGEE, Mr. McCLELLAN, Mr. PROXMIRE, Mr. ROBERT C. BYRD, Mr. TALMADGE, Mr. FONG, Mr. HRUSKA, and Mr. YOUNG conferees on the part of the Senate.

MESSAGE FROM THE PRESIDENT

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

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. BARTLETT) laid before the Senate a message from the President of the United States submitting the nomination of George A. LeMaistre, of Alabama, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation, which was referred to the Committee on Banking, Housing and Urban Affairs.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1938) 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 House had agreed to the amendments of the Senate to the bill (H.R. 5383) to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7200) to amend the Railroad Retirement Act of 1937 and the Railroad Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rates; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to part I of the act, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 8410) to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS of Arkansas, Mr. ULLMAN, Mr. BURKE of Massachusetts, Mrs. GRIFFITHS, Mr. SCHNEEBELI, Mr. COLLIER, and Mr. BROYHILL of Virginia were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 8537) to amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STRATTON, Mr. HÉBERT, Mr. NICHOLS, Mr. BRAY, and Mr. HUNT were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 29) authorizing the printing of additional copies of Senate hearings on illegal, improper, or unethical activities during the Presidential election of 1972.

The message further announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 132) providing for the printing as a House document of a revised edition of "The Capitol."

RETIREMENT OF HARRY C. BURKE WITH 61 YEARS OF SERVICE

Mr. COTTON. Mr. President, Mr. Harry C. Burke, the Senate's longtime Clerk of Enrolled Bills, will retire June 30. His retirement ends more than 61 years of dedicated employment to his country and his Government. In that timespan, some 44 years were given in service to the U.S. Congress, beginning with his appointment as a messenger to the CONGRESSIONAL RECORD clerk on January 24, 1906, and afterward as assistant Journal clerk and clerk of enrolled bills in the Office of the Secretary of the Senate.

Between these periods of employment on the Hill, Mr. Burke was at one time with the American Embassy in Paris during World War I, and with the Public Works Administration and Public Buildings Administration during the early 1930's.

It is interesting to note here that Harry Burke has served the Congress during the tenures of every Speaker and President pro tempore for whom the House and Senate Office Buildings are named today.

Mr. Burke married Yvonne A. Gelinas in Nashua, N.H., their native city, on December 27, 1919, and celebrated their 50th wedding anniversary in 1969 of that marriage that has brought him 4 daughters, 1 son, and 13 grandchildren.

I think I am safe in claiming that my association with, and friendship for Harry Burke has been longer and closer than any other Member of the Congress or any of his associate officials and employees of the Senate. I came to Washington in 1924 shortly after my graduation from college to serve on the staff of the late Senator George H. Moses, of New Hampshire, and to attend law school. Harry Burke was then assistant Journal clerk of the Senate and welcomed me as a fellow New Hampshirite. During my 4 years in law school and in the service of the Senate he and Yvonne became my fast friends. Many an evening I used to take my lawbooks to their home and babysit with their children when they had occasion to go out. Twenty years later when I came to the House of Representatives that friendship was resumed and has continued through my 8 years in the House and my nearly 20 years in the Senate.

Harry Burke has been universally esteemed and held in deep affection by all who have known him throughout his service here. Fundamentally, he is a friendly, unassuming man but with a warmth of personality that has endeared him to the hundreds who have come and gone through is 61 years of service. No man has ever been more faithful to his family, his church, and his country or more meticulous in the discharge of his duties in every capacity in which he has served—nearly all of that service having been here in the Senate.

At an appropriate time today, his fellow employees will present him with a plaque commemorating all his years with the Congress. I know that my colleagues will all join me in wishing him well in his retirement, and contentment and happiness for both him and his wife for many years to come.

LAW ENFORCEMENT ASSISTANCE AMENDMENTS

The PRESIDING OFFICER (Mr. BARTLETT). Under the previous order, the

Senate will proceed to the consideration of H.R. 8152, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 8152) to amend the title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

UNANIMOUS-CONSENT AGREEMENT ON HUD APPROPRIATION BILL

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to make the following request. It has been cleared on the other side of the aisle and with the manager of the bill.

I ask unanimous consent that at such time as the HUD appropriation bill is called up and made the pending business, there be a time limitation thereon of 3 hours, to be equally divided between Mr. PROXMIRE and the distinguished ranking Republican on the committee (Mr. YOUNG) or his designee; that the time on any amendment be limited to 30 minutes; and that the agreement be in the usual form with respect to time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on any debatable motion or appeal be limited to 30 minutes, and that that, likewise, be incorporated in the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The text of the unanimous consent agreement is as follows:

Ordered, That, during the consideration of H.R. 8825, the HUD Appropriation Bill for 1974, debate on any amendment, debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader, or his designee.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the Senator from Wisconsin (Mr. Proxmire) and the Senator from North Dakota (Mr. Young) or his designee: *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order for the leadership to call up the HUD appropriation bill at any time on tomorrow or Saturday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, when the Executive Calendar was called up today, was the nomination of Mr. John W. Barnum, of New York, to be Under Secretary of Transportation, taken up?

The PRESIDING OFFICER. It was not.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider that nomination.

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

DEPARTMENT OF TRANSPORTATION

The second assistant legislative clerk read the nomination of John W. Barnum, of New York, to be Under Secretary of Transportation.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, on this nomination and all preceding nominations, I ask unanimous consent that the President be notified.

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Mr. President, is the pending business H.R. 8152?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the following members of the staff of the Subcommittee on Criminal Laws and Procedures be allowed on the floor for the duration of the consideration and votes on H.R. 8152: G. Robert Blakey and Paul C. Summitt.

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

Mr. HRUSKA. Mr. President, I ask unanimous consent that Ken Lazarus, Chuck Bruse, Ken Davis and Chuck Kern be granted the privilege of the floor during the debate and vote on H.R. 8152.

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

Mr. TUNNEY. Mr. President, I ask unanimous consent to have the privilege of the floor for a member of my staff, Rick Rubin.

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

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the privilege of the floor be granted to George Shanks of my staff.

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

Mr. McCLELLAN. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator may proceed.

Mr. McCLELLAN. Mr. President, the authority for the Law Enforcement Assistance Administration—LEAA—will expire on June 30 of this year. If we do not want this vital program to come to an end, it is imperative that we take action before June 30.

The House, after extensive hearings and debate, has now completed its work on a comprehensive measure (H.R. 8152) to revise and to extend the LEAA program. The House-passed bill is a good bill, not perfect, but it seems to be a good compromise of competing interests. With some modifications, I am sure that a majority of the Senate will want to support it.

The Subcommittee on Criminal Laws and Procedures, which I am privileged to chair, has held 2 days of hearings on a number of LEAA related proposals. Testimony has been taken from the Attorney General, Members of the House and Senate, and representatives of the Governors, counties, mayors and public interest groups. On June 19, the subcommittee also reported to full committee its own version of comprehensive legislation to revise and to extend the LEAA program. On June 20, mindful of the time pressures we are now laboring under, I attempted to bring this measure up before the full Committee on the Judiciary. It appeared that a majority of the committee was apparently willing to report it out. Nevertheless, some members of the committee moved to postpone further consideration of the bill for 1 week, as the committee rules provide.

Mr. President, this 1 week delay has made it most difficult, if not impossible for the Senate and House to work its will on this comprehensive legislation in time to save this program from expiration on June 30. It appears that we will now be forced to take up the House passed measure directly on the Senate floor.

Mr. President, I ask unanimous consent that Amendment No. 248, which is pending at the desk, be offered in the nature of a substitute, that it be agreed to, and that the bill as thus amended be considered as original text for purpose of further amendment.

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

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Crime Control Act of 1973".

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (Public Law 90-351), as amended (42 U.S.C. 3701 et seq.), is struck in its entirety and the following substituted in lieu thereof:

"TITLE I—LAW ENFORCEMENT ASSISTANCE

"Declarations and Purpose

"Congress finds that the high incidence of crime in the United States threatens the peace, security, and general welfare of the Nation and its citizens. To reduce and prevent crime and juvenile delinquency, and to insure the greater safety of the people,

law enforcement and criminal justice efforts must be better coordinated, intensified, and made more effective at all levels of government.

"Congress finds further that crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively.

"It is therefore the declared policy of the Congress to assist State and local governments in strengthening and improving law enforcement and criminal justice at every level by national assistance. It is the purpose of this title to (1) encourage States and units of general local government to develop and adopt comprehensive plans based upon their evaluation of State and local problems of law enforcement and criminal justice; (2) authorize grants to States and units of local government in order to improve and strengthen law enforcement and criminal justice; and (3) encourage research and development directed toward the improvement of law enforcement and criminal justice and the development of new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals.

"PART A—LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

"SEC. 101. (a) There is hereby established within the Department of Justice, under the general authority of the Attorney General, a Law Enforcement Assistance Administration (hereinafter referred to in this title as 'Administration') composed of an Administrator of Law Enforcement Assistance and two Deputy Administrators of Law Enforcement Assistance, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) The Administrator shall be the head of the agency. One Deputy Administrator shall be designated the Deputy Administrator for Policy Development. The second Deputy Administrator shall be designated the Deputy Administrator for Administration.

"PART B—PLANNING GRANTS

"SEC. 201. It is the purpose of this part to encourage States and units of general local government to develop and adopt comprehensive law enforcement and criminal justice plans based on their evaluation of State and local problems of law enforcement and criminal justice.

"SEC. 202. The Administration shall make grants to the States for the establishment and operation of State law enforcement and criminal justice planning agencies (hereinafter referred to in this title as 'State planning agencies') for the preparation, development, and revision of the State plan required under section 303 of this title. Any State may make application to the Administration for such grants within six months of the date of enactment of this Act.

"SEC. 203. (a) A grant made under this part to a State shall be utilized by the State to establish and maintain a State planning agency. Such agency shall be created or designated by the chief executive of the State and shall be subject to his jurisdiction. The State planning agency shall be representative of law enforcement agencies, units of general local government, and public agencies maintaining programs to reduce and control crime. Any regional planning units within the State shall be comprised of a majority of local elected executive officials and shall include representatives of law enforcement and criminal justice agencies.

"(b) The State planning agency shall—

"(1) develop, in accordance wtih part C, a comprehensive statewide plan for the improvement of law enforcement and criminal justice throughout the State;

"(2) define, develop, and correlate programs and projects for the State and the units of general local government in the State or combinations of States or units for improvement in law enforcement and criminal justice; and

"(3) establish priorities for the improvement in law enforcement and criminal justice throughout the State.

"(c) The State planning agency shall make such arrangements as such agency deems necessary to provide that at least 40 per centum of all Federal funds granted to such agency under this part for any fiscal year will be available to units of general local government or combinations of such units to enable such units and combinations of such units to participate in the formulation of the comprehensive State plan required under this part. The Administration may waive this requirement, in whole or in part, upon a finding that the requirement is inappropriate in view of the respective law enforcement and criminal justice planning responsibilities exercised by the State and its units of general local government and that adherence to the requirement would not contribute to the efficient development of the State plan required under this part. In allocating funds under this subsection, the State planning agency shall assure that major cities and counties within the State receive planning funds to develop comprehensive plans and coordinate functions at the local level. Any portion of such 40 per centum in any State for any fiscal year not required for the purpose set forth in this subsection shall be available for expenditure by such State agency from time to time on dates during such year as the Administration may fix, for the development by it of the State plan required under this part.

"(d) The State planning agency and any other planning organization for the purposes of the title shall hold each meeting open to the public, giving public notice of the time and place of such meeting, and the nature of the business to be transacted, if final action is taken at that meeting on (A) the State plan, or (B) any application for funds under this title. The State planning agency and any other planning organization for the purposes of the title shall provide for public access to all records relating to its functions under this Act, except such records as are required to be kept confidential by any other provision of local, State, or Federal law.

"SEC. 204. A Federal grant authorized under this part shall not exceed 90 per centum of the expenses incurred by the State and units of general local government under this part, and may be up to 100 per centum of the expenses incurred by regional planning units under this part. The non-Federal funding of such expenses, shall be of money appropriated in the aggregate by the State or units of general local government, except that the State shall provide in the aggregate not less than one-half of the non-Federal funding required of units of general local government under this part.

"SEC. 205. Funds appropriated to make grants under this part for a fiscal year shall be allocated by the Administration among the States for use therein by the State planning agency or units of general local government, as the case may be. The Administration shall allocate $200,000 to each of the States; and it shall then allocate the remainder of such funds available among the States according to their relative populations.

"PART C—LAW ENFORCEMENT REVENUE SHARING

"SEC. 301. (a) It is the purpose of this part to encourage States and units of general local government to carry out programs and projects to improve and strengthen law enforcement and criminal justice.

"(b) The Administration is authorized to make grants to States having comprehensive State plans approved by it under this part, for—

"(1) public protection, including the development, demonstration, evaluation, implementation, and purchase of methods, devises, facilities, and equipment designed to improve and strengthen law enforcement and criminal justice and reduce crime in public and private places;

"(2) the recruiting of law enforcement and criminal justice personnel and the training of personnel in law enforcement and criminal justice;

"(3) public education relating to crime prevention and encouraging respect for law and order, including education programs in schools and programs to improve public understanding of and cooperation with law enforcement and criminal justice agencies;

"(4) constructing buildings or other physical facilities which would fulfill or implement the purpose of this section, including local correctional facilities, centers for the treatment of narcotic addicts, and temporary courtroom facilities in areas of high crime incidence;

"(5) the organization, education, and training of special law enforcement and criminal justice units to combat organized crime, including the establishment and development of State organized crime prevention councils, the recruiting and training of special investigative and prosecuting personnel, and the development of systems for collecting, storing, and disseminating information relating to the control of organized crime;

"(6) the organization, education, and training of regular law enforcement and criminal justice officers, special law enforcement and criminal justice units, and law enforcement reserve units for the prevention, detection, and control of riots and other violent civil disorders, including the acquisition of riot control equipment;

"(7) The recruiting, organization, training, and education of community service officers to serve with and assist local and State law enforcement and criminal justice agencies in the discharge of their duties through such activities as recruiting; improvement of police-community relations and grievance resolution mechanisms; community patrol activities; encouragement of neighborhood participation in crime prevention and public safety efforts; and other activities designed to improve police capabilities, public safety, and the objectives of this section: *Provided*, That in no case shall a grant be made under this subcategory without the approval of the local government or local law enforcement and criminal justice agency;

"(8) the establishment of a criminal justice coordinating council for any unit of general local government or any combination of such units within the State, having a population of two hundred and fifty thousand or more, to assure improved planning and coordination of all law enforcement and criminal justice activities;

"(9) The development and operation of community-based delinquent prevention and correctional programs, emphasizing halfway houses and other community-based rehabilitation centers for initial preconviction or postconviction referral of offenders; expanded probationary programs, including paraprofessional and volunteer participation; and community service centers for the guidance and supervision of potential repeat youthful offenders; and

"(10) The establishment of interstate metropolitan regional planning units to prepare and coordinate plans of State and local governments and agencies concerned with regional planning for metropolitan areas.

"(c) The portion of any Federal grant made under this section for the purposes of paragraph (4) of subsection (b) of this section may be up to 50 per centum of the cost of the program or project specified in the application for such grant. The portion of any Federal grant made under this section to be used for any other purpose set forth in this section may be up to 90 per centum

of the cost of the program or project specified in application for such grant. No part of any grant made under this section for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under this section to an Indian tribe or other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the cost of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. The non-Federal funding of the cost of any program or project to be funded by a grant under this section shall be of money appropriated, in the aggregate, by State or individual units of government, for the purpose of the shared funding of such programs or projects, or, where grant is made to a nonprofit organization, money contributed by such organization.

"(d) Not more than one-third of any grant made under this section may be expended for the compensation of police and other regular law enforcement and criminal justice personnel. The amount of any such grant expended for the compensation of such personnel shall not exceed the amount of State or local funds made available to increase such compensation. The limitations contained in this subsection shall not apply to the compensation of personnel for time engaged in conducting or undergoing training programs or to the compensation of personnel engaged in research, development, demonstration, or other short-term programs.

"SEC. 302. Any State desiring to participate in the grant program under this part shall establish a State planning agency as described in part B of this title and shall within six months after approval of a planning grant under part B submit to the Administration through such State planning agency a comprehensive State plan developed pursuant to part B of this title.

"SEC. 303. (a) The Administration shall make grants under this title to a State planning agency if such agency has on file with the Administration an approved comprehensive State plan (not more than one year in age) which conforms with the purposes and requirements of this title. No State plan shall be approved as comprehensive unless the Administration finds that the plan provides for the allocation of adequate assistance to deal with law enforcement and criminal justice problems in areas characterized by both high crime incidence and high law enforcement and criminal justice activity. Each such plan shall—

"(1) provide for the administration of such grants by the State planning agency;

"(2) provide that at least the per centum of Federal assistance granted to the State planning agency under this part for any fiscal year which corresponds to the per centum of the State and local law enforcement expenditures funded and expended in the immediately preceding fiscal year by units of general local government will be made available to such units or combinations of such units in the immediately following fiscal year for the development and implementation of programs and projects for the improvement of law enforcement and criminal justice, and that with respect to such programs or projects the State will provide in the aggregate not less than one-half of the non-Federal funding. Per centum determinations under this paragraph for law enforcement funding and expenditures for such immediately preceding fiscal year shall be based upon the most accurate and complete data available for such fiscal year or for the last fiscal year for which such data are available. The Administration shall have the authority to approve such determinations and to review the accuracy and completeness of such data;

"(3) adequately take into account the needs and requests of the units of general local government in the State and encourage local initiative in the development of programs and projects for improvements in law enforcement and criminal justice, and provide for an appropriately balanced allocation of funds between the State and the units of general local government in the State and among such units;

"(4) incorporate innovations and advanced techniques and contain a comprehensive outline of priorities for the improvement and coordination of all aspects of law enforcement and criminal justice dealt with in the plan, including descriptions of: (A) general needs and problems; (B) existing systems; (C) available resources; (D) organizational systems and administrative machinery for implementing the plan; (E) the direction, scope, and general type of improvements to be made in the future; and (F) to the extent appropriate, the relationship of the plan to other relevant State or local law enforcement and criminal justice plans and systems;

"(5) provide for effective utilization of existing facilities and permit and encourage units of general local government to combine or provide for cooperative arrangements with respect to services, facilities, and equipment;

"(6) provide for research and development;

"(7) provide for appropriate review of procedures of actions taken by the State planning agency disapproving an application for which funds are available or terminating or refusing to continue financial assistance to units of general local government or combinations of such units;

"(8) demonstrate the willingness of the State and units of general local government to assume the costs of improvements funded under this part after a reasonable period of Federal assistance;

"(9) demonstrate the willingness of the State to contribute technical assistance or services for programs and projects contemplated by the statewide comprehensive plan and the programs and projects contemplated by units of general local government or combinations of such units;

"(10) set forth policies and procedures designed to assure that Federal funds made available under this title will be so used as not to supplant State or local funds, but to increase the amounts of such funds that would, in the absence of such Federal funds, be made available for law enforcement and criminal justice;

"(11) provide for such fund accounting audit, monitoring, and evaluation procedures as may be necessary to assure fiscal control, proper management, and disbursement of funds received under this title;

"(12) provide for the maintenance of such data and information, and for the submission of such reports in such form, at such times, and containing such data and information as the Administration may reasonably require to evaluate programs and projects carried out under this title and to administer other provisions of this title;

"(13) provide funding incentives to those units of general local government that coordinate or combine law enforcement and criminal justice functions or activities with other such units within the State for the purpose of improving law enforcement and criminal justice; and

"(14) provide for procedures that will insure that (A) all applications by units of general local government or combinations thereof to the State planning agency for assistance shall be approved or disapproved, in whole or in part, no later than ninety days after receipt by the State planning agency, (B) if not disapproved (and returned with the reasons for such disapproval, including the reasons for the disapproval of each fairly severable part of such application which is disapproved) within ninety days of such application, any part of such application which is not so disapproved shall be deemed approved for the purposes of this title, and the State planning agency shall disburse the approved funds to the applicant in accordance with procedures established by the Administrator, (C) the reasons for disapproval of such application or any part thereof, in order to be effective for the purposes of this section, shall contain a detailed explanation of the reasons for which such application or any part thereof was disapproved, or an explanation of what supporting material is necessary for the State planning agency to evaluate such application, and (D) disapproval of any application or part thereof shall not preclude the resubmission of such application or part thereof to the State planning agency at a later date.

Any portion of the per centum to be made available pursuant to pargaraph (2) of this section in any State in any fiscal year not required for the purposes set forth in such paragraph (2) shall be available for expenditure by such State agency from time to time on dates during such year as the Administration may fix, for the development and implementation of programs and projects for the improvement of law enforcement and in conformity with the State plan.

"(b) No approval shall be given to any State plan unless and until the Administration finds that such plan reflects a determined effort to improve the quality of law enforcement and criminal justice throughout the State. No award of funds which are allocated to the States under this title on the basis of population shall be made with respect to a program or project other than a program or project contained in an approved plan.

"(c) No plan shall be approved as comprehensive unless it establishes statewide priorities for the improvement and coordination of all aspects of law enforcement and criminal justice, and considers the relationships of activities carried out under this title to related activities being carried out under other Federal programs, the general types of improvements to be made in the future, the effective utilization of existing facilities, the encouragement of cooperative arrangements between units of general local government, innovations and advanced techniques in the design of institutions and facilities, and advanced practices in the recruitment, organization, training, and education of law enforcement and criminal justice personnel. It shall thoroughly address improved court and correctional programs and practices throughout the State.

"SEC. 304. State planning agencies shall receive applications for financial assistance from units of general local government and combinations of such units. When a State planning agency determines that such an application is in accordance with the purposes stated in section 301 and is in conformance with any existing statewide comprehensive law enforcement plan, the State planning agency is authorized to disburse funds to the applicant.

"SEC. 305. Where a State has failed to have a comprehensive State plan approved under this title within the period specified by the Administration for such purpose, the funds allocated for such State under paragraph (1) of section 306(a) of this title shall be available for reallocation by the Administration under paragraph (2) of section 306(a).

"SEC. 306. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

"(1) Eighty-five per centum of such funds shall be allocated among the States accord-

ing to their respective populations for grants to State planning agencies.

"(2) Fifteen per centum of such funds, plus any additional amounts made available by virtue of the application of the provisions of sections 305 and 509 of this title to the grant of any State, may, in the discretion of the Administration, be allocated among the States for grants to State planning agencies, units of general local government, combinations of such units, or private nonprofit organizations, according to the criteria and on the terms and conditions the Administration determines consistent with this title. Any grant made from funds available under paragraph (2) of this subsection may be up to 90 per centum of the cost of the program or project for which such grant is made. No part of any grant under such paragraph for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under such paragraph to an Indian tribe or other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the costs of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. The limitations on the expenditure of portions of grants for the compensation of personnel in subsection (d) of section 301 of this title shall apply to a grant under such paragraph.

"The non-Federal share of the cost of any program or project to be funded under this section shall be of money appropriated in the aggregate by the State or units of general local government, or provided in the aggregate by a private nonprofit organization. The Administration shall make grants in its discretion under paragraph (2) of this subsection in such a manner as to accord funding incentives to those States or units of general local government that coordinate law enforcement and criminal justice functions and activities with other such States or units of general local government thereof for the purpose of improving law enforcement and criminal justice.

"(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year for grants to the State planning agency of the State will not be required by the State, or that the State will be unable to qualify to receive any portion of the funds under the requirements of this part, that portion shall be available for reallocation to other States under paragraph (1) of subsection (a) of this section.

"SEC. 307. In making grants under this part, the Administration and each State planning agency, as the case may be, shall give special emphasis, where appropriate or feasible, to programs and projects dealing with the prevention, detection, and control of organized crime and of riots and other violent civil disorders.

"SEC. 308. Each State plan submitted to the Administration for approval under section 302 shall be either approved or disapproved, in whole or in part, by the Administration no later than ninety days after the date of submission. If not disapproved (and returned with the reasons for such disapproval) within such ninety days of such application, such plan shall be deemed approved for the purposes of this title. The reasons for disapproval of such plan, in order to be effective for the purposes of this section, shall contain an explanation of which requirements enumerated in section 303(b) such plan fails to comply with, or an explanation of what supporting material is necessary for the Administration to evaluate such plan. For the purposes of this section, the term 'date of submission' means the date on which a State plan which the State has designated as the 'final State plan application' for the appropriate fiscal year is delivered to the Administration.

"PART D—TRAINING, EDUCATION, RESEARCH, DEMONSTRATION, AND SPECIAL GRANTS

"SEC. 401. It is the purpose of this part to provide for and encourage training, education, research, and development for the purpose of improving law enforcement and criminal justice, and developing new methods for the prevention and reduction of crime, and the detection and apprehension of criminals.

"SEC. 402. (a) There is established within the Department of Justice a National Institute of Law Enforcement and Criminal Justice (hereinafter referred to in this part as 'Institute'). The Institute shall be under the general authority of the Administration. The chief administrative officer of the Institute shall be a Director appointed by the Administrator. It shall be the purpose of the Institute to encourage research and development to improve and strengthen law enforcement and criminal justice and to disseminate the results of such efforts to State and local governments.

"(b) The Institute is authorized—

"(1) to make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations to conduct research, demonstrations, or special projects pertaining to the purposes described in this title, including the development of new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and criminal justice;

"(2) to make continuing studies and undertake programs of research to develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and criminal justice, including, but not limited to, the effectiveness of projects or programs carried out under this title;

"(3) to carry out programs of behavioral research designed to provide more accurate information on the causes of crime and the effectiveness of various means of preventing crime, and to evalute the success of correctional procedures;

"(4) to make recommendations for action which can be taken by Federal, State, and local governments and by private persons and organizations to improve and strengthen law enforcement and crimial justice;

"(5) to carry out programs of instructional assistance consisting of research fellowships for the programs provided under this section and special workshops for the presentation and dissemination of information resulting from research, demonstrations, and special projects authorized by this title;

"(6) to carry out a program of collection and dissemination of information obtained by the Institute or other Federal agencies, public agencies, institutions of higher education, or private organizations engaged in projects under this title, including information relating to new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement; and

"(7) to establish a research center to carry out the programs described in this section.

"(c) The Institute shall serve as a national and international clearinghouse for the exchange of information with respect to the improvement of law enforcement and criminal justice, including but not limited to police, courts, prosecutors, public defenders, and corrections.

"The Institute shall undertake, where possible, to evaluate various programs and projects carried out under this title to determine their impact upon the quality of law enforcement and criminal justice and the extent to which they have met or failed to meet the purposes and policies of this title, and shall disseminate such information to State planning agencies and, upon request, to units of general local government.

"The Institute shall report annually to the President, the Congress, the State planning agencies, and, upon request, to units of general local government, on the research and development activities undertaken pursuant to paragraphs (1), (2), and (3) of subsection (b), and shall describe in such report the potential benefits of such activities to law enforcement and criminal justice and the results of the evaluation made pursuant to the second paragraph of this subsection. Such report shall also describe the programs of instructional assistance, the special workshops, and the training programs undertaken pursuant to paragraphs (5) and (6) of subsection (b).

"SEC. 403. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Institute shall require whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"SEC. 404. (a) The Director of the Federal Bureau of Investigation is authorized to—

"(1) establish and conduct training programs at the Federal Bureau of Investigation National Academy at Quantico, Virginia, to provide, at the request of a State or unit of local government, training for State and local law enforcement personnel;

"(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and criminal justice; and

"(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local law enforcement personnel. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs and their deputies, and other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit.

"(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

"SEC. 405. (a) Subject to the provision of this section, the Law Enforcement Assistance Act of 1965 (79 Stat. 828) is repealed: *Provide*, That—

"(1) The Administration, or the Attorney General until such time as the members of the Administration are appointed, is authorized to obligate funds for the continuation of projects approved under the Law Enforcement Assistance Act of 1965 prior to the date of enactment of this Act to the extent that such approval provided for continuation.

"(2) Any funds obligated under subsection (1) of this section and all activites necessary or appropriate for the review under subsection (3) of this section may be carried out with funds previously appropriated and funds appropriated pursuant to this title.

"(3) Immediately upon establishment of the Administration, it shall be its duty to study, review, and evaluate projects and programs funded under the Law Enforcement Assistance Act of 1965. Continuation of projects and programs under subsections (1) and (2) of this section shall be in the discretion of the Administration.

SEC. 406. (a) Pursuant to the provisions of subsections (b) and (c) of this section, the Administration is authorized, after appropriate consultation with the Commissioner of Education, to carry out programs of academic educational assistance to improve and strengthen law enforcement and criminal justice.

"(b) The Administration is authorized to

enter into contracts to make, and make payments to institutions of higher education for loans, not exceeding $2,200 per academic year to any person, to persons enrolled on a full-time basis in undergraduate or graduate programs approved by the Administration and leading to degrees or certificates in areas related to law enforcement and criminal justice or suitable for persons employed in law enforcement and criminal justice, with special consideration to police or correctional personnel of States or units of general local government on academic leave to earn such degrees or certificates. Loans to persons assisted under this subsection shall be made on such terms and conditions as the Administration and the institution offering such programs may determine, except that the total amount of any such loan, plus interest, shall be canceled for service as a full-time officer or employee of a law enforcement and criminal justice agency at the rate of 25 per centum of the total amount of such loans plus interest for each complete year of such service or its equivalent of such service, as determined under regulations of the Administration.

"(c) The Administration is authorized to enter into contracts to make, and make, payments to institutions of higher education for tuition, books and fees, not exceeding $250 per academic quarter or $400 per semester for any person, for officers of any publicly funded law enforcement agency enrolled on a full-time or part-time basis in courses included in an undergraduate or graduate program which is approved by the Administration and which leads to a degree or certificate in an area related to law enforcement and criminal justice or an area suitable for persons employed in law enforcement and criminal justice. Assistance under this subsection may be granted only on behalf of an applicant who enters into an agreement to remain in the service of a law enforcement and criminal justice agency employing such applicant for a period of two years following completion of any course for which payments are provided under this subsection, and in the event such service is not completed, to repay the full amount of such payments on such terms and in such manner as the Administrator may prescribe.

"(d) Full-time teachers or persons preparing for careers as full-time teachers of courses related to law enforcement and criminal justice or suitable for persons employed in law enforcement and criminal justice, in institutions of higher education which are eligible to receive funds under this section, shall be eligible to receive assistance under subsections (b) and (c) of this section as determined under regulations of the Administration.

"(e) The Administration is authorized to make grants to or enter into contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects for the development or demonstration of improved methods of law enforcement and criminal justice education, including—

"(1) planning for the development or expansion of undergraduate or graduate programs in law enforcement and criminal justice;

"(2) education and training of faculty members;

"(3) strengthening the law enforcement and criminal justice aspects of courses leading to an undergraduate, graduate, or professional degree; and

"(4) research into, and development of, methods of educating students or faculty, including the preparation of teaching materials and the planning of curriculums. The amount of a grant or contract may be up to 75 per centum of the total cost of programs and projects for which a grant or contract is made.

"(f) The Administration is authorized to enter into contracts to make, and make, payments to institutions of higher education for grants not exceeding $65 per week to persons enrolled on a full-time basis in undergraduate or graduate degree programs who are accepted for and serve in full-time internships in law enforcement and criminal justice agencies for not less than eight weeks during any summer recess or for any entire quarter or semester on leave from the degree program.

"SEC. 407. The Administration is authorized to develop and support regional and national training programs, workshops, and seminars to instruct State and local law enforcement personnel in improved methods of crime prevention and reduction and enforcement of the criminal law. Such training activities shall be designed to supplement and improve, rather than supplant, the training activities of the State and units of general local government, and shall not duplicate the activities of the Federal Bureau of Investigation under section 404 of this title.

"SEC. 408. (a) The Administration is authorized to establish and support a training program for prosecuting attorneys from State and local offices engaged in the prosecution of organized crime. The program shall be designed to develop new or improved approaches, techniques, systems, manuals, and devices to strengthen prosecutive capabilities against organized crime.

"(b) While participating in the training program or traveling in connection with participation in the training program, State and local personnel shall be allowed travel expenses and per diem allowance in the same manner as prescribed under section 5703(b) of title 5, United States Code, for persons employed intermittently in the Government service.

"(c) The cost of training State and local personnel under this section shall be provided out of funds appropriated to the Administration for the purpose of such training.

"PART E—GRANTS FOR CORRECTIONAL INSTITUTIONS AND FACILITIES

"SEC. 451. It is the purpose of this part to encourage States and units of general local government to develop and implement programs and projects for the construction, acquisition, and renovation of correctional institutions and facilities, and for the improvement of correctional programs and practices.

"SEC. 452. A State desiring to receive a grant under this part for any fiscal year shall, consistent with the basic criteria which the Administration establishes under section 454 of this title, incorporate its application for such grant in the comprehensive State plan submitted to the Administration for that fiscal year in accordance with section 302 of this title.

"SEC. 453. The Administration is authorized to make a grant under this part to a State planning agency if the application incorporated in the comprehensive State plan—

"(1) sets forth a comprehensive statewide program for the construction, acquisition, or renovation of correctional institutions and facilities in the State and the improvement of correctional programs and practices throughout the State;

"(2) provides satisfactory assurances that the control of the funds and title to property derived therefrom shall be in a public agency for the uses and purposes provided in this part and that a public agency will administer those funds and that property;

"(3) provides satisfactory assurances that the availability of funds under this part shall not reduce the amount of funds under part C of this title which a State would, in the absence of funds under this part, allocate for purposes of this part;

"(4) provides satisfactory emphasis on the development and operation of community-based correctional facilities and programs, including diagnostic services, halfway houses, probation, and other supervisory release programs for preadjudication and postadjudication referral of delinquents, youthful offenders, and first offenders, and community-oriented programs for the supervision of parolees;

"(5) provides for advanced techniques in the design of institutions and facilities;

"(6) provides, where feasible and desirable, for the sharing of correctional institutions and facilities on a regional basis;

"(7) provides satisfactory assurances that the personnel standards and programs of the institutions and facilities will reflect advanced practices;

"(8) provides satisfactory assurances that the State is engaging in projects and programs to improve the recruiting, organization, training, and education of personnel employed in correctional activities including those of probation, parole, and rehabilitation;

"(9) provides necessary arrangements for the development and operation of narcotic treatment programs in correctional institutions and facilities and in connection with probation or other supervisory release programs for all persons, incarcerated or on parole, who are drug addicts or drug abusers; and

"(10) complies with the same requirements established for comprehensive State plans under paragraphs (1), (3), (4), (5), (7), (8), (9), (10), (11), and (12) of section 303 of this title.

"SEC. 454. The Administration shall, after consultation with the Federal Bureau of Prisons, by regulation prescribe basic criteria for applicants and grantees under this part.

"In addition, the Administration shall issue guidelines for drug treatment programs in State and local prisons and for those to which persons on parole are assigned.

"SEC. 455. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

"(1) Fifty per centum of the funds shall be available for grants to State planning agencies.

"(2) The remaining 50 per centum of the funds may be made available, as the Administration may determine, to State planning agencies, units of general local government, or combinations of such units, according to the criteria and on the terms and conditions the Administration determines consistent with this part.

Any grant made from funds available under this part may be up to 90 per centum of the cost of the program or project for which such grant is made. The non-Federal funding of the cost of any program or project to be funded by a grant under this section shall be of money appropriated in the aggregate by the State or units of general local government or where a subgrant is to a nonprofit organization, such organization shall provide the non-Federal share of funds. No funds awarded under this part may be used for land acquisition.

"(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds granted to an applicant for that fiscal year will not be required by the applicant or will become available by virtue of the applicaton of the provisions of section 509 of this title, that portion shall be available for reallocation under paragraph (2) of subsection (a) of this section.

"PART F—ADMINISTRATIVE PROVISIONS

"SEC. 501. The Administration is authorized, after appropriate consultation with representatives of States and units of general local government, to establish such rules, regulations, and procedures as are

necessary to the exercise of its functions, and are consistent with the stated purpose of this title.

"SEC. 502. The Administration may delegate to any officer or official of the Administration, or, with the approval of the Attorney General, to any officer of the Department of Justice such functions as it deems appropriate.

"SEC. 503. The functions, powers, and duties specified in this title to be carried out by the Administration shall not be transferred elsewhere in the Department of Justice unless specifically hereafter authorized by the Congress.

"SEC. 504. In carrying out its functions, the Administration, or upon authorization of the Administration, any member thereof or any hearing examiner assigned to or employed by the Administration, shall have the power to hold hearings, sign and issue subpenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

"SEC. 505. Section 5314 of title 5, United States Code, is amended by adding at the end thereof—

"'(55) Administrator of Law Enforcement Assistance.'

"SEC. 506. Title 5, United States Code, is amended as follows:

"(a) Section 5315(90) is amended by deleting 'Associate Administrator of Law Enforcement Assistance (2)' and inserting in lieu thereof 'Deputy Administrator for Policy Development'.

"(b) Section 5316 is amended by adding at the end thereof 'Deputy Administrator for Administration.'

"(c) Section 5108(c)(10) is amended by deleting the word 'twenty' and inserting in lieu thereof the word 'twenty-four'.

"SEC. 507. Subject to the civil service and classification laws, the Administration is authorized to select, appoint, employ, and fix compensation of such officers and employees, including hearing examiners, as shall be necessary to carry out its powers and duties under this title.

"SEC. 508. The Administration is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department of Justice and of other civilian or military agencies and instrumentalities of the Federal Government, and to cooperate with the Department of Justice and such other agencies and instrumentalities in the establishment and use of services, equipment, personnel, and facilities of the Administration. The Administration is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other local agencies, and to receive and utilize, for the purposes of this title, property donated or transferred for the general purposes of testing by any other Federal agencies, States, units of general local government, public or private agencies or organizations, institutions of higher education, or individuals. The Administration is also authorized to transfer funds to the American Revolution Bicentennial Commission or any other Federal agency dealing with activities of the Bicentennial for planning or coordinating law enforcement efforts and other appropriate efforts related to Administration activities.

"SEC. 509. Whenever the Administration, after reasonable notice and opportunity for hearing to an applicant or a grantee under this title, finds that, with respect to any payments made or to be made under this title, there is a substantial failure to comply with—

"(a) the provisions of this title;

"(b) regulations promulgated by the Administration under this title; or

"(c) a plan or application submitted in accordance with the provisions of this title;

the Administration shall notify such applicant or grantee that further payments shall not be made (or in its discretion that further payments shall not be made for activities in which there is such failure), until there is no longer such failure.

"SEC. 510. (a) In carrying out the functions vested by this title in the Administration, the determination, findings, and conclusion of the Administration shall be final and conclusive upon all applicants except as hereinafter provided.

"(b) If the application has been rejected or an applicant has been denied a grant or has had a grant, or any portion of a grant, discontinued, or has been given a grant in a lesser amount than such applicant believes appropriate under the provisions of this title, the Administration shall notify the applicant or grantee of its action and set forth the reason for the action taken. Whenever an applicant or grantee requests a hearing on action taken by the Administration on an application or a grant, the Administration, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations at such times and places as the Administration deems necessary, following appropriate and adequate notice to such applicant; and the findings of fact and determinations made by the Administration with respect thereto shall be final and conclusive, except as otherwise provided herein.

"(c) If such applicant is still dissatisfied with the findings and determiations of the Administration, following the notice and hearings, provided for in subsection (b) of this section, a request may be made for rehearing, under such regulations and procedures as the Administration may establish, and such applicant shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved. The findings, and determinations of the Administration, following such rehearing, shall be final and conclusive upon all parties concerned, except as hereafter provided.

"SEC. 511. (a) If any applicant or grantee is dissatisfied with the Administration's final action with respect to the approval of its application or plan submitted under this title, or any applicant or grantee is dissatisfied with the Administration's final action under section 509 or section 510, such applicant or grantee may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such applicant or grantee is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administration. The Administration shall thereupon file in the court the record of the proceedings on which the action of the Administration was based, as provided in section 2112 of title 28, United States Code.

"(b) The determinations and the findings of fact by the Administration, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Administration to take further evidence. The Administration may thereupon make new or modified findings of fact and may modify its previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact or determinations shall likewise be conclusive if supported by substantial evidence.

"(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Administration or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 512. Unless otherwise specified in this title, the Administration shall carry out the programs provided for in this title during the fiscal year ending June 30, 1974, and the four succeeding fiscal years.

"SEC. 513. To insure that all Federal assistance to State and local programs under this title is carried out in a coordinated manner, the Administration is authorized to request any Federal department or agency to supply such statistics, data, program reports, and other material as the Administration deems necessary to carry out its functions under this title. Each such department or agency is authorized to cooperate with the Administration and, to the extent permitted by law, to furnish such materials to the Administration. Any Federal department or agency engaged in administering programs related to this title shall, to the maximum extent practicable, consult with and seek advice from the Administration to insure fully coordinated efforts, and the Administration shall undertake to coordinate such efforts.

"SEC. 514. The Administration may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of its functions under this title.

"SEC. 515. The Administration is authorized—

"(a) to conduct evaluation studies of the programs and activities assisted under or related to the purposes of this title;

"(b) to collect, evaluate, publish, and disseminate statistics and other information on the condition and progress of law enforcement within and without the United States; and

"(c) to cooperate with an render technical assistance to States, units of general local government, combinations of such States or units, or other public or private agencies, organizations, institutions, or international agencies in matters relating to law enforcement and criminal justice.

Funds appropriated for the purpose of this section may be expended by grant or contract as the Administration may determine to be appropriate.

"SEC. 516. (a) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administration, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the joint resolution entitled 'Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. 551).

"(b) Not more than 12 per centum of the sums appropriated for any fiscal year to carry out the provisions of this title may be used within any one State except that this limitation shall not apply to grants made pursuant to part D.

"SEC. 517. (a) The Administration may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code.

"(b) The Administration is authorized to appoint, without regard to the civil service laws, technical or other advisory committees to advise the Administration with respect to the administration of this title as it deems necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising the Administration or attending meetings of the committees, shall be compensated at rates to be fixed by the Administration but not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code and while away from home or regular place of business they may

be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

"SEC. 518. (a) Nothing contained in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other law enforcement and criminal justice agency of any State or any political subdivision thereof.

"(b) Notwithstanding any other provision of law, nothing contained in this title shall be construed to authorize the Administration (1) to require, or condition the availability or amount of a grant upon, the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance or to eliminate racial imbalance in any law enforcement agency, or (2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system, or other program.

"(c)(1) No person in any State shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

"(2) Whenever the Administration determines that a State government or any unit of general local government has failed to comply with subsection (c)(1) or an applicable regulation, it shall notify the chief executive of the State of the noncompliance and shall request the chief executive to secure compliance. If within a reasonable time after such notification the chief executive fails or refuses to secure compliance, the Administration is authorized:

"(A) to institute an appropriate civil action;

"(B) to exercise the powers and functions pursuant to title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d);

"(C) to exercise the powers and functions provided in section 509 of this title; or

"(D) to take such other action as may be provided by law.

"(3) Whenever the Attorney General has reason to believe that a State government or unit of local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

"SEC. 519. On or before December 31 of each year, the Administration shall report to the President and to the Congress on activities pursuant to the provisions of this title during the preceding fiscal year.

"SEC. 520. There is authorized to be appropriated $1,000,000,000 for the fiscal year ending June 30, 1974; $1,250,000,000 for the fiscal year ending June 30, 1975; $1,500,000,000 for the fiscal year ending June 30, 1976; $1,750,000,000 for the fiscal year ending June 30, 1977; and $2,000,000,000 for the fiscal year ending June 3, 1978. Funds appropriated for any fiscal year may remain available for obligation until expended. Beginning in the fiscal year ending June 30, 1972, and in each fiscal year thereafter there shall be allocated for the purposes of part E an amount equal to not less than 20 per centum of the amount allocated for the purposes of part C.

"SEC. 521. (a) Each recipient of assistance under this Act shall keep such records as the Administration shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Administration and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purpose of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this title.

"(c) The provisions of this section shall apply to all recipients of assistance under this Act, whether by direct grant or contract from the Administration or by subgrant or subcontract from primary grantees or contractors of the Administration.

"SEC. 522. Section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting 'law enforcement facilities,' immediately after 'transportation facilities.'

"SEC. 523. Any funds made available under parts B, C, and E prior to July 1, 1973, which are not obligated by a State may be used to provide up to 90 per centum of the cost of any program or project. The non-Federal share of the cost of any such program or project shall be of money appropriated in the aggregate by the State or units or general local government.

"SEC. 524. (a) Except as provided by Federal law other than this title, no officer or employee of the Federal Government, or any recipient of assistance under the provisions of this title shall use or reveal any research or statistical information furnished under this title by any person and identifiable to any specific private person for any purpose other than the purpose for which it was obtained in accordance with this title. Copies of such information shall be immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceedings.

"(b) Any person violating the provisions of this section, or of any rule, regulation, or order issued thereunder, shall be fined not to exceed $10,000, in addiiton to any other penalty imposed by law.

"SEC. 525. The last two sentences of section 203(n) of the Federal Property and Administrative Services Act of 1949, as amended, are amended as follows: 'In addition, under such cooperative agreements, and subject to such other conditions as may be imposed by the Secretary of Health, Education, and Welfare, or the Director, Office of Civil and Defense Mobilization, or the Administrator, Law Enforcement Assistance Administration, surplus property which the Administrator may approve for donation for use in any State for purposes of law enforcement programs, education, public health, or civil defense, or for research for any such purposes, pursuant to subsection (j)(3) or (j)(4), may with the approval of the Administrator be made available to the State agency after a determination by the Secretary or the Director or the Administrator, Law Enforcment Assistance Administration that such property is necessary to, or would facilitate, the effective operation of the State agency in performing its functions in connection with such program. Upon a determination by the Secretary or the Director or Administrator, Law Enforcement Assistance Administration, that such action is necessary to, or would facilitate, the effective use of such surplus property made available under the terms of a cooperative agreement, title thereto may with the approval of the Administrator be vested in the State agency.'

"PART G—DEFINITIONS

"SEC. 601. As used in this title—

"(a) 'Law enforcement and criminal justice' means any activity pertaining to crime prevention, control or reduction of the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals, activities of courts having criminal jurisdiction and related agencies (including prosecutorial and defender services), activities of corrections, probation, or parole authorities, and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction.

"(b) 'Organized crime' means the unlawful activities of the members of a highly organized, disciplined association engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loan sharking, narcotics, labor racketeering, and other unlawful activities of members of such organizations.

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

"(d) 'Unit of general local government' means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior, or, for the purpose of assistance eligibility, any agency of the District of Columbia government or the United States Government performing law enforcement functions in and for the District of Columbia and funds appropriated by the Congress for the activities of such agencies may be used to provide the non-Federal share of the cost of programs or projects funded under this title: *Provided, however,* That such assistance eligibility of any agency of the United States Government shall be for the sole purpose of facilitating the transfer of criminal jurisdiction from the United States District Court for the District of Columbia to the Superior Court of the District of Columbia pursuant to the District of Columbia Court Reform and Criminal Procedure Act of 1970.

"(e) 'Combination' as applied to States or units of general local government means any grouping or joining together of such States or units for the purpose of preparing, developing, or implementing a law enforcement plan.

"(f) 'Construction' means the erection, acquisition, expansion, or repair (but not including minor remodeling or minor repairs) of new or existing buildings or other physical facilities, and the acquisition or installation of initial equipment therefor.

"(g) 'State organized crime prevention council' means a council composed of not more than seven persons established pursuant to State law or established by the chief executive of the State for the purpose of this title, or an existing agency so designated, which council shall be broadly representative of law enforcement officials within such State and whose members by virtue of their training or experience, shall be knowledgeable in the prevention and control of organized crime.

"(h) 'Metropolitan area' means a standard metropolitan statistical area as established by the Office of Management and Budget, subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

"(i) 'Public agency' means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing.

"(j) 'Institution of higher education' means any such institution as defined by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)), subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

"(k) 'Community service officer' means any citizen with the capacity, motivation, integrity, and stability to assist in or perform police work but who may not meet ordinary standards for employment as a regular police officer selected from the immediate locality

of the police department of which he is to be a part, and meeting such other qualifications promulgated in regulations pursuant to section 501 as the Administration may determine to be appropriate to further the purposes of section 301(b)(7) and this Act.

"(l) The term 'correctional institution or facility' means any place for the confinement or rehabilitation of juvenile offenders or individuals charged with or convicted of criminal offenses.

"(m) The term 'comprehensive' means that the plan must be a total and integrated analysis of the problems regarding the law enforcement and criminal justice system within the State. Goals, priorities, and standards must be established in the plan. The plan must address methods, organization, and operational performance; physical and human resources necessary to accomplish crime prevention, identification, detection, and apprehension of suspects; adjudication; custodial treatment of suspects and offenders; and institutional and noninstitutional rehabilitative measures.

"PART H—CRIMINAL PENALTIES

"SEC. 651. Whoever embezzles, willfully misapplies, steals, or obtains by fraud or endeavors to embezzle, willfully misapply, steal, or obtain by fraud any funds, assets, or property which are the subject of a grant or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Administration, or whoever receives, conceals, or retains such funds, assets, or property with intent to convert such funds, assets, or property to his use or gain, knowing such funds, assets, or property have been embezzled, willfully misapplied, stolen, or obtained by fraud, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"SEC. 652. Whoever knowingly and willfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in any application for assistance submitted pursuant to this title or in any records required to be maintained pursuant to this title shall be subject to prosecution under the provisions of section 1001 of title 18, United States Code.

"SEC. 653. Any law enforcement and criminal justice program or project underwritten, in whole or in part, by any grant, or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Administration, shall be subject to the provisions of section 371 of title 18, United States Code.

"PART I—ATTORNEY GENERAL'S ANNUAL REPORT OF FEDERAL LAW ENFORCEMENT AND CRIMINAL JUSTICE ACTIVITIES

"SEC. 670. The Attorney General, in consultation with the appropriate officials in the agencies involved, within 90 days of the end of each fiscal year shall submit to the President and to the Congress an Annual Report of Federal Law Enforcement and Criminal Justice Assistance Activities setting forth the programs conducted, expenditures made, results achieved, plans developed, and problems discovered in the operations and coordination of the various Federal assistance programs relating to crime prevention and control, including, but not limited to, the Juvenile Delinquency Prevention and Control Act of 1968, the Narcotics Addict Rehabilitation Act 1968, the Gun Control Act 1968, the Criminal Justice Act of 1964, title XI of the Organized Crime Control Act of 1970 (relating to the regulation of explosives), and title III of the Omnibus Crime Control and Safe Streets Act of 1968 (relating to wiretapping and electronic surveillance)."

SEC. 3. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 4. This Act shall become effective upon the date of enactment.

Mr. McCLELLAN. Mr. President, the purpose of this amendment, in the nature of a substitute, is to authorize the continuation of the Justice Department's Law Enforcement Assstance Administration (LEAA) for another 5 years beyond June 30 of this year, when the initial 5-year authorization provided for in the 1968 Safe Streets Act expires. The amendment also makes a number of changes in the structure of LEAA and in its authority and responsibilities. These changes are based upon the conclusions and recommendations of the Subcommittee on Criminal Laws and Procedures formulated after hearings on June 5 and 6 during which testimony was received from the Attorney General, several Members of Congress, and numerous individuals and organizations familiar with LEAA and the Nation's crime problem. The legislation also draws substantially on the House-passed bill, H.R. 8152, which resulted from 9 days of hearings before the House Committee on the Judiciary.

Like the House bill, this amendment does not substantially alter the basic block grant structure of LEAA, but instead seeks to improve the agency's existing structure by rectifying some of the problems that have come to light since the last oversight hearings and amendatory legislation in 1970. The major features of the bill may be briefly summarized as follows:

First. Administration: All policy and administrative authority is vested in the Administrator. The two Associate Administrators are replaced by a Deputy Administrator for Policy Development and a Deputy for Administrative Management.

Second. Public accountability: Open meeting and records access provisions are added.

Third. State planning function: The minimum planning allocation to each State is increased from $100,000 to $200,000. Regional planning boards are required to include a majority of local executive officials.

Fourth. Matching requirements: noncash match has been eliminated. Parts B, planning; C, action; and E, corrections, are now all governed by a 10 percent cash-match requirements. Match funds must be appropriated in the aggregate by governmental units or provided by nonprofit organizations when the nonprofit organization is the grantee. State buy-in provisions are retained for past C and added to parts B and E.

Fifth. Comprehensive plan: More specificity has been added to the definition of a "comprehensive State plan." A maximum of 90 days is provided for LEAA approval or disapproval of plans.

Sixth. Discretionary program: Authority to make direct grants to nonprofit organizations is provided. All match has been specified to be 10 percent cash match. Authority to make grants to multi-State planning bodies—councils of government—is provided. Funding incentives for coordination are added.

Seventh. Law enforcement education program: Benefits for law enforcement students and interns have been increased. Another amendment provides that a recipient of these funds need not remain in the same law enforcement agency to retain eligibility for benefits.

Eighth. Correctional program: New requirements have been added relating to narcotics treatment programs.

Ninth. Accountability: The standard of State accountability has been upgraded and additional requirements for LEAA evaluation authority and responsibility have been added.

Tenth. Civil rights: The provisions of title VI of the Civil Rights Act are incorporated along with the optional remedies.

Eleventh. Confidential information: New confidentiality provisions have been added to protect statistical and research information received for research purposes.

Twelfth. Criminal penalties: New language relating to criminal "endeavors" as well as completed acts has been added.

Thirteenth. Authorization: A 5-year authorization is provided with provision for authorized funding from $1 billion to $2 billion over the 5-year period.

RETENTION OF BLOCK GRANT STRUCTURE

Mr. President, the subcommittee received numerous proposals to make major alterations in the basic structure of LEAA. These proposals ranged from the administration's proposal for special revenue sharing for law enforcement, which would merge grants for planning, action and corrections programs into one annual revenue sharing payment to each State with greatly reduced Federal direction and supervision, to various proposals to provide for sizable direct grants to the major cities outside the block grant system. However, a majority of the subcommittee felt that the State-oriented block grant approach devised in 1968 and reaffirmed in 1970 has worked reasonably well on balance and should be retained.

The special revenue sharing proposal would have merged the separate planning grants now awarded annually to each State into the single annual revenue sharing payment to each State and would have deleted the existing requirement that each maintain a separate planning agency for law enforcement, requiring instead that each State merely have a "planning process." The proposal also would have eliminated the requirement that each State's comprehensive plan for law enforcement improvement be approved annually by LEAA.

Mr. President, the separate planning agency for law enforcement that now exists in every State is perhaps the major accomplishment of LEAA and no change in the legislation should be contemplated that would permit these planning agencies to be merged into planning agencies for other State functions or otherwise dilute the States' law enforcement planning capability. In the same vein, Federal supervision over the planning process should not be eliminated; it should be retained and strengthened.

The subcommittee substitute does just that. It continues the annual plan approval responsibility with the additional

provision that a plan not be approved unless LEAA finds that it reflects a "determined effort" to improve the quality of law enforcement and criminal justice throughout the State. The amendment also broadens the definition of the term "comprehensive" as it relates to State plans and adds the words "and criminal justice" after the term "law enforcement" wherever it appears in the LEAA statute. The net effect of these changes is to make LEAA more accountable for enforcing high standards of law enforcement and criminal justice planning in the States.

The plan approval function is in a real sense the keystone of the Safe Streets Act and LEAA should fully exercise the leverage provided by that authority in order to require each State to devise a truly comprehensive plan that reflects a balanced and integrated effort to address all of the needs of the State, including specifically the needs of the court system and correctional system as well as those of the public.

The subcommittee rejected the proposals for direct grants to cities, as it has done in the past, this year because such grants are not necessary either to speed up the flow of LEAA funds or to redress fund distribution inequities that disadvantage the cities. On the first point, fund flow, proponents of the proposals for direct grants to cities maintained, as have critics of the block grant program since soon after its inception, that the State planning agencies constitute bureaucratic bottlenecks that clog the distribution "pipeline" and prevent LEAA funds from reaching the cities where they are most desperately needed. The statistics do not substantiate this criticism. I refer to the date contained in the publication, "State of the States on Crime and Justice," an analysis of State administration of the Safe Streets Act by the National Conference of State Criminal Justice Planning Administrators. This report was submitted during the hearings by Charles L. Owen, chairman of the conference, who is executive director of the Kentucky LEAA State Planning Agency.

This report shows that the State planning agencies have been awarding funds to local subgrantees in a timely fashion and that the fund flow problem arises from the inability of local units to expend the money on subgrant projects in a timely fashion.

As of December 31, 1972, the State planning agencies had awarded to subgrantees 95 percent of fiscal year 1971 funds and 68 percent of fiscal year 1972 funds. However, their subgrantees, mostly local governments, had actually withdrawn for expenditure only 64 percent of fiscal year 1971 funds and 20 percent of fiscal year 1972 funds. Mr. President, these are cold, hard statistical facts, and they persuade me that the critics of the block grant structure who favor direct grants to cities have been criticizing the State planning agencies for shortcomings that should be blamed on the cities.

The other familiar criticism of the block grant approach is that the State planning agencies do not allocate sufficient funds to the large cities where much of the crime problem is physically concentrated, and that the remedy for this is direct grants to cities based at least in part on crime statistics. Again, the statistics do not support this criticism.

The "State of the States" report amply reveals that the States have allocated appropriate shares of LEAA funds to the high crime urban areas. During fiscal years 1969 through 1972, these areas, which contain about 49 percent of the Nation's population and about 70 percent of reported serious crimes, received an average of almost 65 percent of all LEAA funds available for local units of government. In the last year of that period, fiscal year 1972, the high crime cities received over 71 percent of the funds. Significantly, this is a substantially greater share than they would be entitled to under the population-crime statistics formulas included in a number of the proposals for direct city grants. On the basis of these statistics, the House Committee's studies, and other testimony received during our hearings, the subcommittee concluded that the existing block grant structure, with its pass-through requirement and its emphasis on high crime areas has delivered an appropriate share of funds to the large cities. The subcommittee, therefore, voted to retain the existing structure.

However, we have made a few changes in the act that should help to assure the continued flow of adequate funds to cities. The present act requires that 40 percent of a State's planning funds must be passed through to units of local government, and a subcommittee amendment increases the minimum planning funds to each State from $100,000 to $200,000.

The act also provides that before a State plan can be approved, it must assure an allocation of adequate assistance to deal with law enforcement and criminal justice problems in areas characterized by both high crime incidence and high law enforcement and criminal justice activity.

Other subcommittee amendments provide funding incentives for localities that coordinate law enforcement and criminal justice activities with other localities, even where such coordination is achieved over a multistate region. Finally, I note, it is within the discretion of the State planning agencies to fund localities for a package of programs and projects as well as simply for single programs or projects on an individual basis.

PLAN APPROVAL TIME LIMITS

The subcommittee has incorporated provisions suggested by Senator TUNNEY to speed up the flow of funds. It has been provided that LEAA must approve or disapprove a State plan within 90 days after its submission or the plan shall be deemed approved. Similarly, each State plan must contain procedures that assure that applications to the State by local units shall be approved or disapproved—together with the reasons for disapproval—within 90 days or deemed approved. Compliance with these changes should not be overly difficult for either LEAA or the State planning agencies and should help to speed up fund flow.

MATCHING REQUIREMENTS

The subcommittee has revised the act's matching requirements. Except for construction projects, which remain at the 50 percent matching level provided in the present act, all non-Federal match is reduced from 25 percent of total project costs to 10 percent of project costs. This new 90 to 10 matching ratio will now apply to all grant programs that require match—part B planning grants, part C block grants, part C discretionary grants and part E grants for corrections improvements. The subcommittee bill requires that this 10 percent non-Federal share of project costs be contributed in cash as opposed to donated services or other forms of "soft match." The effect of this change is to eliminate "bookkeeping match," which adds nothing to the actual expenditures on a program, while keeping the level of cash match where it was under the 1970 amendments.

BUY-IN

The State "buy-in" has been increased from 25 percent to 50 percent for part C grants and from 0 to 50 percent for part B grants. Thus, the States will now be required to contribute, in the aggregate, at least 50 percent of the local share of the costs of both planning and action programs.

AGGREGATE MATCH AND BUY-IN

The subcommittee retained language providing that cash matches shall be appropriated in the aggregate, so that a governmental unit need show only that its total grants under the act do not exceed 90 percent of the cost of programs and projects undertaken, rather than being required to demonstrate that there is a 10-percent match for each of its programs and projects. The State "buy-in" provisions, with respect to funds passed through to units of general local government under part B or C, are also written in the "aggregate." This means that a State is not obligated to buy into any specific program or project. Rather, a State may pick and choose which programs or projects and whose programs or projects to assist, provided that the total of such assistance equals at least 50 percent of the total of all local obligations with respect to the funds passed through. This flexibility is believed desirable so that each State may decide which units of general local government within the State are in greatest financial need and render assistance accordingly.

RETROACTIVITY OF SOFT MATCH ELIMINATION

In view of the subcommittee's conclusion regarding the undesirability of requiring "soft match," the subcommittee also eliminated the soft match with regard to funds made available under parts B, C, and E prior to July 1, 1973, which have not been obligated—or were obligated and later deobligated—by the States or units of general local government in making awards. Such funds may provide up to 90 percent of the cost of any program or project.

It is expected that the administration, however, will not provide in excess of 50 percent of the cost of any construction program or project funded under part C lest these nonobligated funds become more "desirable" than funds made available after July 1, 1973.

REGIONAL PLANNING UNITS

In the case of planning grants to regional planning units, the matching requirement has been eliminated entirely thus authorizing 100-percent planning grants to such units. This is one of several changes in the law designed to encourage regional cooperation and planning. As noted above, LEAA will now be required to allocate discretionary funds in such a way as to provide incentives to such regional cooperative undertakings. In addition, the subcommittee has provided that a majority of the membership of regional planning units shall be elected local executive officials, thus increasing local participation and responsibility on such planning boards.

MISCELLANEOUS

The subcommittee has also made numerous changes to strengthen and improve existing LEAA programs and responsibility. Part E, the special section added in 1970 to assure adequate attention to corrections programs, has been amended to require plans submitted by the States pursuant to the part to provide for the development and operation of narcotic treatment programs in correctional institutions, and to require LEAA to issue regulations to guide the States in this important area.

Also retained and strengthened is LEEP, the law enforcement education program. The subcommittee has raised the amount of funds that may be provided to LEEP students in order to keep pace with the cost of living. A similar increase has been authorized for the internship program added to the act in 1970 by an amendment introduced by Senator KENNEDY.

The subcommittee added an amendment offered by Senator TAFT to remove the requirement that a LEEP recipient must remain with the law enforcement agency where he was employed during his LEEP studies in order to earn cancellation of his LEEP debts. The amendment will permit a recipient to earn cancellation so long as he remains employed in law enforcement.

In addition, there are new requirements that all planning meetings be open to the public when final action is taken on State plans; that each plan must provide for "fund accounting, audit, monitoring, and evaluation procedures," to assure "fiscal control and proper management" of funds; and new provisions guaranteeing the privacy and confidentiality of research and statistical data gathered under the act.

ADMINISTRATIVE MANAGEMENT OF LEAA

Mr. President, I believe several comments are necessary to clarify the changes the subcommittee amendment has made in the management structure of LEAA. The "Troika" established in the 1968 act and modified by the 1970 amendments has been abolished together. The LEAA management will now consist of an Administrator and two Deputy Administrators. The Administrator, appointed by the President at executive pay level 3, will exercise all policy and administrative authority vested in LEAA. The Deputy Administrator for Policy Development, appointed by the President at executive pay level 4, will, by delegation, assist the Administrator in policy matters and will be the senior Deputy Administrator who will assume the functions and duties of the Administrator in the case of a vacancy or disability in that position. The Deputy Administrator for administration, appointed at executive pay level 5, will, by delegation, assist the Administrator in the administrative housekeeping of the agency.

It is important to note that the subcommittee has not created a new position of Administrator of LEAA, and it is contemplated that the present Administrator of LEAA may continue to serve without the necessity for reconfirmation by the Senate. Similarly, the subcommittee amendment contemplates that the President may designate the incumbent Associate Administrators of LEAA to fill the position of Deputy Administrators without the necessity for reconfirmation by the Senate of either of those officials.

As is stated in the analysis of the Constitution of the United States prepared by the Legislative Reference Service, at page 503 citing Shoemaker against United States:

> Congress may devolve upon one already in office additional duties which are germane to his office without thereby rendering it necessary that the incumbent should be again nominated and appointed.

AUTHORIZATION OF FUNDS

The bill provides for the continuation of LEAA for another 5 years and authorizes appropriations that increase in equal yearly increments from $1 billion in fiscal 1974 to $2 billion in fiscal 1978. The authorization for the first 3 years is actually less than the authorization in the present act for fiscal 1973, but the subcommittee believes that these authorizations are realistic in terms of the level of funding requested in the past and the demonstrated capacity of the States and cities to utilize the funds effectively. It should be stressed that a 5-year authorization ranging from $1 billion to $2 billion represents an important commitment to law enforcement improvement and continues LEAA's status as one of the fastest growing programs in the Government.

EQUIPMENT EXPENDITURES BY LEAA

In concluding these remarks I want to comment further on some of the criticisms that have been leveled at LEAA, unfairly in my opinion. It has been claimed by practically all of LEAA's critics that the program has been primarily a police program and that inordinately high percentages of LEAA funds have been spent on police hardware. This is another criticism that crumbles when faced with the hard statistical facts.

The "State of the States" report, noted above, shows that equipment expenditures in fact were never inordinately high and that they have declined steadily over the lifespan of LEAA. Equipment expenditures as a percentage of total action funds declined from 28 percent in fiscal 1969 to a little over 10 percent in 1972. This represents an average over the 4-year period of only 15.5 percent, certainly not an exceptional figure when you consider the fact that, at the beginning of the LEAA program, most of the criminal justice equipment and facilities in the country were demonstrably inadequate, antiquated or dilapidated, a fact that was documented and stressed by the report of the President's Crime Commission in 1967.

Mr. President, on this point it is also interesting to reflect on what the reaction of the LEAA critics would have been had LEAA or the State planning agencies arbitrarily restricted the expenditure of LEAA funds for equipment in the early years of the program. They probably would have been accused of "not responding to local needs" or "abdicating their planning responsibilities" by imposing theoretical percentages instead of assessing actual needs. This case illustrates well the "no win" position the State planning agencies and LEAA often have found themselves in when caught between critical public interest groups with conflicting views. Other examples are given in the "State of the States" report in an interesting section, which I commend to my colleagues, entitled "Scylla and Charybdis." Many examples are given of contradictory criticisms that have placed the States and LEAA between the rocks of one public interest group and the whirlpools of another.

For example, certain critics have charged that funds must be disbursed more rapidly to the cities while others have said that State planning agency financial controls and fund accounting procedures are too lax and must be increased even at the cost of fund flow slowdown. Similarly, it has been charged on the one hand that not enough funds have gone to the large cities, while, on the other hand, rural and suburban areas have charged that they are neglected and disadvantaged by the emphasis on the large cities and that this emphasis even increases suburban problems by causing crime to "spill over" from the inner cities.

Many other examples are included in the "State of the States" report and, so that all Members of the Senate may read this revealing section, I ask unanimous consent that this part of it be placed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

STATE OF THE STATES ON CRIME AND JUSTICE

(An Analysis of State Administration of the Safe Streets Act, A Report by the National Conference of State Criminal Justice Planning Administrators)

INNOVATION

Scylla: SPAs must reduce funding for "innovative" projects [37]

Charybdis: SPAs have devoted too much money for traditional purposes and not enough for experimentation.[38]

FISCAL CONTROLS

Scylla: SPAs must strengthen financial controls at all levels of the Safe Streets program [39]

---

[37] Gregory Ahart, Deputy Director, Government Accounting Office, *Hearings*, Part 1, p. 137.

[38] *Law and Disorder III*, a report by the Lawyers' Committee for Civil Rights Under Law for the National Urban Coalition, 1973, p. 9.

[39] *CGO Report*, pp. 78–95, 17–47.

Charybdis: SPAs should reduce red tape and give cities more flexibility [40]

PROGRAM CONTROLS

Scylla: LEAA and SPAs must set rigid program guidelines, if necessary by limiting funding for certain categories [41]

Charybdis: SPAs must relax strict controls over local project selection since this is in direct contradiction to locally identified needs and priorities [42]

FUND FLOW

Scylla: SPAs must disburse funds more rapidly to cities; money is moving too slowly [43]

Charybdis: SPAs should insure accountability and program integrity by careful review of all project proposals and by stringent financial regulations [44]

EQUIPMENT EXPENDITURES

Scylla: SPAs must substantially reduce expenditures for equipment and concentrate on system reform [45]

Charybdis: SPAs must respond to locally identified needs where equipment receives a high priority [46]

GEOGRAPHIC IMPACT

Scylla: SPAs ought to devote a larger percentage of funds to high crime rate areas [47]

Charybdis: SPAs must direct more funds to rural and suburban areas before they experience the same crime problem seen in today's cities [48]

POLICE VERSUS THE WORLD

Scylla: SPAs must spend less money for police—more for courts, corrections and juvenile delinquency [49]

Charybdis: SPA spending for police programs is not too high if you understand that the police function accounts for over 60% of all criminal justice expenditures annually [50]

SYSTEM SUPPORT

Scylla: SPAs should support and improve the criminal justice system [51]

Charybdis: SPAs must reduce crime by whatever means available, including projects outside the traditional criminal justice system [52]

WHICH CRIME?

Scylla: SPAs must spend more money on white collar and high volume crimes like drunkenness that clog the justice system [53]

Charybdis: SPAs must concentrate their resources on serious crimes which threaten the security of persons and property such as robbery and burglary [54]

BUREAUCRACY

Scylla: SPAs must cut red tape and avoid multiple reviews of local proposals [55]

Charybdis: SPAs must submit each and every local project proposal to regional and state clearinghouses for review prior to action [56]

CONSULTANTS

Scylla: SPAs should not utilize consultant services, which are generally overpriced and abused [57]

Charybdis: SPAs must provide specialized knowledge and assistance to localities that only consultants can offer.[58]

The issues drawn above are illustrative of early debate over SPA administration of the Safe Streets Act. Every equipment expenditure dismays reform-oriented critics while every delinquency prevention program is suspect to traditionalists. Furthermore, new *federal* controls imposed on the SPAs (deadlines for disbursment, expenditure and reporting) have sometimes been lamented by city officials as time-consuming *State* bureaucracy. The "issues" of fund flow and equipment expenditures stand out as excellent examples of the dilemma faced by the SPAs who stand between Scylla and Charybdis.

Mr. McCLELLAN. Mr. President, I believe the subcommittee amendment is a well-balanced effort and will contribute greatly toward the continuation of the success we have observed in the war against crime in the last year, a success that must be attributed in large part, in my opinion, to the LEAA program.

I urge my colleagues to support this amendment.

Mr. HRUSKA. Mr. President, I yield myself 5 minutes.

Mr. President, the pending amendment, No. 248, addresses itself to the continuation of the present Law Enforcement Assistance Administration. It was drafted initially to be a 5-year authorization, and expires this coming Saturday. In considering the bill that was received from the other body, it was felt that the pending amendment should be advanced as an amendment in the nature of a substitute.

Amendment No. 248 received the approval of the Subcommittee on Criminal Laws and Procedures, presided over by the distinguished Senator from Arkansas (Mr. McCLELLAN).

Mr. President, in 1968, the Congress enacted the Omnibus Crime Control and Safe Streets Act, which created the Law Enforcement Assistance Administration and gave the Nation its first comprehensive Federal, State, and local program to reduce crime and improve our criminal justice system. I am proud to say I cosponsored and helped draft that important legislation.

The initial 5-year authorization for the LEAA expires on June 30 of this year, and we are now being asked to review the LEAA program and evaluate its effectiveness in meeting the mandate established by the Congress. On June 5 and 6 of this year, the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary held hearings on legislation to extend this important program.

The subcommittee received testimony from the Attorney General, Members of the Congress, mayors, State directors of LEAA programs, and from representatives of virtually every segment of the law enforcement and criminal justice system. Subsequently, the subcommittee referred a clean bill to the full Judiciary Committee.

Although there was overwhelming support in the full committee for the subcommittee's bill which is now pending as an amendment to the House-passed bill, it was impossible to have the bill reported prior to the June 30 expiration date.

The subcommittee believes it has fully addressed the beliefs and points of view expressed by those who testified and after careful study and consideration, has rejected all proposals for major changes in the LEAA program. The subcommittee believes the bill it has produced will enable the LEAA to continue its invaluable service.

The amendment which we are now considering retains the basic structure and authority of LEAA. However, it contains a number of changes streamlining the agency's block grant funding mechanism, and it emphasizes LEAA's responsibility for administering the program and assisting the States in comprehensive planning. By and large, it incorporates most of the provisions of H.R. 8152.

The distinguished Senator from Arkansas (Mr. McCLELLAN), chairman of the Criminal Laws Subcommittee, has outlined several of the changes we have made.

I fully endorse and concur with the changes Senator McCLELLAN has brought to your attention, but I want to reemphasize a few of the changes he noted and add several more that I think merit special notice.

The measure eliminates the unwieldy and cumbersome "troika" system in the LEAA administration and replaces it with a single Administrator and two Deputy Administrators. All policy and administrative authority is vested in the Administrator. The Administrator's policy functions would be shared with a Deputy Administrator for policy development. He would not share in the overall authority or have a veto power. A second deputy at a lower level would be delegated administrative management responsibilities. Overall, this change will enhance the operations, efficiency, and management of LEAA.

I want to add my support to Senator McCLELLAN's construction of the tenure of the various incumbent administrators to the effect that their reconfirmation will not be necessary.

Other significant features of the pending measure are:

---

[40] Draft Report on LEAA for the Federal Assistance Review Program, prepared by the International City Management Association, May 1, 1972, *passim*.

[41] *CGO Report*, pp. 61–69, 17–47.

[42] *ICMA Report*, p. 42.

[43] Congressman James V. Stanton, *Congressional Record—House*, November 16, 1971, p. H11138.

[44] *CGO Report*, pp. 17–47, 78–95.

[45] *Ibid.*, pp. 17–47.

[46] *The Cities and Law Enforcement Assistance: A Review of the Need for Federal Assistance to Cities*, testimony of the National League of Cities/United States Conference of Mayors before the House Judiciary Committee, March 23, 1973, p. 6.

[47] Stanton, *op. cit.*, pp. H11138–H11145.

[48] Every SPA can produce dozens of letters maintaining this viewpoint from state legislators, rural police, suburban elected officials and non-metropolitan planning regions.

[49] *Law and Disorder III*, p. 9.

[50] Again, since this viewpoint is not "fashionable" in the literature cirticizing the SPAs, nationally known sources are difficult to find. Each SPA can produce many letters from local police chiefs irately complaining about refusals to support police programs to an even greater extent.

[51] *CGO Report*, pp. 61–69.

[52] *Law and Disorder, III*, pp. 8–9.

[53] *Ibid.*, pp. 16–17.

[54] "LEAA's overriding objective should be to increase [the criminal justice system's] ability to reduce crime . . . The criminal justice system is not an end in itself . . . Crime reduction is our basic objective." LEAA Administrator Jerris Leonard, August 10, 1973, at the Annual Meeting of the National SPA Conference, Boston.

[55] National League of Cities/United States Conference of Mayors, *op. cit.*, at note *45*, p. 5.

[56] *OMB Circular A–95*, Attachments A & D.

[57] *CGO Report*, pp. 48–60.

[58] *Law and Disorder III*, pp. 8–9.

It reduces all non-Federal match from 25 to 10 percent of project cost with the exception of part C construction projects, which remain at the 50 percent matching level provided in the present act. The new matching ratio governs parts B, C, and E grants. The 10-percent non-Federal share would be contributed in cash as opposed to donated services or other forms of "soft match." This change would require that all match now be in the form of cash. In addition, it would require that the State "buy-in" into the part B planning and part C action program of the local units of government. The net result of these changes is that the State and local commitment will now completley consist of cash contributions, and the paperwork and fictional contribution of so-called soft match would be eliminated. The reduction of non-Federal matching requirements will facilitate immediate attention to crime fighting. As the Attorney General noted in testifying before the committee:

> The lack of available match money has . . . prevented many good programs from getting the funding they deserve and has sometimes directed State and local efforts into less worthy channels.

It permits LEAA to make grants from its discretionary funds to private nonprofit organizations. Important law enforcement and criminal justice programs involving more than one State or locality or those that are national in scope cannot be appropriately funded by a single State. The present law requires LEAA to award grants to local and State units of government which then must accept the administrative burden of serving as a conduit for funding to nonprofit organizations qualified to operate the multi-State programs. This provision would eliminate that cumbersome and sometimes inefficient administrative arrangement.

It retains and strengthens the law enforcement education program. It would raise the amount of funds that may be provided to LEEP students to keep pace with the cost of living and provide an increase for the internship program, which was added to the act in 1970.

It provides new confidentiality standards on statistical and research information received for research purposes.

It extends the life of LEAA for an additional 5 years and authorizes the appropriation of $1 billion for fiscal 1974; $1.25 billion for fiscal 1975; $1.5 billion for fiscal 1976; $1.75 billion for fiscal 1977; and $2 billion for fiscal 1978.

Mr. President, these are the major provisions the subcommittee provided.

I think they deserve the prompt approval of the Senate, and I urge Senators to join with me in such action.

There is little disagreement that LEAA has made major steps in fighting crime.

Since 1968, the LEAA has disbursed more than $2.4 billion in anticrime funds to implement thousands of crime-control projects across the country. Hundreds of criminal justice jursidictions have received technical advice from LEAA. In hundreds of instances, the LEAA was the catalyst in initiating innovative and imaginative crime-fighting programs. For the first time a Federal agency is working with 55 State and territorial criminal justice planning agencies in a comprehensive program to turn back the tide of crime that threatened to engulf the Nation.

The results of this cooperative and coordinated effort have been dramatic.

The National Conference of State Criminal Justice Planning Administrators noted in its report, "State of the States on Crime and Justice":

> Since the passage of of the Safe Streets Act, the rampaging annual increase in crime has been halted and reversed. For the first time in 17 years, crime has actually decreased. During 1972, 94 of 154 cities with over 100,000 population reported actual crime decreases. In four years, crime in the United States has been reduced from an 11 percent increase to a 3 percent decrease and the number of large cities reporting actual decreases has gone from under 20 to almost 100.

LEAA certainly cannot claim all the credit for this turnaround in crime, but it should be noted that LEAA's efforts to develop comprehensive criminal justice standards and work plans with the States and local governments has helped forge a coordinated criminal justice system from formerly fragmented efforts.

There are many examples of national achievements by the LEAA program, and I would like to cite a few:

High impact anticrime program: Under this program, up to $160 million has been made available to eight major cities: Atlanta; Baltimore; Cleveland; Dallas; Denver; Newark; Portland, Oreg.; and St. Louis. The objective of this program is to reduce street crime and burglary by 20 percent during the next 5 years in those eight cities.

Pilot cities program: This project tests the best and newest methods of crime control in several cities. It is the simultaneous adoption of innovative programs, new knowledge, and the latest technology for that particular city's police, courts, and correctional systems. This is the first time that any locality has attempted such a project.

National bomb data center: The purpose of this program is to provide State and local law enforcement agencies with comprehensive information on bombing, explosive devices and security precautions. This program is funded by the LEAA and is administered by the FBI. The LEAA also is funding the hazardous devices course at Huntsville, Ala., which teaches law enforcement officers how to properly handle and dismantle explosive devices.

Interjurisdictional coordination: This program has been initiated through several grants and fosters interstate cooperation and coordination to fight crime and immediately act to meet civil emergencies. This program has been particularly effective in fighting organized crime and controlling narcotics traffic.

Standards and goals: The LEAA funded the National Advisory Commission on Criminal Justice Standards and Goals. This Commission produced a working blueprint for State and local law enforcement agencies in the areas of police, courts, corrections, and community crime prevention programs. It is a step-by-step program that—when fully implemented—will revolutionize the Nation's criminal justice system. The report was drafted by working professionals and participation is strictly voluntary—law enforcement agencies can accept it, reject it, or modify it to meet their specific programs.

In addition to these national programs, LEAA funds have supported thousands of projects at the State and local levels.

They have been used for police training, equipment, and anticrime patrols. For rehabilitation projects for offenders, with the emphasis on community-based programs. For ways to speed and improve the processing of felony cases in the courts. For new ways to prevent and control juvenile crime and delinquency. And for ways to prevent and control narcotics abuse—and rehabilitate addicts.

The following projects are just a few of the programs in these areas:

The YMCA Youth Service Bureau, a $162,000 block grant program in Lincoln, Nebr., to divert young people from the juvenile justice system before they get into serious trouble.

Project Oz, a $507,000 block grant program in San Diego, Calif., that operates a 24-hour treatment center for youths between 13 and 17 years old who have run away from home or are otherwise beyond their parents' control. The project assumes that counseling for troubled youths and their parents can help resolve their mutual problems.

The Vera Institute of Justice supportive employment program, a $1,333,000 block grant project in New York City to employ former heroin addicts and former criminal offenders and then help them integrate themselves into jobs.

The New Jersey Court Planning Service, a $65,000 block grant project to institute comprehensive planning for the New Jersey court system that uses a separate staff of highly qualified administrators who are free of organizational responsibilities so that all their energies can be devoted to identifying problem areas in court operations.

The California College of Trial Judges, a $282,000 block grant project to give newly appointed California judges 2 weeks of special instruction in evidence rules, judicial ethics, and correctional problems.

The Indiana University Center for Judicial Education, a $210,000 block grant program to provide a full range of education and information services to judges and other court personnel. The center sponsor workshops for judges to help them develop their own guidelines for sentencing probation, docket administration, personnel supervision, and psychiatric services.

The Roxbury-Dorchester Community defenders project, a $331,000 block grant program in Roxbury, Mass., that established a State public defender branch office in a black neighborhood to give high visibility to public defender services through weekly radio programs and a policy of serving walk-in customers, 90 percent of whom are charged with felonies.

The Maryland job counseling and placement program, a $225,000 block grant project to provide individualized job counseling to inmates who are near-

ing release from the Maryland prison system. The program is part of a contract between the State Division of Correction and the Maryland State and District of Columbia Council of the AFL-CIO.

The Maryland Correctional Training Academy development project, a $642,000 block grant program to develop and run a correctional personnel training facility.

The Marquette University project, a $522,000 discretionary grant program to establish and run the institute for minority opportunities in Criminal Justice Administration.

The law enforcement minority manpower project, a $350,000 discretionary grant program run by the National Urban League to improve the relationships between minority group citizens and law enforcement agencies through an increase in the number of minority group members employed in criminal justice agencies.

In short, Federal assistance through the LEAA program has enabled states and localities to develop unprecedented programs to fight crime.

Mr. President, I think we can see LEAA's program is an ambitious one. It seeks to reduce crime, improve the criminal justice system, and enhance the quality of life for every American.

It already has accomplished a great deal over the last 5 years and equally landmark achievements are well within its reach. It is without doubt a great boon to law enforcement in the Nation.

The measure before us holds the potential for even greater strides toward our goal of making America safe for all her citizens, and I urge its swift passage.

Mr. HRUSKA. Mr. President, I reserve the remainder of my time.

Mr. TUNNEY. Mr. President, I call up my amendment No. 277, which is at the desk. I should like to submit a perfecting amendment to amendment No. 277.

The PRESIDING OFFICER. Does the Senator from California desire to modify his amendment?

Mr. TUNNEY. Yes; I should like to modify my amendment as it is called up.

The PRESIDING OFFICER. The amendment will be so modified, and the clerk will state the amendment as modified.

The assistant legislative clerk proceeded to read the amendment.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with and that the amendment, as modified, be printed in the RECORD.

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

The modified amendment is as follows:

On page 18, strike everything starting from line 21, starting with the words, "Eighty-five per centum", through page 19, line 9, including the words "with this title", and insert in lieu thereof:

"(1) Ten per centum shall be for programs authorized by part D of the Omnibus Crime Control and Safe Streets Act of 1968, Public Law 90-351, as amended by this and other Acts.

"(2) Fifteen per centum shall be distributed by the Administration to:

"(a) units of general local government which are identified by the Administration as high crime areas having a special and urgent need for Federal financial assistance in meeting law enforcement and criminal justice needs; and

"(b) States and units of general local government as determined by the Administration, with special consideration being given to meeting the reasonable costs of programs or projects which States and units of general local government have executed and which the Administration determines have demonstrably improved the criminal justice system of said State or unit of general local government.

"(3) The remaining 75 per centum shall be allocated to States and eligible units of general local government according to their population in accordance with the provision of section 203 and subject to the following conditions:

"(A) not less than 10 per centum and not more than 40 per centum of such remainder distributed to the States and eligible units of general local government pursuant to the provisions of this subsection shall be expended by such State or eligible unit of general local government upon programs related to each of the following areas:

"(1) law enforcement;

"(2) corrections;

"(3) courts and judicial administration;

"(4) juvenile justice; and

"(5) criminal justice planning.

"(B) if any recipient eligible unit of general local government does not exercise jurisdiction over programs in any area set forth in clause (1), (2), (3), or (4) of paragraph (A) of this section, that minimum percentage of funds which must be allocated to that program area shall be allocated to programs in that area administered by the larger unit of government which exercises jurisdiction over that program area.

"DISTRIBUTION OF FUNDS

"SEC. 306. (a) The amounts made available by this section for any fiscal year under this title shall be distributed by the Administration, according to their population, among:

"(1) Eligible units of general local government.

"(2) States, for use in those areas of the State not within the jurisdiction of eligible units of general local government and for programs and projects subject to the general jurisdiction of a State or State agency.

"(b) Whenever a unit of general local government either wholly includes another unit of general local government or is contiguous to another unit of general local government, the Administrator shall determine, based upon the population of the eligible units, how funds shall be distributed equitably among such units. In carrying out this subsection, the Administrator shall insure that no person shall be included in the population of more than one eligible unit and provide that the funds shall be distributed directly to eligible units of general local government.

"(c) Not less than three months prior to the beginning of any fiscal year, the Administrator shall determine the units of government eligible for funding pursuant to this title during the subsequent fiscal year, and shall publish in the Federal Register the percentages each eligible unit is entitled to receive under the provisions of subsections (a) and (b) of this section and, as soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Administrator shall publish in the Federal Register the amount of funds actually appropriated and distributed pursuant to subsections (a) and (b).

"(d) In the event that an eligible unit of general local government refuses to accept funds as provided by this Act, the funds to which it would have been entitled under subsections (a) and (b) of this section shall be disbursed by the State in which that unit is located for discretionary use in providing programs under this title.

"(e) In the event that a State refuses to accept funds as provided by this Act, the funds to which it would have been entitled under subsection (a) of this section shall be available for expenditure by the Administrator for purposes of this title.

"(f) If by reason of boundary line changes, by reason of State statutory or constitutional changes, by reason of annexations or other governmental reorganization, or by reason of other circumstances the application of any provision of this section to units of local government does not carry out the purposes of this title, the application of such provision shall be made, under regulations prescribed by the Administration, in a manner which is consistent with such purposes."

On page 19, on line 10 before the words "any grant" add the words "section 306(c)", and substitute for the phrase "paragraph (2) of this subsection" on line 10, the words, "306(a)".

On page 20, on line 13 change "(b)" to "(d)".

On page 49, line 25, insert the word "eligible" before the words "unit of general"; and on page 50, line 2, after the word "State", insert the phrase "with a population of fifty thousand or more persons".

Mr. TUNNEY. Mr. President, I take the floor to discuss proposed legislation that I think is vital to every citizen in this country. The Law Enforcement Assistance Act was unveiled some 5 years ago as the Nation's premier crime-fighting program, and many of its initial objectives have been achieved.

Nevertheless the crime rates continue to rise in many of our cities; juvenile offenders represent a disturbingly large figure on the crime charts, but preventive measures are lacking; narcotics addiction has reached epidemic proportions in some areas, but the illicit sales continue; violence still stalks the streets.

Recent statistics revealed in the FBI Uniform Crime Report for 1971—table II, Index of Crimes, page 61—show a sharp increase in crimes which affect us all. Between 1969 and 1971, murders increased from a yearly rate of 7.3 per 100,000 people to 8.5 per 100,000 while crimes of larceny were increasing from 757 per 100,000 to over 909 per 100,000.

The message I think is clear: In our largest urban centers, after all the millions of dollars expended for law enforcement, crime continues in its pernicious growth. Five years ago the challenge to law enforcement was to identify the most critical priorities and to launch a coordinated attack on crime in all its forms utilizing Federal funds in conjunction with the resources of the State and local governments. Today it is once again necessary to take a very hard look at what we have done in meeting that challenge. Rather than sitting back and counting our achievements, we should recognize the defects where they exist and do what is required to eliminate them.

I have sought to do this in a bill which I introduced earlier in this session as S. 1497 entitled the Law Enforcement and Criminal Justice Act of 1973.

As I said in submitting the proposed legislation, the most certain guarantee that law enforcement remains impartial and just, it seems to me, is to assure that the major decisions affecting police and

our judicial system are made at the local level where the average citizen can most effectively make himself heard.

With all due respect, I must take exception to the conclusions arrived at in the report by the Senate Judiciary Committee when it states:

> Although there can be not doubt that cities, particularly the large cities, bear a disproportionately large share of the crime problem, the Committee is of the view that the existing block grant structure, with its pass-through requirement and its emphasis on high crime areas, has delivered an appropriate share of funds to the large cities.

It is certainly true that the bulk of the LEAA funding has been directed to the cities, and it is equally certain that these areas are the breeders of most of our crime.

But that is only part of the equation. It is not only important that funds arrive at their proper destination; it is also important how they arrive and how much time it takes.

The timelags between application for funds and their actual receipt are documented in the complaints by law enforcement personnel across the Nation. I have talked to many of them in my own home State of California and elsewhere. I am persuaded by these discussions, conducted over a period of many months both this year and last, that the present LEAA system is not expediting the delivery of funds for law enforcement and criminal justice to where they are needed most.

I have had an opportunity to speak with many law enforcement personnel, and they tell me that the time-lags sometimes are as great as 6 months.

Quite to the contrary, LEAA grants are presently bogged down in layer upon layer of needless bureaucracy and wasted motion—processing grants through three four, and five tiers of Government with no discernable benefits to the ultimate consumer—the public.

Former Attorney General Kleindienst, in testifying during the House hearings on the LEAA legislation, said that the program was snarled in "a morass of redtape." House Judiciary Committee report on H.R. 8152, June 5, 1973, page 53.

The report issued by the National Conference of State Criminal Justice Planning Administrators on June 1, 1973, entitled "State of the States on Crime and Justice" dramatically reinforces the point made by Mr. Kleindienst: As of December 31, 1972, 5 percent of the funds allocated to LEAA during fiscal years 1970 and 1971 had not even been awarded, while for fiscal year 1972, a full one-third of the LEAA funds had yet to be distributed. This demonstrates strikingly that under the present LEAA system, it has not been possible to expedite the flow of funds to the local levels. We have established tedious and confusing requirements which are lumped into the catchall phrase comprehensive planning. This term has become a vehicle for subjugating the needs of the cities to the State's perceptions of their priorities. When a local application does not conform to a State plan drawn up in complete isolation from without substantial input from those who are primarily responsible for law enforcement, the State can simply hold up the funds and say try again.

This situation is repeated over and over in States across the Nation. In the competitive system of grantsmanship which the LEAA program has in part helped to subsidize, the big winners are those who have mastered the bureaucratic language, who have figured out the right agency doors to go through. In such a system the needs of local law enforcement officials become subordinated to a system of grant review and approval dictated from the top which filters funds downward but obstructs the flow of information upward.

The results are obvious and unfortunate:

First. The stratification of decisionmaking at all levels of government as a condition for the receipt of funds has caused delays of up to 2 years from request to delivery.

Second. Local officials who know most about their law enforcement needs have had least to say about how to solve them. While it is true that the State planning agencies have attempted in their composition to be most representative of all law enforcement interests in the respective States, in practice the desires of the cities have received short hearing. By the funding system proposed in amendment 248, introduced by Senators McCLELLAN and HRUSKA, which the Senate is considering today, the measures sought by the cities are still the captive of State policymakers who may or may not be receptive to these locally felt needs.

By the method of sending funds directly to the cities as I propose, we can energize local law enforcement officials with immediate injection of badly needed funding and take full advantage of the ample planning capacities that cities and towns have developed and refined over years of experience with countless State and Federal programs. Furthermore, LEAA would merely have to do some simple mathematical calculations, to determine the populations of the respective States and cities and then to distribute the funds accordingly. The days and months of times wasted on reviewing and approving grant applications would be eliminated.

The National League of Cities and U.S. Conference of Mayors are on record as supporting the fundamental objectives of my legislation. This organization, which represents local officials across the country, stated in hearings before the House on H.R. 8152, that—

> There must be stronger support in planning and coordinating efforts at the local level.

Finally they called for removal of the State planning agency from much of the grant award process. My proposal would accomplish both aims.

Third. While the present LEAA Act permits regional law enforcement planning, the ambiguity of the present law has discouraged many States from such planning.

Regional arrangements for certain law enforcement and criminal justice activities have been tried successfully in such places as Nassau County, N.Y., Hudson and Middlesex Counties in New Jersey, St. Louis County in Missouri, Dade County, Fla., and in Los Angeles.

But this does not set up any competition between cities and counties or between them and other regional units. My proposal specifically guards against such a possibility by requiring that in making the grant allocations based on population, no person can be included in the population of more than one eligible unit for the purposes of receiving funds. This simply means that the city of Los Angeles, with a population of roughly 3½ million, will receive an amount of funds equal to the percentage which its population bears to the rest of the State. While Los Angeles County, with a population of roughly 8½ million, would be eligible to receive an amount of funds equal to the percentage which its population bears to the rest of the State after first subtracting out the population of the city of Los Angeles and other cities in Los Angeles County with populations of 50,000 or more. My amendment therefore, insures a completely equitable distribution.

Fourth. Although LEAA has recognized from the start that continuing professional education for law enforcement personnel is necessary and desirable, many individuals committed to pursuing careers in law enforcement and criminal justice have suddenly found themselves without funds needed to stay in school because institutions have been unwilling or unable to reimburse them.

To unclog the grantmaking machinery, to enable more efficient and innovative law enforcement planning, and to enhance the possibilities of continuing education for those in the law enforcement field, I am, therefore, proposing today several amendments:

First. The first, and what I believe to be the most important of these would require that 75 percent of the block grant funds under part C of the Omnibus Crime Control and Safe Streets Act of 1968 be given directly to States and eligible units of local government. This in no way changes the fact that each State would be eligible for a percentage of funds based on the relationship that its population bears to the other 49 States.

Similarly, each unit of local government with a population of 50,000 or more would be eligible to receive directly a percentage of funds based on the proportion of its population to other units of local government within the same State.

Cities and counties with populations smaller than 50,000 would also be eligible for funds, subject however to the general jurisdictions of the States which would, pass through the remainder of funds to units of less than 50,000 again in strict accordance with their populations. Furthermore all municipalities would be additionally eligible for funds out of the 25 percent which the LEAA retains for discretionary purposes. In recognition of the urgent need to provide extra resources to the high-crime areas, my legislation would ask that 15 percent of this remaining 25 percent be

distributed to such areas, as well as for programs and projects which States and local units have demonstrated improved the criminal justice system.

Under my amendment cities and local units of government would stand to receive at least as much as they presently do, although not more than their pro rata share based on their population. Under no circumstances could any cities receive less funds then they are entitled to under the present law which Amendment 248 essentially perpetuated. Furthermore, under the present law, which requires that 85 percent of the funds go to the States, the States are only told that they must spend 75 percent on local units of government—that is exactly how much I ask to have distributed, but to have distributed directly.

If revenue sharing is to have real meaning, then the Federal Government must go in the direction where it is truly willing to share. My LEAA legislation would take a long step in that direction.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield myself 8 minutes.

I oppose the amendment offered by the junior Senator from California. This amendment contains provisions which would create a system in which the Federal Government would soon begin to shape State and local crime reduction programs according to its judgment and its preference, and take away from them the opportunity to make the great contribution that they are permitted to make now in planning and having the kind of program they think most suited for their problems.

The method of allocating Federal crime fighting funds as proposed in this amendment is wholly inconsistent with the original Omnibus Crime Control and Safe Streets Act of 1968, and the recently passed House bill, H.R. 8152, presently pending here.

Beginning in 1968, when this proposal was originally before the Senate, I was not convinced of the validity of the State comprehensive planning approach and preferred the advantage of direct grants. I was afraid that States would overpower the cities and perhaps use some of these funds for political advantage rather than to make a fair distribution. I have become convinced, however, as it has operated that the municipalities and other local jurisdictions are getting a fair break.

I do not mean to say that this is true in every instance. This law is not perfect and its administration is not perfect.

There may be instances where some favoritism or injustice has occurred. However, I am convinced that overall this is the best approach. If we take the power away from the States to determine their own needs and plan comprehensively to meet them and put it in the LEAA authority up here in Washington, we are creating a bureaucracy over which local people and local government will have far less control than they have today.

I believe that we should stay with the system we have.

Mr. President, annual approval of the State plans as a condition of funding is written in the present bill. The way we have operated in the past has been that a plan would not be approved unless LEAA finds that there is a determined effort in the State plans to improve the results of law enforcement throughout the State. This provision is intended to stress the requirement that a State plan do more than merely provide for a wide geographic and institutional distribution of funds within the State. It must be a balanced effort and indicate a just need of the State.

This amendment would essentially return it to the categorical system of Federal grants in aid, a system that has proven unsuccessful in the past. The same amendment—this amendment or an amendment with the same substance and import—has been before the Senate, I believe, twice. It has been before the House a time or two. Each time it has been voted down.

The theory of this amendment is not new. The issue has been debated by this body and by the House. The last time it was voted on in the Senate, I believe the vote was 41 to 16 against this approach to this problem.

This is a repetition. I think Congress has demonstrated that it is satisfied that a block grant approach at the State level is the best approach after all.

I would hope that the amendment would be rejected.

Mr. President, I yield 5 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I rise in opposition to the amendment No. 277 offered by the Senator from California (Mr. TUNNEY).

This is what has been commonly referred to as the big city amendment. It was designated in the other body as the Stanton-Seiberling amendment.

It would provide for direct grants to the cities in the fashion which it describes. It could destroy some of the most valuable and important parts of the present LEAA act.

The basic objectives of this proposal, as I understand it, is to: First, speed the flow of funds to the local communities where the frontline fight against crime is being waged; and second, to give local government great latitude in determining their own priorities for strengthening law enforcement and improving criminal justice.

These also are objectives of the amendment offered by Senator McCLELLAN and of the bill passed by the House as H.R. 8152.

The critical point, however, is that the proposed amendment would not advance the program toward those objectives. Instead, it would add restrictions and redtape to the funding process, and it would directly interfere with the authority and responsibility of State and local governments to set law enforcement spending priorities in accordance with local needs. The amendment would destroy the comprehensive statewide planning process that has been one of the major achievements of the LEAA program. Moreover, it would tieup the crime-fighting funds in redtape and substitute Federal requirements for local priorities by mandating fixed proportions of expenditures in five criminal justice categories.

In short, this amendment would move the program in a direction directly contrary to the block grant concept of law enforcement assistance which has proven its effectiveness and value in these last 5 years.

It is important to note that the LEAA program under the block grant system established by the Omnibus Crime Control and Safe Streets Act of 1968 has, in fact, done an effective job of directing Federal funds to the high crime areas. Testimony presented to the Judiciary Subcommittee showed that almost 65 percent—almost two-thirds—of all local-use funds were allocated by the State planning agencies to high crime areas containing 49 percent of the Nation's population. Significantly, in fiscal 1972 the States allocated over 71 percent of local funds to these high crime areas. There being dissatisfaction with 71 percent, the request comes for more. Someone must have read Charles Dickens and Oliver Twist.

Under the present LEAA funding structure the large cities are now receiving a greater proportion of funds than they would be entitled to on the basis of either population or crime statistics and a substantially greater share than they would be entitled to receive under the formulas included in the legislative proposals examined by the subcommittee which provided for direct large city grants.

Mr. President, I would call attention to the fact that efforts to make the Federal law enforcement assistance program merely another categorical grant program dominated by Federal bureaucrats have been repeatedly rejected by the Congress.

In 1968, during the debate preceding the enactment of the Omnibus Crime Control and Safe Streets Act there was extensive debate of block grants versus categorical grants—of Federal assistance for local law enforcement versus Federal domination of local law enforcement. The outcome of that debate was decisively in favor of State and local control under a block grant program. As the act states, Congress found "that crime is essentially a local problem that must be dealt with by State and local government if it is to be controlled effectively."

This big city plan, the counterpart of which was considered in the Judiciary Committee of the other body, was overwhelmingly rejected by a vote of 22 to 14. And it was not proposed on the floor of the other body.

This comprehensive planning requirement, in conjunction with the assignment of State and local responsibility for law enforcement are preserved in the bill, but would be reversed by the amendment proposed by the Senator from California.

When the Senate and House considered amendments to the Safe Streets Act in 1970, new attempts were made to shift away from block grants and to

involve the Federal Government more directly in local law enforcement decisionmaking. Once again, these efforts were rejected by the Senate and the House.

This year, the issue was again revived under various guises. Nevertheless, after extensive hearings by the House Judiciary Subcommittee, the concept of direct funding to cities was voted down in the subcommittee and voted down in the full Judiciary Committee. So clear was the sentiment against this concept in the House Judiciary Committee that the issue was not even considered by the House during its consideration and passage of H.R. 8152.

Mr. President, I believe the Congress exercised good judgment in 1968 with the passage of the Safe Streets Act and creation of the block grant and comprehensive planning program for law enforcement. The wisdom of that judgment was sustained in 1970 and again this year in the House of Representatives. I believe further the amendment offered by Senator McCLELLAN contains appropriate and constructive improvements to the Safe Streets Act while preserving and strengthening the fundamental character of this important Federal program. I therefore urge rejection of the pending amendment which would severely alter some of the most important aspects of the program.

Mr. President, I reserve the remainder of my time.

Mr. TUNNEY. Mr. President, I think everyone understands the issue. The question is whether, as a matter of philosophy, they want to see the money go to the States to be distributed by the States according to State plan or whether they feel that a portion of the money ought to go to the cities with a population of over 60,000 so that they can do with these funds as they see fit within certain grounds.

Under the amendment offered, no more than 40 percent of the money could be spent on any one of the five following areas: One, law enforcement; two, corrections; three, courts and criminal administration; fourth, juvenile justice; and fifth, criminal justice planning.

There would also be a requirement that at least 10 percent of the funds would have to be spent in each of those areas. So it is just a very simple question for the Senate to decide.

The reason that I have offered the amendment that I have is not because I enjoy tinkering with laws that are on the books, but because I feel that there has been a delay in getting the funds to these urban areas, and I have indicated that in the case of 1972, as of December 31 of that year, 33 percent of the funds had yet to be distributed.

That is a part of the problem. Another part of the problem is that they sometimes have applications rejected or turned back five or six times from a local law enforcement agency before the application is approved, and there is not only a tremendous time delay, but also the creation of a sense of frustration on the part of local law enforcement agencies because they do not have the highly paid programers and application drafters that some of the large cities have, and they get into trouble with their city councils because they are spending too much time preparing these applications and having them constantly turned back.

For the last 200 years in the United States, law enforcement has been handled by local governments. I do not think that it represents such a unique or sharp departure from past experience to suggest that the local law enforcement agencies of this country ought to have the primary responsibility for spending the moneys that are going to them from the Federal Government and through the assistance of the Federal Government.

I feel very strongly that my own personal investigation, which has resulted in my talking with perhaps 200 or 300 law enforcement officials, law officers, judges, and parole officers, would lead me to believe that the present structure of the program, no matter how well meaning, is just not working as effectively as it should.

The proposal I have made today is one I have discussed with law enforcement officials, with people involved in corrections, and juvenile judges, and the great majority of them are highly supportive of the suggestions contained in this amendment as a very simple, straightforward approach to the problem.

We are in no way attempting to affect the moneys that would go to the section of the LEAA law that relates to planning, part B. I feel very strongly that the States can perform a valuable service by establishing State plans, but that does not mean the Federal Government ought to be spending $850 million here, through the LEAA program, and having the great majority of that money go through that State planning structure, and then on out to the local communities. If it had been successful, fine; I would certainly be in favor of it. It has not been successful, however. All you have to do is listen to local law enforcement officials talk about their sense of frustration in trying to develop innovative programs.

That is now the buzz word: In order to get an application approved, you have to have an innovative program, whatever that means, and all these local law enforcement officials sit down, scratch their heads, and try to find something that is innovative, and they come out, oftentimes, with programs that have very little connection whatsoever with the mitigation of crime in their communities, but they are highly innovative.

I do not know who it was who developed the master plan that you had to have innovative programs in order to get funding under the LEAA, but whoever it was has been responsble for creating a morass of confusion at the grassroots level. I suppose the people who are being paid at the State planning agency love it, because that gives them something to do. They can show they are doing their job by constantly rejecting applications that come in because they are not sufficiently innovative, but that is not the way to run a program.

The way to run a program is to give to the city councils and county governments the money they need to do the job. They have been doing the job for two hundred years, as I say, and there is no reason to believe they cannot do it in the future. They know what they need, whether they need more people on the streets, more squad cars, more people in corrections—they have a far better understanding of the nature of the problem than some whiz kids sitting up at the State level trying to justify their fat salaries.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a comparison of major features of the amendment of the distinguished Senator from California, the Stanton bill of the House of Representatives (H.R. 5746), and Kennedy amendment No. 948 (amendment to the Crime Control Act of 1970). These are measures that had comparable provisions.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF MAJOR FEATURES

TUNNEY BILL—S. 1497	STANTON BILL—H.R. 5746	KENNEDY AMENDMENT NO. 948—CRIME CONTROL ACT OF 1970
Amendments—Phase I		
1. Maintain present funding of $850 million for first year.	1. No provision for change.	1. No provision for change.
2. Retains Institute; places overall program evaluation of state programs in the Institute.	2. No provision for change.	2. No provision for change.
3. Adds language to require applications to be approved or rejected within 60 days. D/F Part C funds directed to SPA's & local governments that have demonstrably proved law enforcement programs.	3. No provision for change.	3. No provision for change.
4. D/F Part E funding to states that can show demonstrably improved correctional programs (not by population).	4. Included in block grant allocation to high crime urban areas.	4. No provision for change.

COMPARISON OF MAJOR FEATURES—Continued

TUNNEY BILL—S. 1497—Continued *Amendments—Phase I*—Continued	STANTON BILL—H.R. 5746—Continued	KENNEDY AMENDMENT NO. 948—CRIME CONTROL ACT OF 1970—Continued
5. Exclusion of persons having made application for funds from voting during the consideration of application.	5. No provision.	5. No provision for change.
6. Adds language to (1) make grants to institutions of higher learning to develop curriculum leading to degrees in criminal justice planning (2) $3000 loans to individuals in law enforcement education programs and cancellation provisions for services as full-time officer in law enforcement agency (25% per year).	6. No provision for change.	6. No provision for change.
7. Parts B, C, and E of Title I repealed as of July 1, 1975, new act effective FY 1076. (Phase II)	7. Parts B and C distribution of funds subject to formula.	7. No portion of funds can be used for projects funded under part 301 of Safe Streets Act of 1968 (Decrease in block funds.)
8. Increase funding, 5% after first year, for next four years.	8. Increase of funds to provide Special Impact Grants to high crime urban areas.	8. No provision for change.
9. Funding Formula: (a) 10% for Part D (b) 15% to high crime areas—D/F (c) Remaining 75% distributed according to population. 1. Directly to units of local governments over 100,000 (equitably). 2. To states, not otherwise "eligible units of local government" and for state programs. (d) Of the 75%: not less than 10% but not more than 40% to be spent in each of the following areas: 1. law enforcement 2. corrections 3. courts & judicial administration 4. juvenile justice 5. criminal justice planning	9. Title I: for cities 250,000 and larger, of the 40% pass-through: 1 x % of state pop. within high crime urban area, plus 2 x % of incidence of all crime in state that takes place in high crime urban area. The above sum, divided by 3 equals per centum of 40% pass-through funds to high crime urban areas. Title II: $5 per head for cities 250,000 and larger. (Special Impact funds to High Crime Urban Areas.)	9. (a) Direct grants to "eligible units of government," who submit grant applications to LEAA. (b) Grants could be used to initiate or to expand criminal justice programs under 23 listed purposes (e.g., police recruitment, bail or court reform, training, improved street lighting, better coordination between State and local units of government, etc.). (c) Amount of grant—$5 per person within each "eligible unit of government" as determined by most recent U.S. Census.
10. Governmental units are eligible by population, and as determined by the Administrator.	10. Eligibility by applying the "formula".	10. (a) "Eligible Unit"—any city, or any of the 10 largest counties of any state, whose population is greater than 100,000 according to most recent U.S. Census. (If a county contains an eligible city, the population cannot be used to determine the eligibility of the county.) (b) If a state has no city of at least 100,000 population, then the largest city of the state automatically qualifies.
11. Adds language to require states and local units of government to publish program objectives and projected uses of funds prior to beginning of fiscal year and file annual reports plus a three year projection. Makes provision for publication and comments by the Institute, no plan approval.	11. Urban Law Enforcement Councils required to file plan with the state to be eligible for block funds and special impact grants, plan approval by LEAA, but no state plan approval for pass-through funds, no provision for publication.	11. Creation of a local criminal justice coordinating agency is required (local agency other than State planning agency).
12. All funds distributed shall be accounted for as federal funds. Admin. shall have direct access to books.	12. No provision for change.	12. Procedural requirements—similar to Safe Streets Act of 1968 for keeping financial records, submitting interim reports.
13. Attorney General may initiate action to recover funds (less comprehensive than under law enforcement SRS).	13. No provision for change.	13. No provision for change.
14. No provision for criminal penalties.	14. No provision for change.	14. No provision for change.

Mr. McCLELLAN. Mr. President, under the present law the States submit a comprehensive plan. In that plan, they must take into account the cities and their needs and pass on programs and plans that they submit. After that plan is approved by the LEAA as a State plan, if a city or municipality feels aggrieved that it has been left out or has some special program that ought to be financed, it has access to 15 percent discretionary money—nearly $150 million—direct from the LEAA to supplement the overall State program.

The issue here is this: Shall we have comprehensive State plans with the initial responsibility for developing these programs left to the State and local authorities or shall we have practically everything coming direct up here to Washington?

Mr. President, I am persuaded that the local law enforcement officials, the Governors of the States, and the mayors of the municipalities have a better judgment about what their communities need than we can devise in Washington. I hope this program will not be interrupted.

I would point out to my distinguished friend from California that in his State, in 1972, the large metropolitan areas, with high crime incidence, received 120.9 percent of their share of the local funding. Overall, the cities received 101.8 percent covers since 1969. I do not see how we can say that there is an unfair distribution of funding there. It may occur in one city or another occasionally but, overall, the program is operating, I think, commendably well.

I hope that this amendment will be rejected.

Mr. TUNNEY. I think that everyone understands the issue. This is an important amendment insofar as the basic postulation underlying it is concerned. We should have a record vote on this amendment. I am prepared to yield back my time.

Mr. HRUSKA. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield 3 minutes to the Senator from Nebraska.

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from Nebraska is recognized for 3 minutes.

Mr. HRUSKA. Mr. President, I would like to take this opportunity to express my opposition to the amendment introduced by the Senator from California.

This amendment would contribute nothing toward improving the Safe Streets Act's activities.

Indeed, it would impair LEAA's effectiveness.

The amendment's funding formula is so complex and cumbersome that it is sure to be the source of substantial confusion.

It would almost certainly wrap new

layers of redtape around the entire financial assistance program.

The Nation can do without amendments that only make things worse.

The LEAA approach is already working well as it is.

For example, in a statement issued just a few weeks ago, the National League of Cities and the U.S. Conference of Mayors had this to say about the Federal law enforcement and criminal justice assistance program:

At present there are in *all* [italics in the original] of the nation's largest cities full-time staffs devoting themselves to planning, research, and program development.

"A very major part of the credit for this belongs to the Safe Streets Act and LEAA," the statement declared.

It should be noted that before LEAA there were few cities with anticrime planning programs.

In fact, there were not many States that had the broad-ranged, comprehensive crime reduction plans that they have today as the result of the Safe Streets Act.

I believe that we should keep these facts in mind during our consideration of this amendment.

This proposed change does not enhance the LEAA program. It holds out no substantial promise of improving on what we already have.

I cannot help but feel that the proposed amendment would damage the LEAA program in my own home State and elsewhere throughout the country.

Mr. President, this should not be allowed to happen, and I, therefore, categorically oppose the amendment and urge my colleagues to do likewise.

At this point, I offer for inclusion in the RECORD a letter setting forth the views of the Department of Justice with respect to Senator TUNNEY's original bill, S. 1497.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
Washington, D.C., June 26, 1973.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice on S. 1497, a bill entitled the "Law Enforcement and Criminal Justice Act of 1973."

The purpose of this bill is to amend the Omnibus Crime Control and Safe Streets Act of 1968, and to provide for an improved federal effort to combat crime. The bill continues the Safe Streets Act beyond its current expiration date of June 30, 1973. It would also make a number of revisions in the existing law, and particularly in the formula for allocating federal assistance to states and local units of government.

The Administration submitted to the Congress on March 14, 1973, a legislative proposal entitled the "Law Enforcement Revenue Sharing Act of 1973", which would extend the LEAA program in a somewhat modified form. This measure was introduced as S. 1234 and H.R. 5613. As a result of House action on this and other proposals, the House passed H.R. 8152. While H.R. 8152 differs in many respects from the Administration proposal, the Department in most significant features supports H.R. 8152.

There are a number of provisions in S. 1497 which are contrary to the House bill, H.R. 8152 as amended. One such provision is section 201(3) of title II of S. 1497, which provides direct grants to states and local units of government. This form of allocating federal assistance is wholly inconsistent with both the original Omnibus Crime Control and Safe Streets Act of 1968 and the bill now before the Senate. The approach taken by S. 1497 would establish a system of categorical grants—a system of allocating funds which has proven to be unsuccessful in the past.

Section 201 of S. 1497 establishes a complicated formula for the distribution of LEAA funds which would bypass the state criminal justice planning agencies. For example, the bill provides that of the remaining funds available to states and eligible units of general local government, up to 40 percent of those funds may be expended on programs related to each of the five high priority areas: law enforcement, corrections, courts and judicial administration, juvenile justice, and criminal justice planning.

Thus, if an eligible unit of government, which is defined as having a population of 100,000 or more persons, deemed it desirable to expend the full 40 percent of funds in one or two of such high priority areas, other needs may necessarily go unmet. It would also result in an inequitable distribution of funds among the various criminal justice programs in the state. It would be contrary to the established notion of comprehensive planning and funding for the total criminal justice system throughout the state.

The provisions of S. 1497 also call for increased authority for the Administrator of LEAA to determine "in his discretion" the distribution of funds to the states based on criteria developed to evaluate state plans. This provision would increase the flow of funds into specified areas at the direction of the Federal Government. The Federal Government would be making the decisions that are properly within the province of state and local officials.

S. 1497 also establishes procedures which would require the states to approve or reject fund applications by localities to state planning agencies within 60 days. The present House bill provides for 60 day approval or rejection by the state planning agency and a 90 day requirement for the rejection or approval of state comprehensive plans by LEAA.

The definition of an "eligible unit of general local government" is defined in S. 1497 as an existing unit of local government with a population of 100,000 or more persons. The purpose of this definition is to assure the flow of funds to large urban areas. The present bill provides that before a state plan can be approved it must assure an allocation of adequate assistance to deal with law enforcement and criminal justice problems in areas characterized by both high crime incidence and high law enforcement and criminal justice activity. Moreover, under H.R. 8152 as amended, it is within the discretion of the state planning agencies to fund localities for a package of programs and projects as well as for single programs or projects. S. 1497 would destroy the flexibility which is now provided under the legislation now being considered by the Congress.

Finally, S. 1497 would almost totally eliminate the comprehensive planning process now in existence in the states. When the Senate and House considered amendments to the Safe Streets Act in 1970, numerous attempts were made to shift away from the block grant system and the comprehensive planning process which accompanies it. These efforts were rejected by both the House and the Senate.

Basically, the provisions of S. 1497 would eliminate the underlying purpose of LEAA as mandated by the Omnibus Crime Control and Safe Streets Act of 1968, which is to assist the states and local units of government to strengthen and improve law enforcement and to reduce and prevent crime and delinquency among the states absent overwhelming federal controls.

For the above reasons, the Department of Justice recommends against the enactment of this legislation.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

MIKE MCKEVITT.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. McCLELLAN. Mr. President, I ask for the yeas and nays on the Tunney amendment.

The yeas and nays were ordered.

Mr. TUNNEY. Mr. President, I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment (No. 277) of the Senator from California (Mr. TUNNEY).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH) and the Senator from Iowa (Mr. CLARK) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Idaho (Mr. MCCLURE) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is detained on official business.

The result was announced—yeas 24, nays 68, as follows:

[No. 255 Leg.]

YEAS—24

Abourezk	Hughes	Muskie
Bayh	Humphrey	Proxmire
Brooke	Javits	Ribicoff
Case	Kennedy	Schweiker
Cranston	Long	Scott, Pa.
Hart	McGovern	Stevenson
Hartke	Metcalf	Tunney
Hathaway	Mondale	Williams

NAYS—68

Aiken	Buckley	Dole
Allen	Burdick	Domenici
Baker	Byrd, Harry F., Jr.	Dominick
Bartlett	Byrd, Robert C.	Eagleton
Beall	Cannon	Eastland
Bellmon	Chiles	Ervin
Bennett	Cook	Fannin
Bentsen	Cotton	Fong
Bible	Curtis	Fulbright
Brock		Goldwater

Gravel	Magnuson	Pell
Griffin	Mansfield	Randolph
Gurney	Mathias	Roth
Hansen	McClellan	Scott, Va.
Haskell	McGee	Sparkman
Hatfield	McIntyre	Stafford
Helms	Montoya	Stevens
Hollings	Moss	Symington
Hruska	Nelson	Talmadge
Huddleston	Nunn	Thurmond
Inouye	Packwood	Tower
Jackson	Pastore	Weicker
Johnston	Pearson	Young

NOT VOTING—8

Biden	McClure	Stennis
Church	Percy	Taft
Clark	Saxbe	

So Mr. TUNNEY's amendment (No. 277) was rejected.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. McCLELLAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, both the House bill and the substitute proposed by the distinguished chairman of the Senate Criminal Laws Subcommittee make many constructive improvements in the management and control of the Law Enforcement Assistance Administration—LEAA.

We can all agree that there are few if any concerns more important to the people of the United States than solving the problems of crime. But I think we can also all agree that LEAA, established under the 1968 Omnibus Crime Control and Safe Streets Act, has been beset with problems, controversy, and justified criticism of some aspects of its operation.

The legislation we are considering today represents a substantial improvement over the present law. The provisions for speeding up the approval of State plans and grants applications at both the Federal and State levels, if followed in practice, could eliminate one of the most serious problems that has existed in the administration of the law up to the present time; namely, the excessive delays in getting LEAA funds down to local law enforcement and criminal justice personnel, where most of the efforts against crime necessarily must be made. Former Attorney General Kleindienst, testifying during hearings before the House Judiciary Committee, conceded that the program has been bogged down in "a morass of redtape."

Last year, a subcommittee of the House Government Operations Committee held 9 days of hearings on the Law Enforcement Assistance Administration. The subsequently published report of the hearings stated that—

> No federal grant-in-aid program has ever received a more rapid increase in appropriated funds than LEAA, yet there has been a startling underutilization of these funds.

The bill we are considering today provides for expediting the flow of these funds, and it also eliminates some of the rigidities in the present law. This will permit greater flexibility in administration both at the Federal and State levels. The bill also provides for a better balanced program by making explicit the intent of the Congress to improve not only the effectiveness of the Nation's police forces but the entire criminal justice system. In addition, the bill makes provision for open meetings and for citizen and community participation and strengthens provisions for civil rights and the right of privacy.

In other respects, the legislation we have before us is also basically good. The bill eliminates the unwieldy "troika" system of LEAA administration, and replaces it with a single Administrator and Deputy Administrator appointed by the President with the advice and consent of the Senate.

It makes more emphatic the intention of the Congress that moneys expended under this act address all aspects of the criminal justice system—not merely police and not merely the purchase of police hardware. The purpose of rehabilitating criminals as well as simply detecting and apprehending them is added to the intent of this act.

I also am gratified to see that the bill we are considering strengthens the National Institute of Law Enforcement and Criminal Justice, by giving the institute a major new role in evaluating projects, developing training programs and acting as a clearinghouse to stimulate research and reform.

The strengthening of this Institute calls to mind the need for consideration and enactment of the bill I introduced in the last Congress (S. 3612) and reintroduced in the present Congress (S. 1422) to establish a National Institute of Justice. The Institute of Justice, I have proposed would be independent of course. It does not duplicate the limited functions of the NILEC in the LEAA. It would be made up of the best legal minds in our Nation, to undertake on a national scale the refinement and reform of our judicial and related processes, I will continue pushing for this legislation. It would not supplant existing State, local, or Federal entities, but it would both call upon them and be available to assist them when requested.

We spend but a single dollar on justice research and development for every several hundred dollars on defense research and development. Justice has been too low, too long, on our priority list.

We have never provided the means whereby our system of justice can be examined in all its parts and improvements made accordingly. Our courts are seriously overburdened, our law enforcement mechanism ever lessening in prestige, and our jails and prisons institutions of higher education in crime.

Mr. President, most of the changes we are discussing today in the management and control of LEAA are good proposals; they would strengthen LEAA and would make sure that it does the job it is set up to do, namely, be a financial and technical aid to State and local governments in reducing crime and improving the Nation's criminal justice system.

However, the major deficiency of the Senate substitute of the House bill is that it would extend LEAA for 5 years and would provide specific authorization for each of these years.

I cannot agree with this. Since LEAA first came into existence in 1968, total crime across the Nation has increased by 34 percent and in my State of Minnesota by 30 percent. Total crimes include the following: Murder, rape, robbery, aggravated assaults, burglary, larceny over $50, and auto theft.

So clearly, even with LEAA's efforts the crime problem in our Nation has been compounded, contrary to statistics one often hears quoted by the administration.

For this reason, I believe the House-passed version of the LEAA authorization bill is the correct approach, the House bill extends the program only for 2 years and provides authorization only for fiscal year 1974 and fiscal year 1975. Thereafter LEAA would have to come back to Congress for further authorization. Continued scrutiny by Congress of LEAA is the correct approach, and I intend to vote for an amendment to that effect, which my distinguished colleague from Michigan (Mr. HART) will be introducing.

For all the problems LEAA has been beset with up to now, it has made some innovative and good moves. One of the outstanding projects funded through LEAA is Arlington House in St. Paul, Minn. This House, really composed of two houses—one for boys and one for girls—is a professionally staffed group home for disturbed teenagers. The teenagers live at the home, but attend public schools in the area and use community facilities. I have received reports of the excellent work being done to help these disturbed young adults, and I am encouraged.

We need more such programs.

The LEAA bill we are discussing today goes a long way toward finding solutions to the problem of crime, but LEAA is only one mechanism to achieve this goal. Clearly we must do more. Among the other pressing needs in the field of crime: an all-out attack on organized crime; programs to eradicate the sources of hard drugs; programs to emphasize training, rehabilitation, and employment of convicts; effective gun control legislation; speedier trials; programs to reduce juvenile crime;

Mr. MANSFIELD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the pending substitute, add the following section:

FEDERAL VICTIMS OF CRIME GRANT PROGRAM

SEC. 3. Subsection (b) of section 301 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by this Act, is amended by adding at the end thereof the following new paragraph:

"(11) The cost of administration and that portion of the costs of State programs, other than in the District of Columbia, to compensate victims of violent crime."

SEC. 4. Paragraph (a) of section 601 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking "and" the second time it appears, striking "or" the sixth time it appears, striking the period, and inserting the following: ", or programs for the compensation of victims of violent crimes."

SEC. 5. Section 501 of part F of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "501" and adding at the end thereof the following new subsection:

"(b) In addition to the rules, regulations, and procedures under subsection (a) of this section, the Administration shall establish by rule or regulation criteria to be applied under paragraph (10) of subsection (b) of section 301 of this title. In addition to other matters, such criteria shall include standards for—

"(1) the persons who shall be eligible for compensation;

"(2) the categories of crimes for which compensation may be ordered;

"(3) the losses for which compensation may be ordered; and

"(4) such other terms and conditions for the payment of such compensation as the Administration deems necessary and appropriate."

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Arkansas, the manager of the bill, and the distinguished Senator from Minnesota (Mr. MONDALE), and myself, I should like to say, by way of explanation, that S. 300 is the bill that establishes at the Federal level a program to compensate innocent victims of violent crime. S. 300 has already passed the Senate and is now pending before the House Committee on the Judiciary where Chairman RODINO, Mr. EILBERG, and others have exhibited strong interest in such a proposal. Indeed, Chairman RODINO has himself introduced a similar bill and deserves enormous credit for taking the lead to assure that such a program is enacted into law before this session adjourns sine die so that at long last the victim and those coming to his aid are given the consideration that is so long overdue.

As it passed the Senate, part B of S. 300 would provide a Federal grant program to be administered by the Law Enforcement Assistance Administration. Since such an assistance program lies squarely within the framework of the pending proposal designed to reshape and extend LEAA, I have taken part B of S. 300 and redrafted it to conform to the pending bill.

While I am confident that S. 300 will receive expeditious consideration by the House and will pass overwhelmingly there as it did here in the Senate.

This amendment will highlight, once again, the extraordinary need for such assistance in today's society. In this respect I am indeed heartened with a report of last week carried in the New York Times. It related that the apathy of certain citizens is beginning to turn gradually into concern when it comes to aiding the victim. It should be pointed out that S. 300 pays particular attention to those who would risk their own lives and limbs to aid others.

Mr. President, I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 20, 1973]

MAYOR AND CAWLEY HAIL CITIZENS ON AID IN SEIZING SUSPECTS

(By John Sibley)

Mayor Lindsay and Police Commissioner Donald F. Cawley yesterday applauded an evident new willingness on the part of New Yorkers to get involved and to try to stop crimes of violence.

The evidence came in the capture—for the third time in a week—of a suspect in a crime. In every instance bystanders held the suspect until the police arrived.

Recalling the much-publicized Kitty Genovese case of 1964—in which 38 New Yorkers failed to respond to cries for help by a young woman in Kew Gardens, Queens, who was fatally stabbed—Commissioner Cawley said:

"There's been a definite turn-around from that view."

The latest incident occurred late Monday night in the Brownsville section of Brooklyn.

A 12-year-old boy ran to the street from his apartment at 664 Ralph Avenue, screaming that a man had broken into the apartment and was hurting his 9-year-old sister. (The police did not make public the names of the victims because of the childrens' ages.)

Moments later, when a man ran from the building neighbors pounced on him. When the police arrived soon afterward, the suspect lay unconscious on the sidewalk in front of the building, surrounded by several dozen angry people.

The suspect, 38-year-old David Hill of 199 Powell Street, Brooklyn, was taken to Kings County Hospital, where his condition was listed yesterday as fair. A hospital spokesman said he had a collapsed lung as well as cuts and bruises.

Mr. Hill was charged with burglary, attempted rape, sexual abuse and endangering the welfare of a minor.

Mayor Lindsay learned of this latest case of citizen participation in San Francisco, where he is attending a conference of mayors.

"No city could possibly have enough police officers to be in all places at all times. People must help each other. And we're encouraged by reports that New Yorkers are doing just that. We certainly hope it's the beginning of a trend."

Commissioner Cawley, while praising citizen participation, voiced concern lest the public take the law into its own hands.

In an interview yesterday, the Commissioner put it this way:

"The fact that the people of the city are becoming more directly involved when they see a crime committed is a healthy sign—providing they don't get carried away to the point where they see themselves as police, prosecutor and jury.

"The involvement that they have should be a responsible one. They should call the police and permit the police to take the prisoner before the courts.

"There's where the ultimate decision should be made—not in the streets."

In contrast to the words of praise from the Mayor and the police Commissioner, a cynical note was injected by one high police official. This official, who asked not to be named, commented that the new public participation was "good while it lasts," but added:

"As soon as someone gets a bullet between the eyes, that's going to be the end of it."

Before Monday night's incident in Brooklyn, there were two cases on Manhattan's West Side in which bystanders caught and held fleeing criminal suspects.

Last Friday night, three men captured two suspects in the mugging of a man on Riverside Drive near 160th Street. One of the captors in that case was Stephen S. Gold, a member of the State Liquor Authority. Another was Herman Farrell, a recently elected Democratic district leader in the area.

Mr. Gold and Mr. Farrell chased the suspects on foot in different directions, then wrestled with them and held them until police arrived.

One day earlier, an angry crowd surrounded a taxicab into which three suspects had jumped after allegedly assaulting a young woman and snatching her purse. The suspects appeared relieved and surrendered eagerly when the police arrived to arrest them and escort them away.

Mr. MANSFIELD. Mr. President, I hope the amendment is agreed to by the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I am pleased to accept the amendment and take it to conference. This bill has been passed by the Senate twice already. I cosponsored this measure in the past. It relates to crime and it deals with crime. I am prepared to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MANSFIELD. I yield back the remainder of my time.

Mr. McCLELLAN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

AMENDMENT NO. 278

Mr. TUNNEY. Mr. President, I call up amendment No. 278.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. TUNNEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 62, line 12, strike everything after the phrase "contracts to make" through page 63, line 5, including the words "of the Administration" and insert in lieu thereof the following:

"The Administration is authorized to enter into contracts to make payments to individuals employed in law enforcement and criminal justice or committed to enter an occupation in law enforcement and criminal justice, for loans, not exceeding $3,000 per academic year if that individual is enrolled on a full-time or part-time basis in undergraduate or graduate programs approved by the Administration. Loans to individuals assisted under this subsection shall be made on such terms and conditions as the Administration may determine, except that the total annual amount of any such loan, plus interest, shall be canceled for service as a full-time officer or employee of a law enforcement or criminal justice agency at the rate of 25 per centum of the total annual amount of such loans plus interest for each complete year of such service or its equivalent of such service, as determined under regulations of the Administration."

On page 64, after subsection (4) add the following new section:

"(5) developing curriculums leading to a degree in the field of criminal justice planning."

Mr. TUNNEY. Mr. President, I ask unanimous consent that Thomas Susman of the staff of the Senator from Massachusetts (Mr. KENNEDY) may be granted the privilege of the floor during the consideration of the bill.

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

Mr. TUNNEY. Mr. President, this amendment would improve the LEEP program by providing direct grants to individuals employed in law enforcement and criminal justice so they can choose the universities that will best serve their professional needs, and second, by providing funds to colleges and universities to encourage curriculums in criminal justice planning. Amendment No. 248 has a similar provision but would give funds only to the institutions.

Police authorities and others in the law enforcement field have expressed their strong desire for direct grants and the concept was accepted long ago by this body and the House in many of the higher education assistance measures which have been enacted.

We should no longer entice able people into the law enforcement field with the inducement of furthering their educations, only to suddenly dash their hopes of completing their studies after their first or second year because of unpredictable reductions in institutional budgets or in the Federal LEAA funding. This betrays our commitment to enrich the field of law enforcement and criminal justice with more highly trained professionals. The law enforcement profession is unanimous in its desires for this goal.

My intent in this amendment is to follow the path already established in other Federal assistance programs to students of higher education. I ask for a ceiling figure of $3,000 per year per student in LEAA grants to people in the law-enforcement field. The Office of Education reports that under the guaranteed student loan programs up to $2,500 is given to students each year, and that does not include the various State assistance programs which boost this figure considerably. I ask for a forgiveness feature, which would allow a 25-percent reduction per annum working in the law-enforcement field in the amount of the loan which must be repaid, in order to provide incentive to students under the program to continue in the law-enforcement field once they have accepted a loan. The Office of Education reports that under their various assistance programs, forgiveness percentages run at 25 percent for graduate students, and 20 percent for upperclassmen in undergraduate schools. In other words, my recommendations closely parallel the procedures followed in other Federal assistance programs to higher education, and if implemented, will remedy the present inequities and inefficiencies which are preventing the LEEP program from functioning most effectively.

Mr. President, this amendment is very simple in nature and it is easily understood. It does not have to be debated long. I hope that the amendment will be accepted by the Senate, inasmuch as so many law-enforcement officials want it.

Mr. McCLELLAN. Mr. President, I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, the proposal of the Senator from California would provide for direct grants to individual students for the law enforcement educational programs. The focus of that program would be fixed in such a way that any individual could apply for a grant directly rather than having the LEAA make the grants to the schools that then pay to the applicants for the funds.

The disadvantages of the approach are numerous. In connection with administration, every school participating in the LEEP program administers the program through its own institutional resources. The universities do not charge for this service. It is provided free to the Government and to the students they are dealing with. There are over 2,000 schools participating in the LEEP program and almost 100,000 students. If the Federal Government had to assume the responsibility for administering this program, it would need to have someone at each of these 2,000 schools each semester at registration time to determine if the student was eligible to participate, to determine if the school had acceptable programs, and to determine if teachers and classrooms were adequate.

That would be a very burdensome task and a very expensive one, not nearly as efficient as the manner in which it is now handled.

The second disadvantage would be in planning. It would be impossible for schools to adequately plan for the influx of LEEP students if it did not receive a direct grant of funds. The direct grant gives the school a projected level of funding from which it can determine how many teachers to hire, how many classrooms to set aside for the program, and how many courses to offer. If the schools did not have direct grants, they would not know until registration time how many applicants they would have for the LEEP program and accordingly could not guarantee that they would have teachers and classrooms available for dealing with these students.

Finally, the third disadvantage lies in the fact that LEEP programs differ from other Government student loan programs. It is an individualized program which requires universities to establish specialized courses in law enforcement. These courses require highly specialized teachers in law enforcement and require a great deal more administrative planning than other programs. Such planning would be impossible if the schools did not know in advance a firm level of students who would be participating in the program.

The amendment, if agreed to, would result in chaos. It would also be much more expensive and burdensome and inefficient than the present method. I urge that the amendment be rejected.

Mr. TUNNEY. Mr. President, this amendment is designed to do the opposite of what the distinguished Senator from Nebraska suggested. It is supposed to provide a mechanism whereby students can apply to LEAA for a loan. There is no vast bureaucracy at the university level. They could make an application for a loan, and if they are able to receive that loan, they can be guaranteed they will get an education in law enforcement.

The purpose of the amendment, as I indicated, is to do away with the bureaucratic method we now have. Sometimes when they apply they are told, "All right, you have 3 years. We have the money. We will provide that for 3 years." Then, 1 year goes by and they are cut off and there is no question that they can complete their studies. They say, "We do not have the money this year."

I feel it is clear that we need a simpler, better coordinated mechanism, and the mechanism I am suggesting in this amendment could not be simpler. One makes an application to LEAA. He does not make an application to 1 of 1,000 colleges, or to 10 of 1,000 colleges in our country; he makes an application to the LEAA for the money.

There are other programs in our Government that apply in exactly this way. That is why we did it—because there has been experience with this form of program.

We are attempting in this amendment to track existing programs. That is what we are doing. There is an experience in this. This is not something unique. This is not something we have pulled out of the clouds. We have had experience with this in other agencies of Government, for example, in the Office of Education. We are trying to make it work in the law enforcement area.

If we want to have the best-equipped and the most highly trained law-enforcement officers, we had better educate them and we had better give them the kinds of loans they need to be educated.

There is nothing wrong at all in providing a foregiveness provision. I think if we get the young men who have this education to stay in law enforcement for 4 years, we will have accomplished a great deal.

So I would like the Senate to accept the amendment, and to do for students in the field of law enforcement what we are doing now for students in the field of liberal arts, the sciences, and in graduate studies.

Mr. McCLELLAN. Mr. President, does the Senator from Kentucky want some time?

Mr. COOK. I will take a couple of minutes.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. COOK. Mr. President, the amendment of the Senator from California, in a way, is an addition of some $200 under the proposal, because I think we now provide something like $2,200. We have another section in the bill that provides approximately another $600 to the individual for books.

I could be mistaken about that because of the difference between the Senate and the House bill. I am not quite sure, but I believe I am close to being right.

What does surprise me is that, somehow or other——

Mr. McCLELLAN. Will the Senator put his microphone on? We cannot hear what he is saying.

Mr. COOK. I am afraid the volume control is not being operated.

The Senator from Kentucky has been here for approximately 4½ years. What we have to do is make available to the individual, as close as we can to his own location, those benefits which the Federal Government extends to him in the various programs. I am not sure how big the bureaucracies are. I can say that the student loan office at the University of Louisville has four people in it. I do not believe that is too big a bureaucracy.

The Southern Police Institute, which is located at that university, has working programs with the city of Louisville Police Department and the county police department. As a matter of fact, the city and county provide a great deal of education for their policemen. Many of them are supplemented, and they do that through the student loan office where LEAA funds are available there.

May I ask the manager of the bill how many universities and colleges in the United States are now authorized to make and are accredited for making LEAA loans?

Mr. McCLELLAN. There are more than 1,000. I do not have the exact number, but it is more than 1,000, and there are over 95,000 students in this program now.

Mr. COOK. I would only say to the Senator from California, I would hate to see the LEAA office in Washington, if we are talking about a bureaucracy, having to handle 95,000 applications for student programs or for LEAA programs. If we wanted to have a disaster, that would really be a disaster. We would not have to worry about whether a student was accredited for 3 years and perhaps his funds would be cut off after the first year; we would really be concerned about whether he would be able to get his loan within those 3 years.

The manager of the bill said that 95,000 student loans have been issued under the program. The manager of the LEAA office in Washington would have to keep track of 95,000 loans or grants under the present program. Therefore, they have been disbursed to more than 1,000 educational institutions throughout the Nation, so that the students can be handled at the local level.

I can only say, when we talk about a bureaucracy, that the proposal of the Senator from California would be an astronomical proposal of bureaucracy of the worst kind.

I ask for rebuttal from the Senator from California, because having been on the boards of several universities and colleges—not now, but before I came to the Senate—I think the receptivity of administrators at the college level is one of understanding and trying to work out a program for students who do not have financial resources.

On the other hand, if a student had to make a written application and send it to the LEAA office in Washington, it would be of the most impersonal nature. A student would have to wait in line for an allocation of funds, to see whether that could be accomplished.

The amendment would seem to defeat the purpose of placing a student in a local institution, with local law officers, to obtain sufficient funds to finish his training. We would then find ourselves in the overwhelming situation of having an agency—an impersonal agency—in the Nation's Capital which now, as of this date, would have 95,000 files on loans that had been made to students. I am quite sure that many of those students would not now have those loan opportunities if they had to be made through Washington, instead of through resident colleges where loan offices are located.

Mr. McCLELLAN. Mr. President, I share with the distinguished junior Senator from California his concern that the LEEP program be as responsive as possible to the needs of law enforcement officers throughout the Nation. But after a careful analysis of his amendment and consultation with those who now administer the LEEP program, I find I cannot support the amendment.

LEEP funds now go directly to schools throughout the Nation which have established law enforcement education programs. The establishment of these programs requires a financial commitment on the part of the colleges or the universities.

Programs must be planned, and instructors must be hired. If the schools cannot count on the set number of dollars—as under the present program—commitments of this kind cannot be made.

I am concerned that funding this program through students would introduce a significant element of uncertainty into the program that would undermine its quality of education.

In addition, I note that the administrative cost of this program is now borne by the schools. Were this to be made a direct aid to students program, this administrative cost would have to be picked up by LEAA itself.

I am concerned that this could lower by 8 to 10 percent the funds that are now available to support education. I would prefer that this 8 to 10 percent not be taken up in administrative costs.

Finally, we must all recognize that all bureaucratic programs that operate by mail have difficulties. Were LEAA to award students grants through applications without personal contact between the agency and the student, all sorts of problems would arise. The schools now work out these difficulties face to face. I do not believe, in short, that this amendment would give people better service or better education.

I cannot support it.

STATEMENT BY SENATOR BAYH

Mr. BAYH. Mr. President, this history of the Law Enforcement Assistance Administration over the past 5 years has been a classic study in the misallocation of resources. While LEAA has been expending ever increasing funds, its administration—with four directors in 5 years, and an 11-month hiatus without leadership—has been crippled by confusion and instability. LEAA has been unable or unwilling to see to it that its funds were not misspent. We have seen Federal funds send the sons of State officials to a private school, provide free transportation for city and State officials, buy 1,000 McDonald's hamburgers and produce a $15,000 film that was never used. We have seen excessive cash balances of Federal funds maintained by States and used to purchase Federal bonds. We have seen large corporations profiting from contracts for which there was no competitive bidding, and consulting firms with little or no credentials receive huge contracts. Those funds which were properly spent were often of questionable value. Defense contractors received lucrative contracts with LEAA funds to provide law enforcement agencies with modified military equipment, some of it originally developed for the Indochina war. Little research has been done into the necessity or usefulness of such machinery. Excessive funds have been spent on police hardware. Meanwhile, programs such as those designed to address juvenile delinquency—where most crime is spawned—were extremely underfunded.

Most seriously, LEAA has provided no standards or guidelines to the States for their expenditure of funds. Nor has any effective evaluation program been developed.

LEAA has also been accused of insensitivity to the constitutional rights of those its funds are spent to protect. It took over 2 years, and the persistent efforts of the Leadership Conference on Civil Rights, before LEAA recognized its responsibilities to prevent racial discrimination in the use of its funds. Throughout this period, citizens were forced to turn to the Federal courts to end discrimination by States that were receiving these Federal funds. LEAA still makes little effort to examine possible discriminatory distribution of services. Nor does the Agency give sufficient attention to privacy rights. Computer data systems and surveillance equipment are undoubtedly necessary tools in modern law enforcement. But their use must be carefully tailored to prevent interference with the constitutional rights of citizens. LEAA has not provided adequate regulation to accomplish this.

I could dwell at length on the misuse of funds, the insensitivity to constitutional rights, the bureaucratic redtape and delay that have characterized LEAA operations, but these have been well-documented through the careful and thorough investigations of the House Government Operations and Judiciary Committees, and by the report of the National Urban Coalition. I do not say that all the decisions reached by LEAA have been wrong, not that the great bulk of LEAA funds have not been used properly, and with good results. But there is no question in my mind that millions of dollars have been wasted on programs that have been inadequately planned and controlled.

There is little question that LEAA operations have improved considerably over the past 2 years. If the trend continues, the program might resolve many

of its deficiencies. We cannot, however, assume that victory over waste and misallocation is complete. We cannot expect this improvement to be permanent.

Much of the failure of LEAA has been due to a lack of direction. It was in its beginning a new program with the admirable objective of returning power and decisionmaking to the States. But the legislation failed to inform either the States or LEAA what was expected of them. It spoke of comprehensive plans, but failed to define what that meant. It spoke of improving law enforcement, but failed to delineate what that included. It spoke of local needs, but failed to assure local participation. LEAA has been allowed to drift without a thorough examination of its operations.

We are now being asked to fund LEAA for another 5 years. The Criminal Laws Subcommittee has only held 2 days of hearings on LEAA, and the full Judiciary Committee has been denied an opportunity to examine the issues. The House, however, has studied it deeply, and made many vital changes in the law. These should give LEAA a stronger sense of direction. Comprehensiveness has gained a meaning. States remain free to develop programs appropriate to their particular needs, but will be held to a greater degree of accountability, both federally and locally, for misdirected programs and misused funds. But as admirable as these provisions may be, they depend on the executive branch for effectiveness. My distinguished colleague from West Virginia (ROBERT C. BYRD) has recently stressed the need for continuing oversight of the FBI. We cannot afford less diligence with LEAA. The many abuses to which FBI operations are subject—the covert, unnecessary surveillance of private citizens, the maintenance of data files unrelated to criminal justice, the use of respected law enforcement personnel as political pawns—the potential for such abuses are multiplied many times over on the State level.

I think a 2-year extension of LEAA is justified. This will allow time to adapt to the new amendments, and perhaps to remedy many of the deficiencies that we have seen. Many State projects depend on longer term funding. But we cannot afford to wait 5 years before examining LEAA again.

Mr. McCLELLAN. I yield back my time.

Mr. TUNNEY. I yield back the rest of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from California (Mr. TUNNEY), (putting the question).

Mr. McCLELLAN. I ask for the yeas and nays.

Mr. TUNNEY. I am willing to take a division.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Iowa (Mr. CLARK) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Idaho (Mr. McCLURE) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The result was announced—yeas 9, nays 85, as follows:

[No. 256 Leg.]

YEAS—9

Bayh	Kennedy	Stevenson
Hart	Mansfield	Tunney
Hathaway	Ribicoff	Williams

NAYS—85

Abourezk	Eastland	McIntyre
Aiken	Ervin	Metcalf
Allen	Fannin	Mondale
Baker	Fong	Montoya
Bartlett	Fulbright	Moss
Beall	Goldwater	Muskie
Bellmon	Gravel	Nelson
Bennett	Griffin	Nunn
Bentsen	Gurney	Packwood
Bible	Hansen	Pastore
Brock	Hartke	Pearson
Brooke	Haskell	Pell
Buckley	Hatfield	Percy
Burdick	Helms	Proxmire
Byrd, Harry F., Jr.	Hollings	Randolph
Byrd, Robert C.	Hruska	Roth
Cannon	Huddleston	Schweiker
Case	Hughes	Scott, Pa.
Chiles	Humphrey	Scott, Va.
Church	Inouye	Sparkman
Cook	Jackson	Stafford
Cotton	Javits	Stevens
Cranston	Johnston	Symington
Curtis	Long	Talmadge
Dole	Magnuson	Thurmond
Domenici	Mathias	Tower
Dominick	McClellan	Weicker
Eagleton	McGee	Young
	McGovern	

NOT VOTING—6

Biden	McClure	Stennis
Clark	Saxbe	Taft

So Mr. TUNNEY's amendment was rejected.

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the distinguished Senator from Missouri.

Mr. HRUSKA. Mr. President, will the Senator yield first for a motion to reconsider the vote?

I move to reconsider the vote by which the amendment was rejected.

Mr. McCLELLAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF TITLES 10 AND 37, UNITED STATES CODE

Mr. SYMINGTON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8537.

The PRESIDING OFFICER (Mr. BARTLETT) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 8537) to amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SYMINGTON. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SYMINGTON, Mr. HARRY F. BYRD, JR., Mr. HUGHES, Mr. TOWER, and Mr. SCOTT of Virginia conferees on the part of the Senate.

LAW ENFORCEMENT ASSISTANCE AMENDMENTS

The Senate continued with the consideration of the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. HART. Mr. President, I call up my amendment No. 263.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

Mr. HART's amendment (No. 263) is as follows:

On page 45, lines 24–25, and page 46, line 1, strike out the words: "$1,500,000,000 for the fiscal year ending June 30, 1976; $1,750,000,000 for the fiscal year ending June 30, 1977; and $2,000,000,000 for the fiscal year ending June 30, 1978." and insert in lieu thereof: "and for succeeding fiscal years, such sums as the Congress might authorize."

Mr. HART. For Senators who are present, it would be my judgment that we will come to a vote on this amendment shortly.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Michigan may proceed.

Mr. HART. In arguing in support of this amendment, I would anticipate taking no more than 5 minutes. It is a very simple amendment.

While we have a sufficient number of Senators present for a second, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HART. Mr. President, this amendment was printed in yesterday's Record, together with some explanatory remarks which may be found at page S11858.

The amendment does not change or affect the structure of LEAA in any way. What it does is reduce the period for which money is authorized from 5 years to 2 years. This shorter 2-year period of authorization matches the 2-year authorization provided in the House bill and the amounts for these 2 years under this amendment are the same as the amounts for those 2 years in the substitute. Thereafter, for the remaining 3 years, my amendment provides that ap-

propriations be made of "such sums as Congress might authorize."

Mr. JAVITS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HART. I yield.

Mr. JAVITS. I ask unanimous consent that Brian Conboy, of the staff of the Committee on Government Operations, be permitted to be present in the Chamber during the consideration of this measure.

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

Mr. HART. My amendment does not change the 5-year renewal of the agency's life provided by the substitute. But it would require LEAA to come back after its next 2 fiscal years of operation and seek additional authorization.

The other body in passing H.R. 8152 felt that 5 years was too long a time before Congress would have another in-depth review of this critical agency, which administers a billion-dollar program and which has had more than its share of problems, complaints, and controversies—which I think is a very compelling argument.

I agree, and urge the Senate to extend the authorization for only 2 years. We all know that the great majority of programs such as this are authorized on a 2- or 3-year basis, not 5. Right now my colleagues are, I believe, particularly sensitive to the problem of adequate congressional oversight of how the executive branch implements the laws we pass. Here is an opportunity to insure we will be able to exercise our power and discharge our duty to carry out the necessary oversight.

To be sure LEAA would still be subject to annual appropriations review under the very able and conscientious scrutiny of the Senator from Arkansas. I commend the Senator for the improvements that his substitute would make in the LEAA program and I am confident that he will review carefully the agency's expenditure of funds when the Justice Department appropriation is processed.

Nevertheless, we all also know that substantive amendments to a program and a basic review of its fundamental operations is difficult, if not impossible, in the course of the appropriation process; the necessary leverage for fundamental congressional oversight also requires insuring that the agency will have to seek additional authorization in the not too distant future.

I expect it will also be suggested that the 2-year period is too short even if 5 years might be considered too long an extension of the agency's authorization. In the past, LEAA has received two 3-year authorizations.

First. But we have continued serious questions about LEAA's performance;

Second. There is a new director at LEAA and his policies are unknown;

Third. The House has decided that a 2-year authorization is needed for oversight; and

Fourth. A substantial number of Senators and Representatives feel that further fundamental reforms may be needed.

In view of all these considerations we should review LEAA in 2 years.

Mr. President, the one concern that bothered me for a while was whether, by limiting to just 2 years the money commitment, even though the program's structure runs for 5 years, we would be disabling the cities, the States, and other recipients of grant money from making the kind of long-term planning that usually is most helpful and efficient. My concern was relieved when the National League of Cities and the U.S. Conference of Mayors wrote in support of this amendment limiting the authorization to 2 years. One paragraph of their letter reads as follows:

> City officials are well aware of the improvements in the LEAA program since its inception in 1968, but we feel that some scrutiny by the Congress bi-annually would strengthen this crime fighting program—which is so essential to local officials.
>
> Congressional oversight every two years, in our opinion, will also give public officials at all levels an opportunity to exchange information regularly on the progress of the LEAA program.

That letter is printed in yesterday's RECORD at page 21738.

Mr. President, I hope that we can agree to an amendment which I think is in the order of a conservative proposal, and I think it is a wise one.

One other point should be noted.

Last November, the Detroit Free Press carried a very interesting story regarding the White House's own evaluation of LEAA.

The story referred to a memorandum obtained by Knight newspapers sharply critical of the agency. The memo was prepared by career experts on the agency in the President's Office of Management and Budget. The Free Press story went on to state, and I quote:

> The memo says LEAA is suffering from "substantial management weaknesses" and doesn't even know whether the hundreds of millions of dollars it has parceled out were spent in accordance with the law.
>
> "Fund disbursements under this loosest of grant programs are so slow as to make one wonder whether a real need exists," the memo says. "Reliable indications of accomplishment are practically non-existent, and criticism of the program is increasing."

According to the news story, the memo went on to say:

> That LEAA doesn't know what is happening with its funds, evaluation is impossible and attacks on a defenseless program are encouraged.

According to the news story, Casper Weinberger, Director of OMB, acknowledged the existence of the memo and that it had been drafted by the OMB staff, but merely demurred that it did not have "official status."

So what we have here is an evaluation by the Office of Management and Budget admitting that LEAA right now does not have adequate control, much less evaluation of how the funds have been spent or an ability to determine what the results have been.

If there was ever an indication from the horse's mouth that we ought to watch this agency closely and not leave it run amuck for 5 years, I think this memo is a good illustration.

I ask unanimous consent to have printed in the RECORD an article entitled "Anticrime Funds Mishandled."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANTICRIME FUNDS MISHANDLED

(By Clark Hoyt)

WASHINGTON.—A White House staff memo charges that the federal Law Enforcement Assistance Administration (LEAA) is so badly managed and has achieved so little it might be wise to consider firing the boss, Jerris Leonard.

The confidential memo obtained by Knight newspapers contains a scorching appraisal of an agency which has distributed about $850 million in federal anti-crime funds to state and local governments over the past four years.

Prepared by career officials of President Nixon's Office of Management and Budget, the memo does not actually recommend the dismissal of Leonard, generally regarded as a Nixon favorite.

But it says one alternative for reforming LEAA might be the appointment of a new administrator "in order to obtain a more effective management approach."

Caspar Weinberger, director of the budget office which drafted the memo, said it "doesn't have anything like an official status."

Weinberger added in a telephone interview that he personally was "not aware of any crying problems at the moment" within LEAA, which was created by the Omnibus Crime Control and Safe Streets Act of 1968.

Nevertheless, the document is the first clear indication that doubts about the effectiveness of LEAA, aired frequently on Capitol Hill, are shared by at least some members of the Nixon administration.

The memo says LEAA is suffering from "substantial management weaknesses" and doesn't even know whether the hundreds of millions of dollars it has parceled out were spent in accordance with the law.

"Fund disbursements under this loosest of grant programs are so slow as to make one wonder whether a real need exists," the memo says. "Reliable indications of accomplishment are practically non-existent, and criticism of the program is increasing."

Budget officials described the sharply critical memo as one of a series of working papers written last spring in preparation for internal meetings to begin shaping a new presidential budget.

The officials emphasized that the memo was intended as a basis for discussion about the future of LEAA and did not represent White House policy.

Final review of LEAA spending requests will be taken up early in November, Weinberger said.

He added that there was never any serious discussion within the budget office about the alternative of recommending Leonard's replacement. Nor has the budget office ever requested—either formally or informally—that the White House oust Leonard, Weinberger said.

The budget director hinted broadly, however, that LEAA's days could be numbered because it might no longer be needed if Congress approves a Nixon request for special law enforcement revenue sharing.

Under that proposal, federal crime fighting dollars would go directly to the states to be spent as state and local officials thought best. The present setup, under which the states must receive prior LEAA approval for their programs, would presumably be scrapped.

"I don't know if a new LEAA would be necessary," Weinberger said. "It is at least possible to suggest it would be unnecessary."

He added: "What we want to get away from is a formal application for federal funds for each rather narrow program." If state and local officials misspend the money they get from Washington, Weinberger contin-

ued, "state and local voters would be able to take care of them."

In the meantime, the memo said, LEAA has been regarded as a forerunner of revenue sharing.

"This similarity has been elevated to a guilding principle by LEAA and has been misinterpreted and misapplied as a justification for the exercise of minimum management responsibility for the funds which it administers."

That means, the memo said, "that LEAA doesn't know what is happening with its funds, evaluation is impossible and attacks on a defenseless program are encouraged."

LEAA began a "belated crash effort" to audit the use of its funds by states, the memo said. But, it added: "Where audits have turned up discrepancies, LEAA has been slow to take appropriate action."

The memo posed three alternatives for improving LEAA:

Budget office pressure on the Justice Department, which controls LEAA, in the form of a letter uring specific reforms.

A special task force to draft a plan of improvement.

Firing Leonard.

The memo recommended the first alternative and concluded that, while there are serious problems with LEAA, "the potential for significant accomplishment remains and additional time and effort to develop this potential appears warranted."

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield myself 5 minutes.

Mr. McCLELLAN. Mr. President, I believe there is an urgent need for a 5-year authorization for the Law Enforcement Assistance Administration program.

The 2-year authorization proposed by the House Judiciary Committee does not give adequate time to meet the very real and compelling needs of State and local governments deeply involved in carrying out the LEAA-supported crime reduction program.

One reason a 5-year period is needed is apparent from an examination of the LEAA-sponsored program to date.

The planning agencies of the 50 States now plan on a 5-year cycle under a request by LEAA that they make long-range plans. Serious disruptions to the efficiency and effectiveness of that planning process could develop if there is an authorization for only 2 years.

Planning capabilities built up at the State and local levels are essential to sound program development and execution, and these planning capabilities have been built at considerable effort.

I believe we should not chance the considerable risk of harming this intricate—and very productive—planning process.

The 5-year cycle is seen by planning experts as essential to a variety of programs.

State and local governments will be reluctant to embark on long-range improvement programs if there is only a 2-year authorization.

I doubt that they will make long-range plans for 2 years without any assurance that those plans will be accommodated. If those plans are to be accommodated, there is no reason why we should not accommodate them now in this legislation. Nothing we do in including a 5-year authorization here would keep any committee having jurisdiction from holding hearings from time to time.

I point out something else, that if we now pass this amendment, 2 years from now we will have no new experiences to show any development since these last hearings. Hence, I do not see anything will be gained by this amendment.

I would say this, too, that the House has a 2-year provision in its bill. If we put 5 years in here, I am confident there will have to be some adjustments, some compromise with the House and it will result in less than 5 years, no doubt. Four years, it seems to me, are the very least that should be considered because 2 years does not give time to gain any new experience, and we would want to be able to develop a record as to how the program is progressing.

Mr. President, I note, too, that there are several thousand employees of State and local planning agencies. Experts in crime control and criminal justice are not easy to find. Many States may find it difficult to recruit replacements to fill vacancies caused by normal attrition if only a 2-year authorization exists.

I can very well foresee that many of the experts in planning, employed by the States on a permanent basis, who continually evaluate the needs of the State and make the plans, would not feel comfortable or secure on a 2-year planning authorization.

Mr. President, let me read from the statement of Mr. Ronald Weber on behalf of the National Association of Urban Criminal Justice Planners of Los Angeles, Calif., when he testified with regard to this particular issue, as follows:

Senator HRUSKA. You suggest that annual plan requirements should be abandoned in favor of multiyear plans. That would carry with it the inherent element of a longer term of authorization for the LEAA rather than a shorter term, would it not?

Mr. WEBER. Yes, sir, it would. If the question is, Mr. Chairman, do I favor 2 or 5 years, my answer would be the 5-year extension if that is possible.

He is from the National Association of Urban Criminal Justice Planners. That is how the planners feel about it.

Another thing, Mr. President, criminal justice experts agree that most anti-crime projects take more than 2 years to plan and carry out. The average life of LEAA projects is in excess of 3 years. Even a project that sounds rather easy—for instance, developing a new curriculum for a police training program—will take at least 3 years to carry out.

One danger in a short-term authorization is that some agencies may be tempted to expend a disproportionately large amount of funds on equipment items—which can be handled on a short-term basis.

In other words, instead of planning programs for the training and development of the system so as to make it more effective, many cities, municipalities, and so forth may simply say, "We have only got 2 years. In order to get our share of this, we will just buy equipment."

I think that would do more harm than good.

Long-range, studied planning approaches would suffer as a result.

Good planning for use of funds is based on some certainty that the funds will be available for a reasonably long period of time.

All of us in the Congress are deeply concerned over obtaining maximum value from Federal funds. The wisest use and allocation results from sound planning, and planning that stretches beyond the period of only a year or two.

The Congress must continue to watch carefully the LEAA-sponsored program—as it watches all programs for which it bears responsibility. This oversight responsibility can be carried out effectively in the context of a 5-year authorization. Hearings can be held whenever needed, and amendments to the legislation proposed whenever needs arise.

As we all recall, substantive amendments relating to the LEAA program were fashioned by the Congress in 1970, midway through the 5-year authorization period.

The Congress intentionally made LEAA an agency which has a small staff. I am concerned that a 2-year authorization would be counterproductive. It would preclude the staff from devoting the time needed to operating and improving the program, since there would be more frequent need to go through the complex process of hearings on new legislation every 2 years. The Congress in its own self-interest should not divert the limited staff resources from the priority tasks, especially when it determined that the agency must manage very large appropriations.

I believe that a 5-year cycle is consistent with sound use of Federal funds and will enable States and localities to build soundly on their work of the past 5 years. As we have seen during the past 5 years, it is easy for the Congress to have oversight hearings and fashion changes in the program even in the context of a 5-year authorization. We should continue with this basic approach, for it is a necessity for States and localities to have the time needed to develop the most effective and long-lasting approaches to reduction in crime.

Mr. President, I should like to make this last observation. As I stated a few moments ago, I believe that 2 years is too short. Some may honestly believe that 5 years is too long. But, as I pointed out, if we put 2 years in this bill, that will be the end of it. There will be no way to correct it or to discuss it or even to evaluate it. That is an issue that would not be in the conference. But, with 5 years, it will be in conference and will give us the opportunity to discuss and evaluate the matter.

In my judgment, 4 years should be the minimum if we are going to make this program effective and give some stability, and give to those who are engaged in planning, who are employed as experts in that field, some assurance of a feeling of security that they do not have to be looking for other jobs, that if they do their work well, the planning can continue.

Mr. HRUSKA. Mr. President, a 2-year term for a plan like the LEAA is not practical. It would be highly disadvantageous. In fact, it would be obstructive to a smooth-running organization. My hope is that the Senate will approve the 5-year term provided for in the bill.

I invite attention to the fact that we are coming to the end of the 5th year of the initial 5-year term of the LEAA, and it has worked very well.

There are three points I should like to make in connection with the advisability of a longer term.

One is this: One of the major factors that called for the formation of statewide plans had been the fragmentation of law enforcement efforts. Many thousands of different political subdivisions were engaged in the law enforcement business, but with very little interconnection, cooperation, or interrelationship. One of the saving features of the plan for improvement has been the longer term given to the life of this program, on an assured basis, where the communities can engage in plans for common use.

For example, a radio station would not be very practical if the permit were for only 2 years. There are many such instances in which political subdivisions can work on a better basis over a longer period of time.

Second, the normal budgeting period for purposes of planning financial programs of these political subdivisions goes into the future anywhere from 3 to 5 years. It cannot be done on a yearly basis. This would virtually mandate a yearly basis since there is high degree of probability that it will end after 2 years.

The third point is that the various programs involve many employees. They involve many experts in the field of law enforcement and criminal justice. There would be great difficulty in recruiting and maintaining personnel on the basis of an assured 2-year term, and that would be highly disadvantageous.

It is said that it would facilitate an overview by Congress if we had only 2 years. We then could look at the plan and decide whether we wanted to change it, and if not, we could renew it.

This plan was originally passed in 1968. In 1970, our Judiciary Committee decided some improvements had to be made. They were made at the end of 2 years, and they were made to advantage. However, there was no threat at that time to the cessation of that program. Those who subscribed to it knew that there was an assured life of 5 years.

So any time we see something that is maladjusted, the Judiciary Committee and Congress can work on it and make such changes as are necessary.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. HRUSKA. I yield.

Mr. McCLELLAN. We also have an annual oversight opportunity in this program each year, in each House, in the Appropriations Committees, with respect to the funding of it—whether we are overfunding it or underfunding it.

Mr. HRUSKA. The Senator is correct.

Mr. McCLELLAN. So that we have the supervision, the oversight, by each House—the Senate and the House—each year. We can go further than that, if it is necessary, and hold hearings on it at any time.

I do not see what this amendment adds.

Mr. HRUSKA. That is a good observation, and of course that is within the framework of the authorization. We must appropriate annually for the purpose of the next year's program.

Mr. MATHIAS. Mr. President, I rise in support of the pending amendment offered by Senator HART to reduce the LEAA authorization from 5 to 2 years. This will bring the Senate bill into line with the bill as passed by the House of Representatives and will serve a number of desirable ends. It will allow some degree of certainty for a period of 2 years in LEAA planning and funding. At the same time, it will give the Senate ample time to give the LEAA program the review that it deserves by reason of its importance. An extension of time for a period less than 2 years would not, in my view, serve either of these purposes as well. Extending the program now for a period of 5 years would, on the other hand, make needed review difficult.

The role of LEAA in our total national efforts to achieve improved law enforcement cannot be underestimated. LEAA has resulted in improved police work. It has aided comprehensive planning at the State and local level.

In Maryland, we now have a unified district court system, a statewide public defender system, a corrections training commission, new standards for command and supervising training for police management personnel, and standards for police agency funding including training, communications, insurance, reporting, and salary and hours, among others. These reforms are in some part due to the LEAA programs.

Importantly, LEAA has also provided a framework within which we can operate to comprehensively attack problems of law enforcement, corrections, and rehabilitations. I believe that this framework can assist us in a reevaluation of the effectiveness of the program.

Some changes in the program, I believe, cannot wait such a review. Accordingly, I am cosponsoring the amendment today to increase the juvenile justice component of LEAA funding to the States. But this is only one aspect of the changes that should be considered. Accordingly, I believe we should extend the program now for 2 years, a period which would give the Senate adequate opportunity to consider proposals for change, and begin to hold full and complete hearings on such possible changes in the program.

The PRESIDING OFFICER. Who yields time?

Mr. HART. Mr. President, I yield back the remainder of my time.

Mr. McCLELLAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from Michigan. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), and the Senator from New Hampshire (Mr. McINTYRE) are necessarily absent.

I further announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Iowa (Mr. CLARK) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Idaho (Mr. McCLURE) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The result was announced—yeas 43, nays 48, as follows:

[No. 257 Leg.]

YEAS—43

Abourezk	Hatfield	Montoya
Bayh	Hathaway	Muskie
Beall	Hollings	Nelson
Brooke	Hughes	Pastore
Byrd, Harry F., Jr.	Humphrey	Pell
Case	Jackson	Percy
Chiles	Javits	Proxmire
Church	Kennedy	Ribicoff
Cranston	Magnuson	Scott, Va.
Eagleton	Mansfield	Stevenson
Gravel	Mathias	Symington
Hart	McGee	Tunney
Hartke	McGovern	Weicker
Haskell	Metcalf	Williams
	Mondale	

NAYS—48

Aiken	Dole	McClellan
Allen	Domenici	Moss
Baker	Dominick	Nunn
Bartlett	Fannin	Packwood
Bellmon	Fong	Pearson
Bennett	Fulbright	Randolph
Bentsen	Goldwater	Roth
Bible	Griffin	Schweiker
Brock	Gurney	Scott, Pa.
Buckley	Hansen	Sparkman
Burdick	Helms	Stafford
Byrd, Robert C.	Hruska	Stevens
Cannon	Huddleston	Talmadge
Cook	Inouye	Thurmond
Cotton	Johnston	Tower
Curtis	Long	Young

NOT VOTING—9

Biden	Ervin	Saxbe
Clark	McClure	Stennis
Eastland	McIntyre	Taft

So Mr. HART's amendment (No. 263) was rejected.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. McCLELLAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 1808) to apportion funds for the National System of Interstate and Defense Highways and to authorize funds in accordance with title 23, United States Code, for fiscal year 1974, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 6676) to continue until July 1, 1976, the existing suspension of duty on manganese ore, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 6676) to continue until July 1, 1976, the existing suspension of

duty on manganese ore, was read twice by its title and referred to the Committee on Finance.

LAW ENFORCEMENT ASSISTANCE AMENDMENTS

The Senate continued with the consideration of the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes.

AMENDMENT NO. 276

Mr. KENNEDY. Mr. President, I call up my Amendment No. 276.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 13, between lines 19 and 20, insert the following:

"(4) provide for procedures under which plans may be submitted annually from units of general local government or combinations thereof having a population of at least one hundred thousand persons to use funds received under this part to carry out a comprehensive plan for the improvement of law enforcement and criminal justice in the jurisdiction covered by the plan;".

Renumber the succeeding paragraphs in section 303(a) accordingly.

Mr. KENNEDY. Mr. President, the amendment is self-explanatory. It would require that the States—

Provide for procedures under which plans may be submitted annually from units of general local government or combinations thereof having a population of at least one hundred thousand persons to use funds received under this part to carry out a comprehensive plan for the improvement of law enforcement and criminal justice in the jurisdiction covered by the plan.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. KENNEDY. Mr. President, with this amendment we are trying to take the same reasoning which we have accepted for the law enforcement assistance program itself, as it applies to the States, and apply that same reasoning in the development of procedures governing the relationship of the States to units of local government or political subdivisions of 100,000 or more.

When we set up the law enforcement assistance program, we did not require the States to come to the Federal Government and ask for funds for a juvenile delinquency program, a corrections system, or hardware in individual applications. What we expect from the States is that they plan and develop a comprehensive program.

This amendment would require the States to set up procedures to permit local units of government of 100,000 or more to develop a comprehensive plan so that they would not have to come back to the State planning agency time and time again, as so often happens on each one of a number of different applications, instead, they would be permitted to come back to the States each year with a comprehensive program.

Let me point out at the outset that there is nothing mandatory about this provision: a local government representing 100,000 or more persons, if it wants to make a direct application to the State agency for each element of its law enforcement system, can do so, but if it wants to develop a comprehensive program, one each year, then procedures will be established to enable it to do that.

In principle, this amendment is not a new idea. At least two States at the present time have developed procedures to permit local political subdivisions to make such applications, and I think most successfully—the State of Ohio and the State of Florida.

In Ohio it has been enormously successful and it has been extremely well received by both the Governor and by the mayors, in many instances representing different political parties. It has also been successful in Florida.

What I want to stress at this point, Mr. President, is that the States themselves will still retain the ability either to approve or to disapprove the plans. They will still have final authority. We are not infringing on State authority whatsoever.

I want to mention that point because I know the argument will be made that if we set up such a procedure, we may very well be undercutting the authority of the States to administer this program. But I quote now from the report, "The State of the States on Criminal Justice," which is the report of the State planning agencies on the effectiveness of the Law Enforcement Assistance Act, and in that report, at page 483 of the hearings, states:

Under the current Safe Streets Act or President Nixon's special revenue sharing proposal for law enforcement, SPAs may choose to create local block grant programs, if, for whatever reason, that appears desirable. In both Ohio and Florida, the SPAs have exercised that option, but each retains authority to review local plans and programming.

So I want to give assurance to the Senate that this is the substance of this amendment. The States still have final authority and final discretion for approval of these comprehensive local plans. What we will be establishing here is the opportunity for the communities, on a voluntary basis, to have procedures by which they can take advantage, in their comprehensive programs, of the various benefits of the Law Enforcement Assistance Act.

I can think of some communities—some in my own State—that have 10 or 15 different jurisdictions, and every time a community wants to receive some kind of grant under LEAA, they have to clear it with 10 or 12 levels of administrative review.

One of the complaints we hear time and time again from planners, and particularly mayors and the League of Cities, is the enormous amount of duplication and redtape they have to undergo in order to receive benefits under this program.

It is hoped that with this program, taking the experience of the States of Ohio and Florida, and other States that are presently developing similar procedures, we will go a long way toward eliminating much of the duplication and redtape which exists in the program.

So, for those reasons, I would hope this amendment may be accepted.

Mr. President, I ask unanimous consent that a letter to me in support of this amendment from the National League of Cities and the Conference of Mayors be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 27, 1973.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: The National League of Cities and the U.S. Conference of Mayors are in agreement with the intent of your proposed amendment to S. 1234, The Crime Control Act of 1973.

Since 1968, City Officials have been deeply concerned with the limitations of the Safe Streets Act with regard to the identification of priorities at the local level. Further, there is no evidence to show that the cumbersome grant application process experienced by local criminal justice planners, does anything to improve and strengthen programs to reduce crime. To the contrary, there is reason to believe that the great duplication of effort required to review each application has had a negative effect on the development of crime reduction programs at the local level.

We believe that the Administration's assertions that S. 1234 alleviates this problem should be subjected to close scrutiny by the Congress. Further, we feel that your amendment will improve local capabilities by requiring localities to develop and carry out a comprehensive plan for criminal justice and to be funded on the basis of that plan. This would not be inconsistent with the present requirement by LEAA that States similarly develop and submit a plan prior to receiving federal funds.

We favor your amendment and welcome the opportunity to work with Congress in improving the capability of state and local governments to further reduce crime.

Sincerely,

ALLEN E. PRITCHARD, Jr.,
Executive Vice President, National League of Cities.

JOHN J. GUNTHER,
Executive Director, U.S. Conference of Mayors.

Mr. McCLELLAN. Mr. President, I yield myself 5 minutes.

This amendment—or one construction of it—is simply the Tunney amendment, the first amendment offered this afternoon, in a little different form, but the consequences would be just about the same. As I read it, it would be a breakdown of the present State comprehensive planning block grant program.

Notice what this amendment does. It compels the State in its overall planning to "provide for procedures under which plans may be submitted annually from units of general local government or combinations thereof having a population of at least 100,000 persons to use funds received under this part to carry out a comprehensive plan for the im-

provement of law enforcement and criminal justice in the jurisdiction covered by the plan;

"Renumber the succeeding paragraphs in section 303(a) accordingly."

It takes away from the States the opportunity to have a comprehensive plan. It would mean every large city can have a plan of its own independent of the State plan. If that is done, we have no State plan. It counts for nothing.

Mr. President, I yield to the Senator from Kentucky (Mr. COOK).

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. COOK. Mr. President, the only thing I can add to what has been said is that within the framework of the Tunney amendment, the distinguished Senator from California put in a figure of 50,000 population, and this amendment puts in a figure of 100,000 population.

I do not know about the makeup of the respective States of some Senators here, but a figure of 100,000, unless we had a combination of counties in my own State, would not include the great majority of our cities. There would be only two areas in my State that could even qualify under this amendment.

We are talking about the availability of funds to develop plans in metropolitan areas, and metropolitan areas are, in many areas in my State, those of less than 100,000 population. What in effect we are doing is extending a form of exclusivity to two metropolitan areas in my State and we are leaving out many communities that are in the 50,000 and 60,000 population category which operate under city councils, which have mayors, which operate under responsible county forms of government. They are going to be left to a State agency the way they are now.

May I say that the figures in my State are encouraging to the Senator from Kentucky, because the largest metropolitan areas, as they are developed under the LEAA program, receive well over 60 percent of the funds.

I can only say that the Tunney amendment, which was turned down by the Senate, had a figure of 50,000, which I felt rather discriminated against many metropolitan areas that face crime problems and want to solve them.

The pending amendment is more discriminatory. In many areas of the Midwest, this would be rather an exclusive club. This would have them propose their own plans as opposed to a State board which is composed of officials of the respective cities, people who have common knowledge of the problems of those cities.

As a result, I feel that this is more of an exclusive curtailment than the Tunney amendment, and the Tunney amendment has been rejected by the Senate.

Mr. KENNEDY. Mr. President, I wish my good friend, the Senator from Kentucky, were addressing his remarks to my amendment, because when listening to him, I could not even understand the amendment.

The Tunney amendment required that 75 percent of the LEAA funds go to jurisdictions with 50,000 people in block grants. There is nothing mandatory about my provision, other than that the States set up certain procedures. Nothing requires that they distribute funds to any of these units. The only thing we require in the amendment is that the State set up procedures by which groups of 100,000 or more can make application. It is completely different. Let me make it clear that the amendment would not affect the amount of money going from the States to units of local government. It would not deprive the State planning agency of any discretion in setting standards or priorities, since it would still have to approve the local comprehensive plan. It would not prevent States from imposing its comprehensive plan on local governments, since the amendment presumes that the State planning agency would require local plans to be consistent with the State plan and the amendment would not dictate allocation of funds among local recipients or among elements of the State comprehensive plan.

Mr. COOK. Mr. President, if the Senator will yield, I want to know the difference between the Tunney amendment which requires that 75 percent of the block grant funds go to jurisdictions having 50,000 people who can then propose their own plans and boards, and the Senator's amendment which requires that there be communities of at least 100,000.

Mr. KENNEDY. It is very simple. Under the Tunney amendment it is as if the State has to approve the plan. Under mine, the plan has to be consistent with the State program. That is a major difference.

Mr. COOK. Mr. President, I hate to disagree with the Senator from Massachusetts. However, I do not read that in the Senator's amendment, and I hope that I can read. The amendment does not say that it is subject to the jurisdiction of the State.

Does the Senator mean by his language jurisdiction covered by the State plan or covered by the jurisdiction and plans that the local communities have to submit to the LEAA to have approved?

Mr. KENNEDY. My amendment requires that the State set up procedures by which groups of 100,000 or more can make application through the State planning agency. The State planning agency then makes the final judgment as to whether the local groups are in conformity with the State plans, and it has to either approve or disapprove those plans.

Nothing in the amendment says that any communities within the State necessarily have to get together. It does recognize the extraordinary number of different jurisdictions that exist in many parts of the country. Rather than require the people in each small community to make an application to the LEAA and say that they want to make an application for hardware or some other item, this would permit them to bind together to make a single comprehensive application and make it conform with State plans. They make one request. This is really a proposal to eliminate duplication. And redtape.

This program is endorsed by the League of Cities and the county mayors. It is an approach which is beginning to be utilized in New Orleans, Honolulu, and other major cities in the country.

It is in use in an increasing number of cities in Florida, and with considerable support. The Governors of those States have embraced it and have endorsed it. We have found out that this is a system that eliminates duplication and redtape. It is an attempt to deal with a major problem in the administration of law enforcement funds today.

But unlike in the Tunney amendment, we do not restrict the distribution of funds. If the local communities want to plan this way, that is fine. If the States want to approve it, that is fine. Any local plan will necessarily have to be inconformity with State plans. This is not greatly different in terms of planning from the kind of actions we have taken here a short while ago, such as with respect to the land use planning projects and a number of other programs the Senate has adopted.

Mr. McCLELLAN. Mr. President, I yield myself 1 minute.

I see nothing in the amendment which requires the States to approve plans at all. It is simply that they can do it now by going through the States. As the distinguished Senator has said, if they want to get up a plan and submit it to the States, and it is approved, it is a part of the State's plan. But in this instance, if they submit it, that is all.

They specify that a plan must be submitted. There is no power under the provisions of the amendment to treat it. They have their plan. As to whatever money they take, there is no limit.

Mr. COOK. I might say that the explanation of the Senator from Massachusetts is clearer than his amendment. If in fact what the Senator says is true, that they are already utilizing this plan in New Orleans, in Ohio, and Florida, then obviously the authority to do this is already in existence under the act. If, in fact, that is the case, would not the Senator's amendment be redundant?

Mr. McCLELLAN. If they are doing it now, then they are doing it now. But now they do get the approval of the State as a part of the State plan. The Senator's amendment would eliminate that.

Mr. KENNEDY. If they are doing it now and it is not destroying the program, why is everyone so concerned about setting up different procedures? It has been successful in the States. It is recognized in a number of States. If it is being used now, it must be successful.

Mr. McCLELLAN. The answer is that the Senator says it must fit with the State plan, but there is no provision for it on the face of his amendment.

Mr. KENNEDY. I ask the manager of the bill where in the amendment he finds that suggestion.

Mr. McCLELLAN. I ask the Senator to show where in his amendment there is any such authority.

Mr. KENNEDY. I would invite the attention of the Senator to section 304, which provides the requirements for the States. This is just another required item.

We are requiring an additional requirement for the States to establish procedures. All we are requiring is that a State shall have procedures, so that they can entertain comprehensive plans. We are not saying that they have to approve the program. It is going to have to be in conformity with the whole State program.

Communities all over the country have taken advantage of the LEAA program. This is an attempt to eliminate red tape which mayors and counties throughout the country have had to confront in the LEAA program.

Where the procedure has been established by some States, it has been widely endorsed at the State and local level. The Governors themselves have indicated that in places where they have established these procedures, each retains authority, referring to the State Planning Administrators' report, to review local programs. The States retain the authority.

The amendment is an attempt to eliminate the red tape which has been a nightmare.

Mr. McCLELLAN. On page 12, line 8, we find the following:

No State plan shall be approved as comprehensive unless the administration finds that the plan provides for the allocation of adequate assistance to deal with law enforcement and criminal justice problems in areas characterized by both high crime incidence and high law enforcement and criminal justice activity.

Then it says:

Each such plan shall——

and it provides what the plan shall have.

Your amendment provides here that the cities can have a separate plan which is not explicitly required to conform to the State plan. It provides:

(4) provide for procedures under which plans may be submitted annually from units of general local government or combination thereof having a population of at least one hundred thousand persons to use funds received under this part to carry out a comprehensive plan for the improvement of law enforcement and criminal justice in the jurisdiction covered by the plan.

If they are permitted to do that, then there are bases to approve or disapprove it once they submit it to cover just that jurisdiction. I submit that it is simply a device that will place in those groups and those areas the power to decide exactly for themselves what they want, and when they once do it, it will be approved.

Mr. HRUSKA. Mr. President, will the Senator yield me 5 minutes?

Mr. McCLELLAN. I yield.

Mr. HRUSKA. Mr. President, I rise in opposition to the amendment.

I would first like to treat the question of whether this amendment imposes mandatory or optional procedures.

The fact is, as the Senator from Arkansas has just explained, that it is mandatory on the State to develop a plan which will provide for the procedures that are contained in the amendment proposed by the Senator from Massachusetts.

However, as I read the language, once those procedures have been mandatorily prescribed and set out, the State no longer has any option about it. It is mandatory and obligatory on them.

The plain fact is that groups and combinations of political subdivisions can get together, and they can collaborate. They can make an application for funds that will be paid to them collectively. This is now being done. It is being done in our largest States—California, New York, and Pennsylvania.

The real vice of this amendment is that it will do violence to the comprehensive planning process.

It is generally recognized that one of the most valuable aspects of LEAA is the requirement for a compresensive process. Prior to this act, there were thousands and thousands of fragmented law enforcement efforts throughout the land.

The merit of this act has been that it requires the States to sit down now and justify related aspects of the overall process.

The amendment would reverse this process by requiring a jurisdictional plan rather than a comprehensive, statewide plan, and the State commitment to planning with cities on such matters as pooling resources, regionalizing programs, and merger of activities, would no longer be required if the amendment were adopted.

As stated by President Johnson's National Council on Crime and Delinquency.

Responsibility for crime control is shared by State and local governments.

This amendment, if it is adopted, will put a position of priority upon a group of local political subdivisions, and that is where the essential flaw of the amendment lies.

If it is true that this is not a mandatory plan, there is no necessity for it, because the States and the combinations of political subdivisions can enter into such agreements now. It is permissive now, and it can be done.

As against the possibility that this section would be construed to place obligations upon the State, it is not a desirable amendment, and I hope it will be defeated.

The concept upon which this amendment is based is not new to the Senate. In one form or another it has been considered in previous sessions and was deliberated in the appropriate subcommittees of both the Senate and the House of Representatives.

The most common argument in favor of either direct LEAA grants to urban areas or requiring the States to award block grants to cities is summarized in the phrase, "to get the money where the crime is." It is reasoned that the major portion of crime-fighting funds should be made available to the large cities because that is where the largest concentration of reported crime is to be found.

There is merit, of course, both in efforts to "get the money where the crime is" and in emphasizing the needs of urban areas. Every examination of crime statistics indicate that index crimes, especially violent crimes, follow population. Consequently, we know that population is a useful indicator of law enforcement needs. This fact, moreover, gives validity to the present system under which LEAA allocates funds to the States on a population-based formula. By putting law enforcement funds where the people are—allocating on the basis of population—we do in fact get the money where the problems are.

As we know from testimony presented during the subcommittee hearings, the Nation's cities have received an increasing portion of block grant funds. During the fiscal years 1969 through 1972, State planning agencies allocated almost 65 percent of all LEAA funds for local units of government to high-crime areas containing 49 percent of the Nation's population and 70 percent of reported major crimes.

In fiscal year 1969, 61.2 percent of LEAA funds went to high-crime areas. In fiscal year 1972, 71.3 percent went to those areas.

The Subcommittee on Criminal Laws and Procedures does not share the view that direct grants to cities are necessary to speed up the flow of funds and to eliminate State bureaucracies that work to the disadvantage of the cities. The statistics made available to the subcommittee during the hearings simply do not support that contention. These statistics show that the State planning agencies have been awarding funds to local subgrantees in a timely fashion and that the fund flow or "pipeline" problem is actually a reflection of the inability of local units to expend the money on subgrant projects in a timely fashion.

For example, as of December 31, 1972, the State planning agencies had awarded to subgrantees 95 percent of fiscal year 1971 funds and 68 percent of fiscal year 1972 funds. However, their subgrantees, mostly local governments, had actually withdrawn for expenditure only 64 percent of fiscal 1971 funds and 20 percent of fiscal 1972 funds.

On the second point, the contention that State planning bureaucracies generally disfavor local units, the subcommittee noted that, on a national average, 60 percent of the members of State planning agency supervisory boards are local government representatives.

Furthermore, under the present law and under H.R. 8152, it is within the discretion of the State planning agencies to fund localities for a package of programs and projects as well as simply for single programs or projects on an individual basis. It is also significant that the provisions of H.R. 8152 will assure the continued allocation of funds to "areas characterized by both high crime incidence and high law enforcement and criminal justice activity" (sec. 303(a)).

To go beyond this requirement would cripple the comprehensive criminal justice planning process and would contradict the reality of crime as a national problem, not merely an urban problem.

Committing a significant amount of funds by statute would require that this money continue to go to large cities regardless of the need there or elsewhere in the State. This proposal appears to make the assumption that the major crime problem will continue to be in large cities. However, the Uniform Crime Reports for 1972 show that crime is decreasing in the large cities and is rising in the smaller areas.

Cities with over 100,000 inhabitants reported an average decrease in major crime of seven percent. Meanwhile, the smaller communities of less than 100,000 reported an increase in reported crime.

These figures do not prove that crime is no longer a problem in large cities. They do, however, show that crime rates change from year-to-year. While some States will be experiencing right rates of urban crime, other States will be combating crime problems in the suburbs and rural areas. The amendment does not give proper recognition to this fact.

Mr. President, the truly fatal flaw in the amendment is, in my judgment, the violence it would do to the comprehensive planning process.

It is generally recognized that one of the most valuable contributions to the cause of improved criminal justice made by the Safe Streets Act is the comprehensive planning process. Prior to the act, neither this Nation nor the various States had a "system" of criminal justice. Instead, there existed fragments—police, courts, corrections, prosecution, defense, rehabilitation—each operating with a minimum of coordination or cooperation. The Safe Streets Act brought these diverse elements together in the statewide planning process that involves the cities, counties and States. The result has been a degree of coordination and mutual advancement unprecedented in the field.

The amendment would reverse this progress by requiring a jurisdictional plan rather than a comprehensive statewide plan. The State commitment to planning with cities on such matters and sharing and pooling of resources, regionalized programs, merger of activities, and considerations of intrasystem impact would no longer be required, and the dialog and cooperation between cities, regions and States would no longer occur.

As stated by the National Council on Crime and Delinquency:

Responsibility for crime control is shared by state and local governments, with the role of the state expanding steadily. The growth of inter-county and interstate crime, the inability of local governments to provide services, and the complexity of local crime control have demanded greater state and Federal involvement. Local agencies cannot meet the problem because effective law enforcement, as well as courts and corrections, cannot be operated by individual communities acting alone. . . .

The machinery of law enforcement in this country is fragmented, complicated, and frequently overlapping. America is essentially a nation of small police forces, each operating independently within the limits of its jurisdiction. The boundaries that define and limit police operations do not hinder the movements of criminals, of course. They can and do take advantage of ancient political and geographic boundaries, which often give them sanctuary from effective police activity.

A serious program of law enforcement assistance will promote at least pooling of police departments in the major metropolitan areas. The President's Commission recommended this, and there really cannot be a question of doing it. Regionalization, sharing of facilities, and services, and realistic planning are going to occur. The real question is who will decide how and which combinations will take place. Cities, even those with a population of 50,000, cannot do it. Metropolitan areas are beyond the jurisdiction of cities. It must be done either by the State or Federal governments.

With each jurisdiction planning only for itself, with no overall objectives and priorities for the State as a whole, waste and duplication through uncoordinated planning will occur.

Again, quoting from the National Council on Crime and Delinquency's support of the bloc grant concept in 1968:

The possibilities for productive state action are unlimited. Where as funds given directly to cities or counties might permit them to build new jails, a state-operated regional detention center would meet the needs both of that city and other towns nearby. Whereas assistance directly to cities can reinforce the disparity of sentencing within states, funds to states can be used to establish state training institutions for judges and local probation staff to attack the disparity, and to increase use of non-institutional services. . . .

Even in law enforcement, narrowly confined, the states have great responsibility. They determine the division of police responsibilities among jurisdictions and agencies, and decide what will be done by the state police, county sheriffs, and city, township, borough, and village police. They define by law the permissible behavior of police dealing with suspects.

The States do have a strong role in law enforcement. This role would be hampered by a planning process which did not consider the entire State's law enforcement priorities in one plan.

Mr. President, the amendment would severely impede the progress made during the past 5 years in speeding the flow of funds to the areas of need while strengthening the criminal justice systems of each State on a coordinated basis. I therefore urge rejection of the amendment.

Mr. KENNEDY. Mr. President, I would like to draw the attention of the Senator from Arkansas and the Senator from Nebraska to the amendment, and ask them whether it would be any more acceptable to the managers of the bill if we said that the plans of units of local government had to be consistent with the State plan.

Mr. McCLELLAN. I would have no objection, if the Senator provided that the plan be submitted to the States, as with all other applications. But to let a city or a group of 100,000 population say, "This is what we want," without coordination with a State plan, I think, is a mistake.

If the Senator wants to say, "with approval of the State," that would be all right. I have no objection to that.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is withdrawn.

Mr. KENNEDY. Mr. President, I should now like to propose an amendment which will read as follows——

The PRESIDING OFFICER. Will the Senator please send the amendment to the desk.

The clerk will state the amendment.

Mr. KENNEDY. Mr. President, I should like to ask that further reading of the amendment be dispensed with.

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

Mr. KENNEDY. Mr. President, I should like to modify my amendment as follows——

Mr. COOK. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. COOK. Did the Senator mean to withdraw his amendment or did he mean to amend his amendment?

Mr. KENNEDY. Since I had called for the yeas and nays, I thought that I would start with the modified proposal——

The PRESIDING OFFICER. The new amendment will be stated by the clerk if the Senator from Massachusetts will send it up to the desk.

Mr. KENNEDY. I thought I had just sent it up.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 13, between lines 19 and 20, insert the following:

"(4) provide for procedures under which plans may be submitted to the State Planning Agency for approval or disapproval annually from units of general local government or combinations thereof having a population of at least one hundred thousand persons to use funds received under this part to carry out a comprehensive plan, consistent with the State plan for the improvement of law enforcement and criminal justice in the jurisdiction covered by the plan;".

Renumber the succeeding paragraphs in section 303(a) accordingly.

Mr. McCLELLAN. Mr. President, I have no objection to this amendment as it has now been clarified. I am glad to accept it.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. KENNEDY. Mr. President, I yield back my time.

Mr. McCLELLAN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY).

The amendment was agreed to.

Mr. KENNEDY. Mr. President, now I call up my amendment No. 273 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

On page 47, insert the following after the word "title": "All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein.".

The PRESIDING OFFICER. Will the Senator from Massachusetts clarify a point for the Chair?

Mr. KENNEDY. I shall be glad to do so.

Mr. President, I have just sent an amendment to the desk and asked that it be stated.

The PRESIDING OFFICER. Is that in lieu of amendment No. 273?

Mr. KENNEDY. It is an unprinted amendment which is a modification of amendment No. 273.

The PRESIDING OFFICER. The modification to amendment No. 273 will be stated.

The legislative clerk read as follows:

On page 47, line —, insert the following after the word "title": "All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein. The collection, storage, and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein.".

Mr. KENNEDY. Mr. President, the purpose of this amendment is to encourage agencies and governments operating data and information systems which are in any way supported by LEAA funds to include information concerning dispositions where arrest information is included in the system.

The use and misuse of arrest records in data banks has been the subject of extensive attention. In June 1971 a district court in the District of Columbia considered a lawsuit to require expungement of an arrest record and in the course of the court's opinion indicated not only that there exists many possible opportunities for improper dissemination and misuse of criminal information, but also that arrest record material "is incomplete and hence often inaccurate, yet no procedure exists to enable individuals to obtain, to correct or to supplant the criminal record information used against them." The court recognized that constitutional guarantees—including the presumption of innocence, due process, the right to privacy, and the freedom from unreasonable search—may be threatened by misuse of arrest records, and it invited legislative guidance setting national policy to build into criminal information systems adequate sanctions and safeguards.

An advisory group of LEAA, the Privacy and Security Committee of Project Search, in a 1970 technical report, urged that procedures be adopted to regularly purge master tapes of outdated information that would give an inaccurate picture of a subject's current behavior, and the American Civil Liberties Union and many other experts support the purging of all arrest records where convictions did not follow.

This amendment does not adopt a rigid, inflexible standard requiring purges or inputs into any criminal information system, and it recognizes the difficulties where disposition information does not reach law enforcement authorities because of judicial control over such information. The amendment does require that where LEAA funds are used—either discretionary or block grant funds—"procedures" be adopted to assure that every arrest record indicate the current status of the criminal charge growing out of that arrest. By "procedures," it is intended that the criminal justice information system at least adopt the procedures set out in Technical Report No. 2 of the Privacy and Security Committee of Project Search. LEAA is presently attempting to require criminal justice information systems it funds under its comprehensive data systems program to adopt these procedures. Unfortunately LEAA has met resistance in its effort probably because of the absence of any explicit Federal statutory requirement, such as that proposed by this amendment.

This amendment is not a comprehensive and final answer to the problem of collection and dissemination of criminal history information. The administration and several committees of the House and Senate have been studying this question for several years. The administration and several Members of Congress have sponsored legislation in this and prior Congresses. Indeed, last year the Senate adopted an absolute prohibition on the FBI's dissemination of arrest records unless they indicated that the defendant was convicted of the charge arising out of that arrest. I understand that the administration is working on such legislation at the present time. Therefore this amendment is designed to protect innocent individuals from being harmed by incomplete or inaccurate criminal history records until such time as Congress adopts more comprehensive legislation.

This is not really a new problem or a new issue. The Judiciary Committee has been concerned with this problem, under the leadership of Senator ERVIN, for some period of time. We have seen that computerized criminal history information has been used by our new Director of the Federal Bureau of Investigation, he believes, with considerable success.

I know that this particular aspect of the collection of information and the availability of information in relation to arrests is of concern not only to law enforcement personnel but also to all citizens, and we must make sure that a final disposition is indicated in the collection and in the distribution of the information.

I know that this entire issue will be examined by the Committee on the Judiciary and that there will be final comprehensive legislation on it. But this is at least an initial step to insure that information systems and data banks which are supported by the Law Enforcement Assistance Administration will include the disposition where arrest information is included in the system.

I think this amendment is a bare minimum attempt by us to provide protection to individuals whose names would appear in such systems. It is a simple amendment, and I hope it will be accepted by the manager of the bill.

Mr. McCLELLAN. Mr. President, I yield myself three minutes.

I think the amendment offered by the Senator from Massachusetts is a good amendment. But I think it needs to be supplemented, and I send such an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the amendment proposed by Mr. KENNEDY to amend the amendment (numbered 248) proposed by Mr. McCLELLAN (for himself and Mr. HRUSKA) to H.R. 8152, an act to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes, before the amendment add "(1)" and add the following at the end: "the Administration shall assure that the security and privacy of all information is adequately provided for and that information shall only be used for law enforcement and criminal justice and other lawful purposes. In addition, an individual who believes that criminal history information concerning him contained in an automated system is inaccurate, incomplete, or maintained in violation of this title shall, upon satisfactory verification of his identity, be entitled to review such information and to obtain a copy of it for the purpose of challenge or correction."

(2) On page 47, line 21, of amendment numbered 248, strike the word "such" and insert in lieu thereof "research or statistical".

(3) On page 52, following line 23, insert the following new subsection: "(n) 'Criminal history information' includes records and related data, contained in an automated criminal justice informational system, compiled by law enforcement agencies for purposes of identifying criminal offenders and alleged offenders and maintaining as to such persons summaries of arrests, the nature and disposition of criminal charges, sentencing, confinement, rehabilitation and release."

Mr. McCLELLAN. Mr. President, if this amendment to the amendment is acceptable to the distinguished Senator from Massachusetts, I am prepared to accept his amendment.

Mr. KENNEDY. Mr. President, I believe that the amendment to my amendment actually strengthens the amendment itself. It would provide that an individual would have access to the material that has been collected on him. And it would require information in these computers be relevant to law enforcement and criminal justice purposes. This would be enormously useful and extremely important, and I think it is a very constructive addition. I think it strengthens my amendment.

With these two provisions, the Senate goes on record today in a very important way to insure fairness and equity in the protection of individual liberties for the American citizen.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. I yield.

Mr. MATHIAS. I am glad that the Senator has brought the subject of this amendment to the attention of the Senate. I generally support the thrust of the amendment. But I am somewhat concerned by the use of the words, on line 4, "to the maximum extent feasible."

"To the maximum extent feasible" is a phrase we sometimes use which has the effect of vesting a considerable amount of discretion in the Department of Justice. I would hope that at some time we would have statutory guidelines which would really shoulder the burden of re-

sponsibility that Congress ought to be carrying.

I wonder whether the Senator would comment on his general feeling about what "to the maximum extent feasible" is.

Mr. KENNEDY. It is an attempt to write into the legislation the language to insure that there is no excuse by the departments—the law enforcement agencies, the police departments, and other relevant agencies—for not complying with this provision. This is the strongest language I could think of at this time, without being totally inflexible, to insist that the local departments that do receive the LEAA funds will actually comply with our intentions.

I invite the attention of the Senator from Maryland to the next line in my amendment, which reads:

The collection, storage and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein.

I would expect that these procedures be incorporated promptly, immediately. Procedures already have been developed under an LEAA grant, Project Search.

Mr. President, I ask unanimous consent to have printed in the RECORD the recommendations as to the procedures contained in the Search report.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

RECOMMENDED SYSTEM POLICIES RELATED TO SECURITY AND PRIVACY

The following list comprises those specific points that the committee believed to be important enough to establish a policy early in the development of a final system concept. Although one of the direct tasks of the committee was to propose procedures for inclusion in the Project SEARCH Operating Manual that would be used during the demonstration, it was very difficult to prepare procedures in the absence of general policies regarding a total system. It became apparent that a set of major policy statements had to be derived as an initial starting point for the procedures relative to the demonstration. Although it is not always easy to determine which policies could be directly implemented for a two-month demonstration, there was general agreement regarding the long-range issues to be treated.

The Project Group officially approved these statements of recommended policy, and the procedures stipulated in the Operating Manual are based on this list.

The reasoning behind each recommendation is presented in the discussions of the following chapters, and a page is cited for reference to the appropriate discussion, where the context is explained. The recommendations are grouped into categories related to later discussion sections.

RECOMMENDED POLICY

Data content

1. Data included in the system must be limited to that with the characteristics of *public record*, i.e.: (Reference pages 16–18)

a. Recorded by officers of public agencies directly and principally concerned with crime prevention, apprehension, adjudication, or rehabilitation of offenders.

b. Recording must have been made in satisfaction of public duty.

c. The public duty must have been directly relevant to criminal justice responsibilities of the agency.

2. Participants shall adopt a careful and permanent program of data verification: (Reference pages 19–20)

a. Systematic audits shall be conducted to insure that files have been regularly and accurately updated.

b. Where errors or points of incompleteness are detected, the Agency of Record shall notify the central index (if necessary) and any participant to which the inaccurate or incomplete records have previously been transmitted.

c. The Agency of Record shall maintain a record of all participants that have been sent records.

d. Within a state, a record should be kept of all agencies to which the system's data has been released.

e. All known copies of records with erroneous or incomplete information shall be corrected.

3. Purge procedures shall be developed in accordance with the Code of Ethics. Each participating agency shall follow the law or practice of the state of entry with respect to purging records of that state. (Reference pages 20–22)

4. A model state statute for protecting and controlling data in any future system should be drafted and its adoption encouraged. (Reference pages 34–37)

Rules of access and data use

5. Direct access to the system should continue to be restricted to public agencies which perform, as their principal function, crime prevention, apprehension, adjudication, or rehabilitation of offenders. (Reference pages 23–28)

6. Definitional questions as to users should be presented for resolution to representatives of all the participating states in the system. (Reference pages 23–28)

7. In order to limit access, the following restrictions should be made: (Reference pages 26–27)

a. Participating states should limit closely the number of terminals within their jurisdiction to those they can effectively supervise.

b. Each participating state should build its data system around a central computer, through which each inquiry must pass for screening and verification. The configuration on and operation of the center should provide for the integrity of the data base.

c. Participating agencies should be instructed that their rights to direct access encompass only requests reasonably connected with their criminal justice responsibilities.

8. Requests from outside the criminal justice community to examine data obtained through the system should be honored only if the receiving agency is authorized access by local law, state statute, or valid administrative directive. Efforts should be made to limit the scope of such requirements. (Reference pages 26–27)

9. The security and privacy staff should study various state "public record" doctrines and begin prompt efforts to obtain appropriate exemptions from these doctrines for the system's data. (Reference page 27)

10. The use of data for research shall involve the following restrictions: (Reference pages 32–34)

a. Proposed programs of research should acknowledge a fundamental commitment to respect individual privacy interests.

b. Representatives of the system shall fully investigate each proposed program.

c. Identification of subjects should be divorced as fully as possible from the data.

d. The research data should be shielded by a security system comparable to that which ordinarily safeguards system's data.

e. Codes or keys identifying subjects with data should be given special protection.

f. Raw data obtained for one research purpose should not subsequently be used for any other research purpose without consent of system's representatives.

g. Security and data protection requirements should be included in any research contract or agreement.

h. Non-disclosure forms should be required and the system should retain rights to monitor and, if necessary, terminate any project.

Data dissemination

11. Data received through the system should be marked and readily identifiable as such. (Reference page 27)

12. Heads of agencies receiving information should sign a copy of an appropriate recommended non-disclosure agreement. (Reference page 32)

13. Educational programs should be instituted for all who might be expected to employ system data. (Reference page 30)

14. Users should be informed that reliance upon unverified data is hazardous and that positive verification of identity should be obtained as quickly as possible. (Reference pages 30–31)

15. Users should be clearly informed that careless use of this data represents unprofessional conduct, and may be subject to disciplinary actions. (Reference pages 30–31)

16. The central computer within each state, through which all data inquiries should pass, will screen all inquiries to exclude those that are inconsistent with system rules. (Reference pages 26 and 34)

Rights of challenge and redress

17. The citizen's right to access and challenge the contents of his records should form an integral part of the system consistent with state law. (Reference page 28)

18. Civil remedies should be provided for those injured by misuse of the system where not provided for by state law. (Reference pages 36–37)

Organization and administration

19. The system participants should elect a board of directors (governing body) to establish policies and procedures governing the central index operation. (Reference pages 36–37)

20. The system should remain fully independent of noncriminal justice data systems and shall be exclusively dedicated to the service of the criminal justice community. (Reference page 26)

21. A permanent committee or staff should be established to consider problems of security and privacy and to conduct studies in that area. (Reference page 35)

22. The permanent staff should undertake a program to identify differences among the states in procedures and terminology, and to disseminate information concerning them to all participants. (Reference page 35)

23. A systems audit should be made periodically by an outside agency. (Reference page 20)

Mr. KENNEDY. I think the recommendations in the search report are really first rate. I think there will be very little excuse for there not to be prompt adoption by local agencies. These recommendations are sound, constructive, and well thought out. With the mandate "to the maximum extent feasible," applied in conjunction with the second sentence of the amendment, I would expect that there would be immediate action by local agencies.

Mr. MATHIAS. It is the Senator's view that, in the absence of statutory guidelines, until they can be provided, it should be very strictly construed and rigidly enforced?

Mr. KENNEDY. The Senator is correct.

We want to recognize again that this

is not a final answer to the problems raised by the collection and dissemination of criminal history information. It is enormously complex. It is difficult. It is a sensitive issue and problem. There are competing issues in this area. But this is a first step. I think it is a step which is responsible and one which can be implemented immediately.

I hope the amendment will be accepted.

Mr. MATHIAS. I thank the Senator. I think it is very useful to make clear the continuing interest of the Senate in the subject.

Mr. KENNEDY. Mr. President, I move to modify my amendment, to accept the McClellan amendment.

The PRESIDING OFFICER. The Senator has the right to modify his amendment, and it is so modified.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time on both the amendment to the amendment which has been accepted and on the amendment of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts, as modified.

The amendment, as modified, was agreed to.

Mr. HRUSKA. Mr. President, I should like to make this comment with respect to the amendment which has just been agreed to. I support the amendment. It contains certain features of a bill, S. 2456, which was considered in the 92d Congress by the Committee on the Judiciary. The language in this amendment is not dispositive of the entire problem, but additional legislation will be forthcoming soon on that subject, and it will supplement and complement this measure.

AMENDMENT NO. 275

Mr. KENNEDY. Mr. President, I call up my amendment No. 275.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 37, line 8 immediately after "Federal Government" insert a comma, and the following: "not including the Central Intelligence Agency".

Mr. MATHIAS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. KENNEDY. I yield.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Bernadette Fritschie be permitted the privilege of the floor.

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

Mr. KENNEDY. Mr. President, the thrust of this amendment is to eliminate the possibility of the Central Intelligence Agency's relying upon the Law Enforcement Assistance Act and its provisions for in any way allowing them to be involved in the training of law enforcement personnel here in the United States.

The reasons for this amendment came about as a result of a newspaper story that appeared in the latter part of 1972 which indicated that the CIA had been involved in training law enforcement personnel.

On December 17, 1972, the New York Times reported that 14 New York policemen received training from the CIA in September in the handling of "large amounts of information." The Times quoted a CIA spokesman as acknowledging that "there have been a number of occasions when similar courtesies have been extended to police officers from different cities around the country."

The General Accounting Office, in investigating the allegations made in the news story, determined that the CIA had been involved in training "within the last 2 years less than 50 police officers from a total of about a dozen city and county police forces." The GAO found that instruction was given "in such techniques as record handling, clandestine photography, surveillance of individuals, and detection and identification of metal and explosive devices."

In response to an inquiry concerning these activities from a House committee chairman, the CIA's legislative counsel replied on January 29 of this year that authority for these activities could be found in the Omnibus Crime Act, in the LEA title. The CIA admitted that the National Security Act provided that "The Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions," but asserted that LEA legislation declared a sense of Congress that the Federal Government assist State and local governments in strengthening law enforcement and specified that LEAA was authorized to use services of other agencies of the Federal Government to carry out its function.

I ask unanimous consent that the letter from Mr. Maury to Congressman KOCH be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CENTRAL INTELLIGENCE AGENCY,
Washington, D.C., January 29, 1973.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your letter to Mr. Helms of 28 December 1972, regarding a New York Times story describing some briefings which the Central Intelligence Agency has provided to the New York Police Department, and to your request during our telephone conversation on the same subject on 23 January 1973.

Regarding the first question in your letter, I do not have a precise figure but I can assure you that less than fifty police officers all told from a total of about a dozen city and county police forces have received some kind of Agency briefing within the past two years.

These briefings have covered a variety of subjects such as the procedures for the processing, analyzing, filing and retrieving information, security devices and procedures, and metal and explosives detection techniques.

These briefings have been provided at no cost to the recipients. Since they have been accomplished merely by making available, insofar as their other duties permit, qualified Agency experts and instructors the cost to the Agency is minimal.

All of these briefings have been conducted in response to the requests of the various recipients. The Agency intends to continue to respond to such requests on matters within its competence and authority, and to the extent possible without interfering with its primary mission.

Regarding the Agency's authority to conduct such briefings, the National Security Act of 1947 (P.L. 80-253, as amended) specifically provides that "the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions." We do not consider that the activities in question violate the letter or spirit of these restrictions. In our judgment, they are entirely consistent with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C.A. 3701 et seq). In enacting that law it was the declared policy and purpose of Congress "to assist State and local governments in strengthening and improving law enforcement at every level by national assistance" and to ". . . encourage research and development directed toward the improvement of law enforcement and the development of new methods for the prevention and reduction of crime and the detection and apprehension of criminals" (42 U.S.C.A. 3701). By the same law Congress also authorized the Law Enforcement Assistance Administration to use available services, equipment, personnel and facilities of the Department of Justice and of "other civilian or military agencies and instrumentalities" of the Federal Government to carry out its function (42 U.S.C.A. 3756).

The identities of the individual police forces which have attended these briefings have, by mutual agreement, been kept confidential and I would therefore appreciate your treating the information I gave you in our conversation regarding these identities accordingly.

I trust the foregoing information is responsive to your interests, and I will be glad to discuss the matter with you further if you so desire.

Sincerely,

JOHN M. MAURY,
Legislative Counsel.

Mr. KENNEDY. This amendment would make it clear that Congress does not approve of the CIA's involvement in domestic training activities and that the LEA statute will not provide authority for such activities.

I think the Law Enforcement Assistance Act should be the authority for providing the training and providing of information and support for training of police officials in this country. But I do not believe there is any room for the Central Intelligence Agency to be involved in this kind of activity. I think this would clarify it once and for all so that the CIA would not be involved in the training of any law enforcement people in this country. With this amendment we would make that our intention clear.

Mr. McCLELLAN. Mr. President, I yield myself 1 minute.

I do not think that acting on this amendment would unduly reflect on the CIA and its basic activities in any way.

Under the law as written now, the LEAA has a right to call on any agency of Government for cooperation and assistance. I doubt they have been guilty of improprieties up to now, but in view of the situation I think it is very well that the CIA be restricted to its statutory function defined by the statute.

I have no objection to the amendment and I am prepared to accept it.

I yield back the remainder of my time, unless there is some objection.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I thank the manager of the bill, the Senator from

Arkansas, who is the chairman of the Criminal Laws Subcommittee and who has done such an outstanding job in this area.

AMENDMENT NO. 260

Mr. BURDICK. Mr. President, I call up amendment No. 260.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was stated, as follows:

On page 33, line 21, after the word "narcotic" insert the words "and alcoholism".

On page 33, line 25, delete the words "or drug abusers" and insert in lieu thereof a comma and the following: "drug abusers, alcoholics, or alcohol abusers".

The PRESIDING OFFICER. Who yields time?

Mr. BURDICK. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BURDICK. Mr. President, the Senate today is considering a very important legislative authorization, a continuation of the Law Enforcement Assistance Administration. This agency has provided funding for a number of innovative and successful projects in the correction of criminal offenders, a field in which I am vitally interested. I wish to commend the work of Senator McCLELLAN and Senator HRUSKA on this legislation.

I am pleased to note that the legislative language under consideration today, amendment No. 248, continues part E which directly provides funds for innovations in the field of corrections. One of the changes which would be made by this proposal would require correctional authorities to establish drug treatment programs as a condition for receipt of funds. I would propose a further amendment relating to a requirement for alcoholic treatment programs. I offer this for two reasons. First, there are far more alcoholics under correctional supervision of one kind or another today, and these people commit many millions of dollars of crime each year. I believe that it is necessary for the States to take into consideration the problems of alcoholism in planning for the future of correctional programs. In addition, there are a number of small penal and correctional institutions where it is difficult to justify expenditure for drug treatment programs alone, but which could readily offer combined drug and alcoholic treatment. These programs can and should exist side by side and share in resources.

Mr. McCLELLAN. Mr. President, I have no objection to the amendment.

Mr. HRUSKA. I have no objection to the amendment.

Mr. McCLELLAN. I yield back my time.

Mr. BURDICK. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 259

Mr. BURDICK. Mr. President, I call up my amendment No. 259.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 13, line 3, delete the period and insert in lieu thereof a colon and the following: *"Provided, however,* That the Administration may in its discretion waive one-half of such requirement for aggregate non-Federal funding until such time as the legislature of such State shall have next convened in regular session, or until January 1, 1975, whichever is earlier.".

Mr. BURDICK. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BURDICK. Mr. President, the legislative proposal before us today, amendment No. 248, makes certain modifications in the requirements for cash contributions from the States toward the cost of local projects funded under LEAA. The proposal before us would decrease the State requirement in some cases, but would double it in certain other areas. In order to ease the transition which the States would have to make under this legislation, I urge the Senate to adopt the amendment I am now proposing. It would allow these new requirements for cash from the State treasuries to be waived until the State legislature has had an opportunity to meet. As all of you are no doubt aware, the legislature of many States are not likely to be in session when the legislation which we are considering today becomes effective. In order to assure orderly progress, I believe that it is necessary for the States to be given flexibility in meeting their obligations.

Mr. President, this merely permits the States, until their legislatures meet or until January 1, 1975, whichever is the earlier, to come under the funding of the present law.

Mr. McCLELLAN. Mr. President, this is a wise amendment, in view of the change in the Federal law, to give the States an opportunity to adjust to the change in the Federal law. I have no objection to it.

Mr. HRUSKA. Mr. President, I have no objection to it. I would approve of the amendment.

Mr. McCLELLAN. Mr. President, I yield back my time.

Mr. BURDICK. Mr. President, I ask unanimous consent that a letter from the North Dakota Combined Law Enforcement Council be made a part of my remarks at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTH DAKOTA COMBINED
LAW ENFORCEMENT COUNCIL,
Bismarck, N. Dak., June 25, 1973.

Hon. QUENTIN BURDICK,
U.S. Senator,
Washington, D.C.

DEAR SENATOR BURDICK: Oliver Thomas of my staff informs me that Jim Meeker called the other day regarding the proposed LEAA legislation. I certainly appreciate Mr. Meeker's thoughtfulness and your continuing interest in the LEAA program. I would like to re-emphasize the point that Mr. Thomas made relative to construction grants. As I understand the proposed change in the federal law the matching formula for most grants will be changed from a 75–25 basis to a 90–10 basis. The state must then put up 50 percent of the local match which would, in actuality, amount to 5 percent of the total project costs for a regular program grant. The Law Enforcement Council certainly endorses this change and requests your enthusiastic support. However, the problem that I see in this bill relates to the effect that it will have on construction grants. The Law Enforcement Council over the past several years has set aside approximately 25 percent of its block grant monies for construction purposes. Construction, generally, entails the building of combined law enforcement centers. The matching ratio is 50–50. If I interpret the proposed legislation correctly it will be necessary for the state to contribute 50 percent of the local match or, in the case of construction grants, 25 percent of the total costs. When we presented our budget request for construction projects to the State Legislature we requested a buy-in which amounted to 12½ percent in state appropriated funds. If the legislation, as presently proposed, is enacted it will mean that we will be 12½ percent short in our state appropriation. Some solutions to this dilemma are 1) change the matching formula for construction to 75–25, 2) change the state's matching portion for construction to 25 percent of the local share, 3) delay enactment of the change until the State Legislature has an opportunity to consider the matter or 4) simply reduce the amount of construction grants available through the block grant program. The last alternative is by far the least desirable.

I would certainly appreciate your considering this problem and exerting all efforts possible to change the proposed legislation so that it will be possible to continue to fund construction projects here in North Dakota. I believe that option 3 is perhaps the most feasible solution at this time. The Law Enforcement Council does feel that construction of these law enforcement centers will result in the provision of better and more efficient law enforcement services for the citizens of our state.

Sincerely yours,

KENNETH J. DAWES,
Executive Director.

Mr. BURDICK. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BAYH. Mr. President, I call up my amendment No. 287.

The PRESIDING OFFICER. The amendment will be read.

The legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the amendment be considered as read.

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

The amendment (No. 287) is as follows:

On page 12, line 13, after the period, insert the following: "No State plan shall be approved as comprehensive, unless it includes a comprehensive program for the improvement of juvenile justice, as defined in part G, section 601(n), and provides that at least 20 per centum of Federal assistance granted to the State under parts C and E for the first fiscal year after enactment of this section be allocated to such comprehensive program for the improvement of juvenile justice, and that at least 30 per centum of Federal assistance granted to the State under parts C and E for any subsequent fiscal year be allocated to such comprehensive program for the improvement of juvenile justice.".

On page 52, after line 23, insert the following:

"(n) 'A comprehensive program for the improvement of juvenile justice' means programs and services to prevent juvenile delin-

quency, rehabilitate juvenile delinquents, and improve the juvenile justice system, which includes, but is not limited to, the following:

"(1) community-based programs and services for the prevention and treatment of juvenile delinquency through the development of foster-care and shelter-care homes, group homes, halfway houses, and any other designated community-based diagnostic, treatment, or rehabilitative service;

"(2) community-based programs and services to work with parents and other family members to maintain and strengthen the family unit, so that the juvenile may be retained in his home;

"(3) community-based programs to support, counsel, provide work and recreational opportunities for delinquents and youth in danger of becoming delinquent;

"(4) comprehensive programs of drug abuse education and prevention, and programs for the treatment and rehabilitation of drug addicted youth, and 'drug dependent' youth (as defined in section 2(g) of the Public Health Service Act (42 U.S.C. 201(g));

"(5) educational programs or supportive services designed to keep delinquents or youth in danger of becoming delinquent in elementary and secondary schools or in alternative learning situations;

"(6) diagnostic facilities and services on a statewide, regional, or local basis;

"(7) expanded use of probation as an alternative to incarceration, including programs of probation, subsidies, probation caseloads commensurate with recognized optimum standards, the recruitment and training of probation officers and other personnel, and community-oriented programs for the supervision of juvenile probationers and parolees; and

"(8) programs and services, including training of court and correctional personnel, to improve the administration of juvenile justice, and to protect the rights of juveniles.".

Mr. BAYH. Mr. President, I wish to emphasize the fact that this amendment has not only the endorsement but the strong support of the distinguished Senator from Kentucky (Mr. COOK), the distinguished Senator from Maryland (Mr. MATHIAS), and my following distinguished colleagues: Mr. ABOUREZK, Mr. BENTSEN, Mr. CASE, Mr. HART, Mr. HUMPHREY, Mr. KENNEDY, Mr. MCGOVERN, Mr. NELSON, Mr. PEARSON, Mr. SCOTT, Mr. HATFIELD, Mr. GRAVEL, Mr. CANNON, and Mr. JAVITS.

The Senator from Nebraska suggested that when sufficient Senators were present, we should ask for the yeas and nays. I am advised by the distinguished Senator from Florida that there are perhaps sufficient of our brethren in the cloak room to ask for the yeas and nays at this time.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Indiana may proceed. How much time does the Senator yield himself?

Mr. BAYH. Mr. President, I yield myself 7 minutes.

Mr. President, I have the good fortune of serving on the Judiciary Committee with the floor manager of this bill, the distinguished senior Senator from Arkansas (Mr. MCCLELLAN). I know how hard he and the other members of that committee including the distinguished Senator from Nebraska, have labored to provide strong and effective legislation in this area.

The amendment the Senator from Indiana proposes at this time is not designed to find fault with their efforts. Rather, it is designed to carry out the responsibility that the Senator from Indiana has as the chairman of another very closely related subcommittee of the Judiciary Committee, the Juvenile Delinquency Subcommittee.

The Senator from Indiana thinks that this measure, which is cosponsored by the 15 other Senators I have mentioned, is will make it possible for us to control crime with more efficiency and with a higher degree of success.

Mr. President, as chairman of the Juvenile Delinquency Subcommittee, I know beyond question that juvenile delinquency is one of the most critical aspects of the crime problem facing our Nation today. The statistics are alarming, and too often ignored. During the past decade, for example, arrests of juveniles under 18 for violent crimes, such as murder, rape, and robbery, jumped 193 percent. During the same period, arrests of juveniles for property crimes, such as burglary and auto theft, increased 99 percent. Recidivism among juvenile offenders is currently estimated to be between 74 and 85 percent. One can only conclude that existing programs are inadequate and ineffective.

Today I am offering an amendment to the bill extending the Law Enforcement Assistance Administration which will be an important first step in reversing this alarming trend. Two of my distinguished colleagues on the Juvenile Delinquency Subcommittee, Senator COOK, the ranking minority member, and Senator MATHIAS, are joining with me in introducing this measure.

Our amendment requires a State to allocate 20 percent the first year, and 30 percent in every subsequent year, of the LEAA block grants it receives to a comprehensive program to improve juvenile justice. Our amendment does not authorize any additional appropriations: it simply insures that States will allocate crime control funds more nearly in proportion to the seriousness of the juvenile delinquency problem than is now the case.

While the percentages vary from State to State, more than half the States allocated at least 20 percent of their LEAA funds to juvenile delinquency in fiscal 1971. In my own State of Indiana, for example, 21.3 percent of the block grant funds were allocated to juvenile delinquency programs in fiscal 1971. Although State by State percentage breakdowns are not available for fiscal 1972, the average percentage of block grants allocated to juvenile delinquency has increased slightly this past year to 21 percent. Thus, our amendment, which requires that 20 percent of block grant funds be allocated to juvenile delinquency programs the first year and that 30 percent be allocated in any subsequent year, would allow the States adequate time to make the necessary transition.

In light of the fact that juveniles account for half the crime problem in this country, we believe that our amendment requires only the minimal acceptable effort. To do less would be unthinkable. The statistics—and our own experiences—demonstrate overwhelmingly that today's juvenile delinquent is tomorrow's adult felon. Our past efforts have failed largely because they have been so grossly inadequate. As legislators, we must go on record that we believe that our crime control money should be put to work on our biggest crime problem—juvenile delinquency.

Our amendment gives the States maximum flexibility to determine their greatest needs with respect to juvenile delinquency programs and services. As part of its application for part C and part E block grant funds, a State would be required to include a comprehensive program for the improvement of juvenile justice. This comprehensive program is broadly defined in our amendment to include programs and services to prevent juvenile delinquency, rehabilitate juvenile delinquents, and to improve all aspects of the Juvenile Justice System.

Our definition of a comprehensive program includes, but is not limited to: First, community-based programs and services for the prevention and treatment of juvenile delinquency through the development of foster-care and shelter-care homes, group homes, halfway houses, and any other designated community-based diagnostic, treatment or rehabilitative service; second, community-based programs and services to work with parents and other family members to maintain and strengthen the family unit, so that the juvenile may be retained in his home; third, community-based programs to support, counsel, provide work and recreational opportunities for delinquents and youths in danger of becoming delinquent; fourth, the comprehensive programs of drug abuse education and prevention, and programs for the treatment and rehabilitation of drug addicted youth, and drug dependent youth; fifth, educational programs or supportive services designed to keep delinquents or youth in danger of becoming delinquent in elementary and secondary schools or in alternative learning situations; sixth, diagnostic facilities and services on a statewide, regional, or local basis; seventh, expanded use of probation as an alternative to incarceration, including programs of probation subsidies, probation caseloads commensurate with recognized optimum standards, the recruitment and training of probation officers and other personnel, and community-oriented programs for the supervision of juvenile probationers parolees; and eighth, programs and services, including training of court and correctional personnel, to improve the administration of juvenile justice, and to protect the rights of juveniles.

The programs outlined in our definition of "comprehensive program for the improvement of juvenile justice" are by no means an exclusive list. Each State will assess what types of programs and services are necessary to meet its particular problems. Any part C and part E block grant funds which it expends for these juvenile delinquency programs would be counted toward the percentage requirement established by our amendment.

During the past 2 years, the Juvenile Delinquency Subcommittee has conducted numerous hearings and heard from countless witnesses about the failure of our existing effort to prevent and control juvenile delinquency. We have learned that the juvenile justice system too often makes hardened criminals of first offenders through a woefully unsatisfactory program of incarceration and nonrehabilitation. We have learned that it is far more effective as well as less expensive to treat a first-time juvenile offender with intensive probation services, while he remains at home, than to lock him away in an institution. We have learned that nothing less than a dedicated effort—like the one this amendment will begin—has a chance to reverse the alarming upward spiral of juvenile delinquency.

It is the shame of the entire system of justice in this country that once a teenager is arrested for experimenting with marihuana or stealing a car for a joyride that the treatment he is likely to receive can set him off on a life of crime which might easily have been prevented.

Hundreds of thousands of young children enter the juvenile justice system because they are charged with juvenile status offenses, such as running away from home or being truant from school. These children have done nothing criminal; rather, they are the victims of parental and societal neglect. Too often, these children are locked up with sophisticated offenders in institutions where they are physically beaten, homosexually assaulted, or terribly neglected. We need programs to respond to the needs of these young people, programs that will help them remain in their families, their schools, and their communities. We cannot be assured of these progressive programs unless we act—act now to pass this amendment.

The amendment which the Senator from Kentucky and the Senator from Maryland and I, as members of the Juvenile Delinquency Subcommittee, are offering today is designed to strengthen the effort that our Nation is making to prevent that first juvenile offense and to try to rehabilitate that offender once he or she has committeed that juvenile offense.

If we look at the statistics, we see that 95 percent of all adult felons have juvenile records, and that half the crimes in this country are committed by youngsters not old enough to vote. These are alarming facts which point to one very sad conclusion: whatever we are doing in the area of prevention and rehabilitation has been a dismal failure.

The Senator from Indiana and those who have joined him in this effort are trying to apply the age-old principle that an ounce of prevention is worth a pound of cure. If by investing more of our resources, we can get the young people back in school, if we can provide dispositional alternatives to a juvenile court judge, instead of incarcerating juveniles in jail with hardened criminals or sending young people to reform schools which do not rehabilitate them. Instead, if we can provide adequate resources to deal with the problems of young people, perhaps many more young people can avoid criminal lives.

Very simply, Mr. President, the amendment before us would do two basic things: First of all, it would require that any State, in its comprehensive planning application for LEAA block grant funds, would have to include a comprehensive program for treating the problems of juvenile delinquents and potential delinquents.

Second, and of equal importance, we are going to assure that each State gives adequate attention to the problems of juvenile delinquency. We need to do more than talk about rehabilitation and correction. We are going to require the States to invest 20 percent the first year, and 30 percent in every subsequent year, of their block grant funds in this comprehensive juvenile justice component.

This amendment is not a straitjacket. It is not tying the hands of the State; rather it is requiring them to invest in a wide variety of prevention and treatment programs, so that the juvenile may be retained in his home, in his school, in his community; community-based programs and services to work with parents and other family members; community-based programs to support, counsel, provide work and recreational opportunities; comprehensive programs of drug abuse education and prevention; educational programs and supportive services designed to keep delinquents or youths in danger of becoming delinquent in the school system.

We are trying to get this country to commit within a year 30 percent of LEAA resources in a wide variety of programs to prevent juvenile delinquency, rehabilitate juvenile delinquents, and to improve all aspects of the juvenile justice system.

Mr. President, I yield 4 minutes to the Senator from Kentucky.

Mr. COOK. Mr. President, I thank the distinguished Senator from Indiana. I expect that perhaps the Senator from Maryland might want to add something to this. I yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I am pleased to join today with Senator BAYH and Senator COOK in proposing an amendment to the Omnibus Crime Control and Safe Streets Act of 1968 which would require the allocation of a portion of LEAA funds to State programs dealing with juvenile justice. The allocation less than 20 percent of the funds to a State in the first year and no less than 30 percent of such funds in subsequent years for programs directed at improving juvenile justice.

In 1971, I introduced S. 2148, a bill cosponsored by 26 other Senators which would have provided for a comprehensive grant program for the prevention of juvenile delinquency and the rehabilitation of juvenile delinquents. A major feature of that bill was the requirement that no less than 40 percent of part C LEAA funds be allocated to juvenile justice programs following a 2-year grace period. The amendment we offer today substitutes a two-stage requirement for the grace period and requires a lower percentage of LEAA funds to be devoted to the juvenile justice component. In light of the 19 percent of LEAA block grant funds now being devoted to juvenile delinquency programs nationwide, I believe this amendment represents a significant improvement.

The Senate is well aware that there is frequently controversy over the most effective place in the law enforcement-criminal justice system to place resources for the purpose of combating crime.

Some believe that increasing police effectiveness should be the major priority so that crimes can be deterred and criminals apprehended. Others would place their emphasis on the courts and the processing of alleged violators. Still others view the role of our prisons and our rehabilitative programs as holding the key to reducing crime in America by reducing recidivism. I might add that as a member of the Penitentiaries Subcommittee of the Judiciary Committee, I have been greatly impressed with what I have learned of this portion of the criminal justice system and I believe that improvements in the corrections part of the criminal justice "pipeline" to be of vital importance. Still others stress factors which will prevent motivation for crime, such as a strong economy, jobs, and education.

I am cognizant of the importance of all of these components of the criminal justice system and believe that the amendment which Mr. BAYH, Mr. COOK, and I offer today is consistent with their importance. Statistics show that juveniles account for half the crime problem in the United States. They also show that juvenile crime is on the rise over the last decade and that an alarmingly high rate of recidivism exists among juvenile offenders. In addition, in my opinion, the juvenile justice system is poorly equipped—perhaps even more poorly equipped than the general criminal justice system—to deal with the particular problems presented by juveniles.

Efforts to improve this juvenile justice system—efforts which hopefully will lead to a reduction of juvenile crime and better methods of dealing with juvenile offenders, will rebound to the benefit of the entire law enforcement-criminal justice system. If we can help prevent today's juvenile offender from becoming tomorrow's repeated adult violator, we can relieve some of the burden on the police, the courts, and the corrections system. The amendment we offer today is, in my opinion, a first step in this direction.

The chaneling of additional funds into programs designed to combat juvenile delinquency is not, I hasten to add, the whole answer. Yesterday and today, the Subcommittee on Juvenile Delinquency of the Judiciary Committee, of which I am a member, held hearings on legislation to deal with a number of other problems of juveniles. I applaud these efforts and look forward to working with the other members of the subcommittee on legislation dealing with these problems. But I do not think action should await such legislation and I believe that

such action should be taken today by the adoption of the proposed amendment.

It was fashionable a few years ago to talk of breaking cycles—cycles of crime, cycles of poverty. We have gotten away from this rhetoric but hopefully we have not gotten away from the idea. I am hopeful that we attack the crime problem where the problem is bred—among young people and juvenile offenders. Our amendment is an attempt to do this.

Mr. COOK. Mr. President, a national average of the LEAA block grant money that must be allocated toward the improvement of juvenile justice is around 21 percent now. For instance, in the State of New York the percentage is somewhere around 25 percent. The percentage in my State is 22.9 percent.

The Senator from Oklahoma is here. The percentage in his State is 23.2 percent. This is calling only for an eventual increase of 6.8 percent in that State.

Mr. President, as we know, one of the most difficult problems facing America today is the rapid escalation of juvenile crime in our country. More than half the serious crime in the United States each year is juvenile crime. During the 1960's, the juvenile arrest rate increased approximately 7 times faster than the adult arrest rate. At the same time, arrests of juveniles under 18 more than doubled while the arrests of persons over 18 increased only 17 percent. Even more significantly, arrests of persons under 18 for violent crimes increased almost 3 times faster than the arrest rates for persons over 18.

Since few people are fully aware of the extent of juvenile delinquency in America, there is a tendency to give the problem only cursory treatment or to try to ignore it altogether in favor of other more sensational aspects of the crime problem. For the matter, when the word "crime" is used, most of us immediately think of an armed robbery or a gruesome homicide. We seldom think of a group of high school boys out on a Saturday night looking for trouble, or a teenaged girl running away from home to seek adventure with the street people in any number of major American cities.

In the two examples I have just cited, however, the young participants are primary targets for introduction into our juvenile justice system. In some cases, after initial exposure to our criminal justice system, it may be years before the once-naive adventurer totally extricates himself from the world of courtrooms, probation officers, detention centers, and ultimately, prison. In the year 1973 alone, approximately 1 million juveniles will enter the juvenile justice system and over 100,000 will be incarcerated in various institutions.

In view of this rapid rise of juvenile delinquency in America, I feel it is imperative that Congress recognize the immense proportions of this problem and take appropriate steps to remedy the situation. One of the ways we can accomplish this is by requiring the various State planning agencies to expend a realistic portion of their LEAA block grant money on juvenile justice programs. Therefore, as the ranking minority member of the Juvenile Delinquency Subcommittee, I join today with the chairman of that subcommittee, Senator BAYH, Senator MATHIAS, and several other of my colleagues in cosponsoring such an amendment to H.R. 8152.

Our amendment provides that no State plan shall be approved by LEAA unless it includes a comprehensive program for the improvement of juvenile justice in that State.

In addition, at least 20 percent of the LEAA block grant money under parts C and E of H.R. 8152 must be allocated toward the improvement of juvenile justice in the first fiscal year after enactment of this legislation. Then, 30 percent of the block grant money under parts C and E must be allocated for the improvement of juvenile justice for each subsequent fiscal year during the life of this act.

Mr. President, I am certainly heartened by the fact that in 1972, for the first time in 17 years, there was a decrease in the crime rate in the United States. If we are to continue to win this war against crime, however, we must be more cognizant of the need to impede juvenile crime in America. I believe the amendment we are offering today will substantially improve our efforts to combat the escalation of juvenile delinquency.

Mr. President, I would hope that if this amendment is accepted—and I am sure the Senator from Indiana will join me in this hope—we have an understanding with the distinguished floor manager of the bill and the ranking minority member of the committee that when this bill goes to conference, the basic concept of this amendment will be well understood within the confines of the conference. I hope they will understand the significance of this and will understand that, on a national average, we are increasing the percentage, in essence, no more than 9 percent over the average national utilization of LEAA funds for juvenile programs.

This calls for many programs that we would like to get the States involved in.

We would like to get into the RECORD some expression of the feelings on the part of the manager of the bill and the ranking minority member that when this goes to conference we could be reasonably assured by the Senators that under the circumstances, a real commitment to this amendment, can be made and will be made in conference.

Mr. HRUSKA. Mr. President, I did not hear the inquiry. I am sorry, but I was engaged in colloquy.

Mr. COOK. Mr. President, I say to the Senator from Arkansas and to the Senator from Nebraska that we would like to get some kind of commitment that the basic concept of the amendment and the basic concept of an expansion of juvenile justice systems within the LEAA program will be a serious matter before the conference and that they will attempt to set forth the arguments of the Senator from Indiana, the Senator from Kentucky, and the other Senators who are cosponsors of the amendment to the extent that at least the case will be made and that we can rely upon that fact.

Mr. BAYH. Mr. President, if the Senator would yield, I ask for the indulgence of those two Senators who have worked so hard on this legislation, the distinguished Senator from Arkansas and the distinguished Senator from Nebraska.

I would like to ask the opinion of the Senator from Arkansas concerning the effect of a voice vote—assuming the pending amendment is accepted will we have just as good a chance of sustaining the Senate position in conference on a voice vote as if we require all Senators to come back at this hour for a rollcall vote?

Mr. McCLELLAN. Mr. President, I am in full accord with the general purposes of the amendment.

The States are spending that much money now for juvenile purposes. If we take it all together, they are already spending more than 21 percent directly, and if we take into account all the other money for correctional and other purposes, it would probably reach 30 percent all together, if we allocate the proper part of it to the juvenile effort.

The only thing I am concerned about with respect to the amendment is that we are beginning to earmark all of these funds away.

This is setting a precedent. But as far as the 30 percent is concerned, I have no objection to it. I would be glad to give the amendment my support to that extent. I cannot tell the Senator whether the House would be adamant or not.

Mr. BAYH. May I inquire——

Mr. McCLELLAN. Whether I am going to make an out-and-out, life-and-death fight I do not know. I do not know what the situation will be, and the Senator knows I do not know that until I get there.

Mr. BAYH. No one knows what the situation will be, but we are faced here——

Mr. McCLELLAN. If the Senator wants a rollcall, that is all right with me. I try to accommodate everyone.

Mr. BAYH. I do not want to insist on a rollcall, as long as the manager of the bill will tell us what interpretation is going to be put in the RECORD. I appreciate the fact that the Senator has accepted our amendment's requirement that 30 percent of each State's LEAA block grant funds must be allocated to juvenile delinquency prevention and treatment programs. That may be the answer to the question.

Mr. McCLELLAN. It is not quite a custom, I do not think, to do things around here in a devious way.

Mr. BAYH. I did not mean to suggest that. I am only searching for information. I have never sat on a conference committee in this particular area, and would like——

Mr. McCLELLAN. I think the distinguished Senator from Kentucky has sat on one or two with me, and knows I am not a pushover in a conference.

Mr. COOK. I might say to the Senator from Arkansas, his State is presently receiving a little over 20 percent, so that is not a great increase.

Mr. McCLELLAN. If you take into account that part apportioned to juvenile delinquency as well as that part apportioned to rehabilitation, and these other things, you would have well over 30 percent, in my judgment.

Mr. MATHIAS. Mr. President, I believe the Senator from Arkansas has expressed very well the impact of this problem, and I have confidence that he will support the Senate position in conference.

Mr. McCLELLAN. If the Senator does not have confidence, he can ask for a rollcall.

Mr. BAYH. No, I am sure the Senator from Arkansas will understand that is not the implication, but I do want to be sure that our brethren in the House of Representatives, when they read the RECORD tomorrow morning, will have the benefit of the colloquy we are now developing.

Mr. HRUSKA. Mr. President, I yield myself 5 minutes on the bill.

I would like to express my thoughts in this regard. The concept of bloc grants could be violated by the amendment now under discussion.

We would be doing more by this amendment than simply saying 20 or 30 percent of the money will have to be devoted to this purpose. We would be taking regressive action back toward the outdated notion of categorical grants. As an individual Senator, I cannot support that concept.

That fact, regardless of what the vote is here, will stick out very conspicuously.

I would hesitate not to express these thoughts, for fear that by not presenting them I would be thought to be a burning advocate and zealot for the amendment that is under consideration now. That is not my position. I wanted to make that clear.

Mr. McCLELLAN. As I have stated, the only position I take on the amendment is that so far as the amount is concerned, I do not think it is too much. I fully support the general purpose to be achieved in allocating added funds for the purpose of dealing with juvenile delinquency. But we do take the risk of doing violence to the present approach of the act that the Senator from Nebraska has spoken of. I think we will just take the amendment to conference; and if this is the Senate's position, I will support the Senate's position.

Mr. BAYH. Mr. President, I have no desire for a rollcall if the Senator from Arkansas is willing to accept the amendment.

I must say that I look at the question differently from the Senator from Nebraska (Mr. HRUSKA). He has spoken against the principle of earmarking a certain percentage for juvenile delinquency programs. However, juvenile delinquency is such a critical part of our crime problem that I believe we can, and must, use LEAA funds where our greatest problem is. Our amendment allows the States flexibility to determine what kinds of juvenile delinquency prevention, treatment, and rehabilitation programs they need.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. McCLELLAN. I yield back the remainder of my time.

Mr. BAYH. I yield back the rest of my time. I ask unanimous consent to dispense with the request for the yeas and nays.

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

The question is on agreeing to the amendment offered by the Senator from Indiana, the Senator from Kentucky, and the Senator from Maryland (putting the question).

The amendment was agreed to.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting the nomination of Jack R. Miller, of Iowa, to be an associate judge of the U.S. Court of Customs and Patent Appeals, was communicated to the Senate by Mr. Marks, one of his secretaries.

LAW ENFORCEMENT ASSISTANCE AMENDMENTS

The Senate continued with the consideration of the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes.

Mr. BELLMON obtained the floor.

Mr. JAVITS. Mr. President, will the Senator from Oklahoma yield briefly to me? I assure him that I will take just a minute.

Mr. BELLMON. I yield.

Mr. JAVITS. Mr. President, I send three amendments to the desk.

The assistant legislative clerk proceeded to read the amendments.

Mr. JAVITS. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with and that the amendments be printed in the RECORD.

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

The amendments ordered to be printed in the RECORD are as follows:

On page 52, after line 23, add the following new subsection:

"(n) The term 'treatment' includes, but is not limited to, medical, educational, social, psychological, and vocational services, corrective and preventive guidance and training, and other rehabilitative services designed to protect the public and benefit the addict by eliminating his dependence on addicting drugs or by controlling his dependence, and his susceptibility to addiction.

On page 34, after the period, insert the following new sentence:

"The Administrator shall coordinate or assure coordination of the development of such guidelines with the Special Action Office For Drug Abuse Prevention".

On page 24, following line 17, insert a new paragraph:

"The Institute shall within not less than three years, following enactment of this Title, survey existing and future personnel needs of the Nation in the field of law enforcement and criminal justice and the adequacy of Federal, State and local programs to meet such needs. Such survey shall specifically determine the effectiveness and sufficiency of the training and academic assistance programs carried out under this Title and relate such programs to actual manpower and training requirements in the law enforcement and criminal justice field. In carrying out the provisions of this section, the Director of the Institute shall consult with and make maximum use of statistical and other related information of the Department of Labor, Department of Health, Education and Welfare, Federal, State and local criminal justice agencies and other appropriate public and private agencies. The Administration shall thereafter, within a reasonable time develop and issue guidelines, based upon the need priorities established by the survey, pursuant to which project grants for training and academic assistance programs shall be made."

The PRESIDING OFFICER. Does the Senator from New York desire to have the amendments considered en bloc?

Mr. JAVITS. Yes. I would first like to explain them.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. JAVITS. Mr. President, I am pleased to speak in general support of this legislation which extends and improves the Law Enforcement Assistance Administration. In 1968, Congress set a priority for national crime control, a priority for making our streets safe and our homes secure. During the intervening years funding for this program has been dramatically increased in order to bring about what we all hoped would be major institutional reform in all sectors of the criminal justice system.

Although the national crime rate, as reflected in FBI crime indices, declined somewhat in 1972 for the first time in many years, we cannot diminish our concern about the deplorable conditions that exist in the Nation's courts and prisons.

Although many improvements in the LEAA program have been incorporated into the bill, there is much work which remains to be done in improving the effectiveness of this major Federal anticrime program.

I am particularly pleased that the grant-making process for both the Federal-State block grants and the State-local project grants has been streamlined. Legitimate complaints have been made concerning inexcusable delay and inefficiency in putting LEAA funds to work in the field. The bill mandates LEAA to perform its approval or disapproval functions within 90 days after receipt of the State plan, thus assuring both an adequate time for meaningful consideration and a prompt flow of funds to the States.

I am also pleased to note that recently LEAA has undertaken new efforts in carrying out its civil rights responsibilities. The administration has suggested strengthening LEAA's civil rights enforcement powers and responsibilities. These provisions parallel the language of title VI of the Civil Rights Act of 1964 with an added prohibition against discrimination on the basis of sex. They also specify special procedures for enforcing those provisions.

With reference to the matching requirements, I strongly support the recommendation of the subcommittee that all non-Federal match be reduced from 25 percent of total project cost to 10 percent of project cost. Although I continue to be concerned about the fact that not enough Federal anticrime funds under the LEAA program are going directly to our urban areas where the crime problem is greatest, I am encouraged by the fact that during fiscal year 1972 State plan-

ning boards allocated more money than ever before to high crime urban areas.

Mr. President, I have long been involved during my career in the Senate in Federal programs to refine, develop and fund narcotic treatment, rehabilitation and prevention programs as an important tool in our efforts to control juvenile delinquency and criminal conduct. I commend the subcommittee for its decision to require the States to include in their applications for part E corrections funding, plans for programs providing for the development and operation of narcotic treatment programs in correctional institutions, and to require LEAA to issue regulations to guide the States in this important area.

In looking back over the first 5 years of the LEAA program, I would mark as one of the great disappointments of the program the fact that the Institute for Law Enforcement and Criminal Justice has not achieved its original potential. Strong Federal leadership must come from the institute if we are to have genuine reform of our criminal justice system. More imaginative use must be made of the discretionary grant programs, and strong, comprehensive and tough-minded evaluation of all LEAA programs must be undertaken.

Most important of all, minimum program standards for all State block grants must be developed. Unless national standards are adpoted which are tied to priority reform objectives in the police, corrections and courts component of the criminal justice system, we will not be able to measure performance of this program. In this regard, I would hope that th institute would implement many of the recommendations of the National Advisory Commission on Criminal Justice Standards and Goals.

Mr. President, I must continue to express concern about the fact that city governments and local law enforcement agencies do not have an adequate role in the LEAA reform process. They are still required to approach State planning agencies on an ad hoc, piecemeal basis without being able to establish their own comprehensive anticrime priorities. I would support a more responsible role in this process for our high crime urban areas, without altering or weakening the function of statewide planning boards, I believe that local criminal justice plans should be prepared by local units in the aggregate—in coordination with State planning agencies—and block grants awarded to those local governments on the basis of those plans. Such authority would greatly improve the efficiency of LEAA and allow for more comprehensive planning at the local level.

Mr. President, although I support some amendments to the bill I strongly support this legislation and urge the Senate to pass it expeditiously.

Mr. President, the purpose of the first amendment is to define "treatment" wherever it is used in the legislation to provide for a more comprehensive effort toward solving the problem of drug addiction.

This would be achieved by providing for treatment which controls, as well as that which terminates, addiction. Essentially, the use of methadone would be authorized.

Complete recovery of an addict is not always achieved by complete withdrawal from addictive drugs. The underlying cause of such dependence must be eliminated if one who has ceased to rely on drugs is to be able to retain his independence. When a patient is on a methadone maintenance program, his activities no longer must be centered on the attainment of illicit drugs to support his habit, rather he can channel his energies in a more constructive manner and lead a more normal life, while the basic reason for his drug needs are being explored.

This definition is a reflection of congressional policy that narcotic addicts should be afforded the opportunity to be rehabilitated and restored to health for the benefit of both the individuals and society, established by Public Law 92–420. The constructive and enlightened broadened definition of treatment which permits the use of methadone—set forth in this amendment—is in great measure due to the leadership of Senators McCLELLAN and HRUSKA. Their leadership in the passage of the Narcotic Addict Rehabilitation Act Amendments of 1971 became the cited public law and for the first time, permitted persons within the purview of the Narcotic Addict Rehabilitation Act to be enrolled in methadone maintenance programs as an additional mode of available treatment.

Mr. President, the bill adds an important new provision giving support for the development and operation of narcotic treatment programs and facilities for drug addicts in State and local correctional systems. I commend the chairman and the subcommittee for its leadership in this important area.

Public Law 92–255 gave to the Special Action Office for Drug Abuse Prevention governmentwide responsibility for the overall planning, policy, and coordination for all Federal drug abuse programs relating to drug treatment, rehabilitation, training, education, and research. The legislation was predicated upon the principle that antidrug efforts located in 13 different agencies must be better coordinated and that the control of drug abuse requires the development of a comprehensive, coordinated, long-term Federal strategy.

The White House Office, until recently headed by Dr. Jaffe, and now headed by Dr. Dupont, has had mixed results in attempting to coordinate drug prevention activities in HEW, OEO, VA, State, the military departments, and in other Federal agencies. In the development of drug treatment policy through the Bureau of Prisons and LEAA, I am advised that cooperative relationships have already been developed.

Although Public Law 92–255 gave the Director of the Office statutory authority and responsibility for general coordination of all such Federal programs, the purpose of this amendment is to strengthen and formalize that relationship by bringing the Dupont office into the process by which the standards are developed.

I believe it is important for the Office to be meaningfully involved in the development of drug programs in State and local prisons and detention facilities where very little work has been done. In view of the fact that Public Law 92–255 passed the Senate unanimously giving to the Office such a broad mandate to develop all Federal drug treatment policy, I believe the Senate should support this amendment.

Mr. President, when the Safe Streets Act was initially passed, Congress provided for a wide range of programs designed to improve training and education opportunities for professionals working in criminal justice agencies. The National Commission on Correctional Manpower and Training issued its report in 1969 and called for major reform and Federal legislative action in this area. In view of the projected expansion of criminal justice employees and the lack of quality curricula or training institutions, the need was determined to be quite urgent.

The Safe Streets Act authorized LEAA "to carry out programs of academic educational assistance to improve and strengthen law enforcement." Specifically, the program, known as the law enforcement education program—LEEP—provides for loan and grant programs to cover the tuition and fees—coverage of books was added in 1970—of law enforcement personnel enrolled in approved undergraduate or graduate programs.

In 1970, the act was amended to expand LEAA's educational development and training responsibilities. The amendments provide for an internship program to give undergraduates work experience in criminal justice agencies; a training program in organized crime for prosecutors and a regional program of training workshops. The LEEP program accounts for roughly 95 percent of the budget of the manpower division of LEAA. In 1972, it was funded at $29 million, up from $6.5 million in 1969. It operates through grants made directly to participating institutions for financial assistance to qualified students. In fiscal year 1971, 894 institutions participated in the program. I enthusiastically support this program.

One criticism of the LEEP program has been its neglect of criminal justice agencies other than the police. In fiscal year 1971, of the 60,516 persons who participated in the LEEP program, almost 50,000 were police. I would hope that a more equitable participation for other professionals could be developed.

Also, LEAA has not developed manpower projections for the criminal justice agencies or attempted to measure the extent or quality of existing training resources in relationship to the demand for such training. No priorities which aim at improvement of institutional capabilities for reform at the local level have been developed.

The purpose of my third amendment is to redress this failing. It would require the Institute for Criminal Justice to undertake a detailed national survey of criminal justice personnel needs and to relate the LEAA programs to those actual manpower and training requirements. It would further require LEAA to issue

guidelines which would establish priorities for the LEEP and other criminal justice manpower programs.

Mr. McCLELLAN. Mr. President, I shall be glad to take these amendments to conference. I know of nothing wrong with them. I yield back my time.

Mr. JAVITS. Mr. President, I yield back my time.

The PRESIDING OFFICER (Mr. HUMPHREY). All time on these amendments has been yielded back.

The question is on agreeing to the amendments of the Senator from New York (Mr. JAVITS).

The amendments were agreed to.

Mr. BELLMON. Mr. President, I have an amendment at the desk which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 34, following line 4, insert the following:

(11) "Provides for accurate and complete monitoring of the progress and improvement of the correctional system. Such monitoring shall include rate of prisoner rehabilitation and rates of recidivism in comparison with previous performance of the state or local correctional systems and current performance of other state and local prison systems not included in this program."

(12) "Provides that state and local governments shall submit such annual reports as the Administrator may require."

On page 31, line 25, following the word "State" 'insert the following: "or local government."

Mr. BELLMON. Mr. President, my amendment would simply provide a means of finding out which correctional techniques effectively reduce recidivism and which ones are not effective.

One of the principal problems with present efforts to reduce crime in this country is that we do not know accurately which approach to correcting a lawbreaker works and which does not.

The fact is that if every State had the dollars to completely restructure and restaff its correctional system no one would know how to do the job with assurance of obtaining desired results.

Recognizing this need, on February 8, 1971, I introduced S. 662, a bill to promote the development and reform of penal and correctional systems. Part E of H.R. 8152 as amended encompasses this same concept. I congratulate the committee and believe this is an important step in the right direction.

However, to accomplish the needed result a provision needs to be added to make certain that a system of cataloging and evaluating results. Unless we have a means of finding out what works in recidivism, we will never make progress.

This Nation is guilty of carrying on correctional programs which still have their foundations laid in the past. The same basic staffs are carrying on the same basic programs in the same basic structures as were used at the turn of the century.

The need to find out the makeup of staff, the kind of program and the type of institution that can successfully, effectively and permanently turn lawbreakers into productive law-abiding citizens.

This is the purpose of this amendment. It is well to restructure the national correctional system—unfortunately we do not now know how this should be done. My amendment provides an accurate means of finding out which approach gets the best results and for making this information generally available to interested persons.

The amendment includes a second part which will make it clear that both State and local governments are eligible for grants under section E.

Mr. President, I have discussed this amendment with both the ranking minority member and the chairman of the committee, and I believe they have no objection to the amendment.

Mr. McCLELLAN. Mr. President, I am happy to accept the amendment and yield back my time.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BELLMON).

The amendment was agreed to.

Several Senators addressed the Chair.

Mr. SCOTT of Pennsylvania. Mr. President, I have two rather technical amendments at the desk——

The PRESIDENT pro tempore. The Chair was going to recognize the Senator from Maryland.

Mr. MATHIAS. I have one or two questions that I should like to ask, but I would be happy to defer to the Senator from Pennsylvania (Mr. SCOTT).

Mr. SCOTT of Pennsylvania. I would be very glad to yield to the Senator, so that he can ask his questions.

Mr. MATHIAS. I appreciate very much the Senator from Pennsylvania yielding to me at this time.

Mr. President, I have one or two brief questions. I was very happy to see that the committee embodied in the bill the substance of S. 1796, a bill which I had introduced earlier this year, to authorize grants to interstate regional metropolitan councils for planning in law enforcement. The bill will help to alleviate the problems of metropolitan crime and will make it easier for the interstate regional metropolitan councils to obtain funds for interstate plannng.

I have some questions so as to make it clear as we approach enforcement of the bill—which I have discussed with the manager of the bill—first, is it contemplated that the moneys to facilitate law enforcement and criminal justice planning by interstate councils of governments and planning agencies are to come from part C 15 percent discretionary funds?

Mr. HRUSKA. Mr. President, I yield myself 3 minutes on the bill.

I should like to say to the distinguished Senator from Maryland (Mr. MATHIAS), in answer to his questions—did he pose two questions, or one?

Mr. MATHIAS. I only posed one question. Second, would funds still be available from the States out of part C nondiscretionary funds if several States thought it advisable to contribute to a project by an interstate planning agency?

Mr. HRUSKA. Such funds would be available for those purposes and under those conditions.

Mr. MATHIAS. I appreciate that assurance from the Senator from Nebraska. If there was any doubt as to the language here, that doubt has been resolved.

Mr. HRUSKA. I want to say to the Senator from Maryland that there was a difference of opinion as to whether the language in the amendment was necessary as it was thought that the present language of the act was sufficient for the purpose. However, without getting into it in more detail, let me say that this is an explicit way to describe what we believe might be subject to an uncertain interpretation.

In that connection, I ask unanimous consent, Mr. President, to have printed in the RECORD a short statement on this point, including a table showing the source and the availability of funds under these conditions.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

Mr. President, with respect to amendment No. 248, section 301(b)(10) deserves particular attention. This amendment would authorize funding of interstate metropolitan regional planning units and incorporates the principles of S. 1796 introduced by Senator Mathias. This amendment places the authority to make grants for interstate regional planning units under Part C which we believe will add greater flexibility in funding. By authorizing the funding of interstate metropolitan planning councils from both block and discretionary fund sources, LEAA can assure attention to the priorities for cooperative efforts which is a part of this bill and the House bill. It will also assure that the interstate units will not be in competition with each State's own planning units for scarce planning dollars. The danger of duplication of efforts and proliferation of planning units will be minimized in that each State can see that the interstate efforts are coordinated with its own planning efforts.

COMPARISON

MATHIAS AMENDMENT S. 1796	AMENDMENT NO. 248 TO H.R. 8152
Provision	*Provision*
Amends Part B of the Omnibus Crime Control and Safe Streets Act by adding a new section 206 which authorizes grants to organizations composed or predominantly composed of local elected officials within any interstate metropolitan area for the purpose of interstate regional planning and coordination.	Amends Part C of the Omnibus Crime Control and Safe Streets Act by adding a new paragraph (10) to section 301(b). This authorizes the State and LEAA to make grants for the establishment of interstate metropolitan regional planning units to prepare, and coordinate plans of State and local governments and agencies concerned with regional planning for metropolitan areas.
Amounts and match	*Amounts and Match*
Amount of grant not to exceed 90 per centum of expenses. Funds to be allocated by	Under Part C such grant will not exceed 90 per centum of the expenses. No provision

COMPARISON—Continued

MATHIAS AMENDMENT S. 1796—Continued	AMENDENT NO. 248 TO H.R. 8152—Continued
Amounts and match—Continued	*Amounts and match*—Continued
the Administration according to relative needs and population of an interstate area but no less than $25,000.	for specific amounts for metropolitan planning units. The basic criteria would be need as shown by the size of jurisdiction, nature of interstate problems, etc.
Source of Funds	*Source of Funds*
Sets forth specific authorization of $1,500,000 FY 74 and $2,000,000 FY 75 and FY 76.	Since Part C is amended, both State block grant and LEAA discretionary grants are potential fund sources. Under both the Senate Subcommittee bill and the House bill priority must be given to these types of efforts.

Mr. MATHIAS. I thank the distinguished Senator from Nebraska. With his usual precision, he has made it explicit and removed any ambiguity.

Mr. HRUSKA. I want to thank the distinguished Senator from Maryland for his leadership in this effort.

AMENDMENTS NO. 289 AND 290

Mr. SCOTT of Pennsylvania. Mr. President, I call up two amendments which are at the desk. No. 289 and No. 290, and ask for their immediate consideration. I also ask unanimous consent that they be considered en bloc.

The PRESIDENT pro tempore. Without objection, the amendments will be considered en bloc. The clerk will state the two amendments.

The assistant legislative clerk read as follows:

On page 4, line 16, after the word "executive" add the words "and legislative".

On page 54, line 3, delete the word "annual", inserting in lieu thereof the word "quadrennial" and at line 8, after the word "each", insert the word "fourth".

Mr. SCOTT of Pennsylvania. Mr. President, amendment No. 289 would clarify that the composition of regional planning units under section 203(a) of the bill as amended, be composed of a majority of elected officials representing general purpose local government. The substitute amendment appears to limit such elected officials to executive officials, such as mayors and county executives, whereas my amendment would broaden it to include local legislative officials such as city councilmen and county commissioners or supervisors on these regional units.

The provision in the substitute amendment is intended to insure adequate representation of local elected executives on these boards to insure that such officials who have overall responsibility for coordinating criminal justice or crime prevention programs with other programs being carried out in their jurisdictions would be meaningfully involved in regional planning and priority setting affecting their jurisdictions.

However, the number of local elected executives is limited. By broadening the representation to local elected legislative officials the same purpose will be achieved. These officials are elected by the people, and they, along with local elected executives, have a responsibility for criminal justice as well as other programs being carried out by general purpose local governments.

Now, Mr. President, I wish to speak in support of Amendment No. 290, to change section 670, which requires the Attorney General to submit to the President and to the Congress a report on Federal law enforcement and criminal justice assistance activities.

The amendment would change the present requirement of reporting annually to a requirement that the report be made once every 4 years.

The Attorney General's first such report was issued on September 1 of last year.

It was an extraordinarily comprehensive, thorough, and detailed book of 841 pages.

The report was of such excellence, and so filled with facts, that I believe it serves as a benchmark for all future reports on this subject.

It was the first comprehensive report ever compiled of all Federal law enforcement and criminal justice activities, and contained detailed accounts of the work in these fields by 37 Federal departments and agencies.

The compilation of the report was an exhaustive undertaking, requiring substantial amounts of time for research and writing by each of 37 departments and agencies involved.

The report serves now as the standard, detailed reference work in this field of Federal activity. The areas of specific responsibility will be updated each year in the normal course of events by the 37 departments and agencies in their regular annual reports to the Congress and the President.

It would be needlessly expensive and time consuming for the Department of Justice to recompile this information every single year.

I feel the Congress should not impose upon any Federal agency requirements to undertake activities that might be considered wasteful or mere duplication.

The facts cited in the first Attorney General's report, which was distributed to some 20,000 persons and institutions, are still valid and complete. I am not suggesting there is no need for such reports in the future. I am suggesting, rather, that in the interests of economy and efficiency that there be longer intervals between submission of such reports. Under the terms of this amendment, the next report would be issued in October 1976.

This is a realistic period of time in which to expect sufficient changes in law enforcement and criminal justice activities to warrant a new, comprehensive description and report—under one cover—to the Congress, to the President, and to the people.

I urge the Senate to adopt my amendments No. 289 and No. 290.

Mr. McCLELLAN. I have no objection to the amendments, and I yield back the remainder of my time.

Mr. HRUSKA. Mr. President, I wish to take this opportunity to support amendment No. 290 to change a reporting requirement in the Safe Streets Act.

As it now stands, the Department of Justice must prepare a detailed study of all Federal law enforcement and criminal justice activities throughout the Federal Government every year.

This is an important activity, and it is equally important that the public be well informed on the nature and progress of these efforts.

However, the requirement that this report be written and published every year is excessive. Of course, it can be done. However, the question is whether that would be a worthwhile effort. I believe not.

I think we should not burden a Federal agency with a specific assignment that consumes money and staff time unless it is entirely warranted by a need.

There was, without doubt, a genuine demand from the information that was contained in the Attorney General's first report. I am equally convinced that a report on the criminal justice support programs four years hence will be equally worthwhile.

However, I can see no need for a report every 12 months, and I therefore ask my colleagues to lend their own support to this amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. McCLELLAN. Mr. President, I send an amendment to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 46, lines 17 and 18, strike out "and the Comptroller General of the United States.".

On page 46, line 18, strike the word "their" and insert in lieu thereof the word "its".

On page 46, following line 22, insert the following new subparagraph:

"(c) The Comptroller General of the United States, or any of his duly authorized representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for the purpose of audit and examination to any books, documents, papers and records of recipients of Federal assistance under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title."

On page 46, line 23, stike "(c)" and redesignate as "(d)".

Mr. McCLELLAN. Mr. President, in support of the amendment, the purpose of the amendment is to set out more clearly

the authority of the Comptroller General to make audits and examinations of the programs authorized under this act.

It is a technical amendment.

I ask unanimous consent to have printed in the RECORD a letter from the Comptroller General requesting this language.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., May 2, 1973.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate.

DEAR MR. CHAIRMAN: It has come to our attention that S. 1234, 93d Congress, a bill which would amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide for special law enforcement revenue sharing, has been referred to your Committee. We are concerned in particular with proposed section 512(b) in which provision is made for review by this Office in the following terms:

"The Comptroller General of the United States is authorized to make reviews of the work as done by the Attorney General, the State governments, and the units of local government as may be necessary for the Congress to evaluate compliance and operations under this title."

While under existing law we have access to the books, records, etc., of the Department of Justice, the above-quoted provision does not adequately authorize access to the records of recipients of Federal assistance under such title. Without such access, we cannot evaluate compliance and operations as required. Therefore we suggest for the Committee's consideration the following sentence to be added to section 512(b):

"The Comptroller General of the United States, or any of his duly authorized representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for the purpose of audit and examination to any books, documents, papers and records of recipients of Federal assistance under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title."

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

COMMUNITY SERVICE OFFICERS PROGRAM

Mr. PERCY. Mr. President, in its consideration of amendments to the Omnibus Crime Control and Safe Streets Act of 1968, the Senate grapples again with one of the most persistently vexing problems of society; that is, the proper enforcement of its laws and the appropriate Federal role in that process.

The hard questions of crime control and justice have been asked in recent years by the American people in their attempts to come to grips with a problem that threatens the viability of a free and open, yet secure, society. We must seek methods of controlling criminal activity that will not seem oppressive or authoritative to the general community. Responsive government must seem an extension of a shared spirit of concern within the community instead of a strictly external mechanism of control.

In this regard, I am especially hopeful about one particular program in local law-enforcement efforts—the community service officer program. It is a program designed to increase the effectiveness of local crime control while also contributing to the improvement of police-community relations.

This program, allowing the funding of grants for community service officers, was authorized by an amendment to title I of this act that I was privileged to introduce in 1968. That amendment, adopted into law and part of the present legislation, specifies that grants might be approved for:

The recruiting, organization, training and education of community service officers to serve with and assist local and state law enforcement and criminal justice agencies in the discharge of their duties through such activities as recruiting; improvement of police-community relations and grievance resolution mechanisms; community patrol activities; encouragement of neighborhood participation in crime prevention and public safety efforts; and other activities designed to improve police capabilities, public safety and the objectives of this section.

Subject of course to the approval of the local government or law enforcement and criminal justice agencies.

The amendment was a response to a clear need for an initiative in that area. Such a program was recommended by the President's Commission on Law Enforcement and the Administration of Justice in 1967 and a nearly identical proposal by the National Advisory Commission on Civil Disorders in 1968.

The essence of the concept is that particular attention should be directed to those areas and those segments of our society which are the most seriously affected by crime, especially the densely populated, deteriorating sections of our inner cities.

It is in these areas that relations between the community and the police are notoriously strained and have, in too recent memory, tragically erupted into street violence. It is here that suspicion and hostility rather than confidence have been the order of the day.

My amendment in 1968 was an effort to emphasize to local government the inadequacy of crime control efforts in urban communities and to suggest that the problem was partially structural in nature. Specifically, there is a basic weakness whenever law enforcement is simply superimposed on a community rather than appearing to the people as a natural reflection of their own community concerns.

The community service officer program addressed this problem by creating a link between the community and the police in the person of the community service officer. In addition to performing many of the regular police functions, the community service officer provides a special and critical understanding of his own community. The program helps to minimize the negativism and the demoralization of the adversary relationship. Law enforcement then truly becomes a part of the community, a service in the purest sense; and the enlarged confidence of the people in the police will itself increase the effectiveness of local crime control in that a highly constructive partnership evolves.

I would like to refer my colleagues to the May 10, 1968, RECORD in which I elaborated certain aspects of the program as I then hoped it would evolve.

Mr. President, I ask unanimous consent that the excerpts be printed at this point in the RECORD.

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

(See exhibit 1.)

Mr. PERCY. Mr. President, I would like to relate specifically the experience of the city of Minneapolis with a community service officer program. In a letter to me dated April 24, 1972, Jerris Leonard, then Administrator of the LEAA, wrote about the program.

Mr. President, I ask unanimous consent that Mr. Leonard's letter be printed at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. PERCY. I would, however, like to read briefly from his letter at this time:

Although all of the community relations programs have not been as successful as you or I would hope, I would like to give you a report on a current program in Minneapolis which is quite successful. The Minneapolis Police Department was awarded $129,455 by LEAA in FY 1970 to operate a community service officer recruitment and training program.

This particular program has helped to provide positive feedback to and from the minority communities and has aided in the development of a meaningful effort by the Police Department to bring minority members into the police force.

Further, according to Deputy Chief Eugene W. Wilson of the Minneapolis Police Department:

As project director of the grant, I can state unequivocally that the Community Service Officers Program has benefitted the Minneapolis Police Department as well as the cadet.

The National Institute of Law Enforcement and Criminal Justice, established under the LEAA authorization in 1968, has prepared summaries of a sampling of projects made possible by the community service officer provisions of the LEAA legislation. I believe the summaries are testimony to the wisdom of the broad legislative approach that the Congress took in 1968. We suggested in a general manner the response that local governments might make to the problem of improving police community relations; and, as indicated in the National Institute summaries, the local agencies responded flexibly, according to their special situation and needs.

Mr. President, I ask unanimous consent that the project summaries dealing with community service officers and related concepts be printed at the conclusion of my remarks.

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

(See exhibit 3.)

Mr. PERCY. Mr. President, related programs have been developed in Chicago, Milwaukee, Washington, D.C., Sacramento, Boston, Las Vegas, Denver,

Portland, Honolulu, Des Moines, Iowa, Dayton, Ohio, and numerous other cities.

It is clear that the questions of community relations are difficult ones. Not all programs have or can enjoy the success of the one in Minneapolis; but this shows once again the wisdom in the principle of maintaining the greatest discretion at the local level where the problems are most clearly perceived.

It is the Federal role to provide selective supplemental funds and sometimes to suggest appropriate uses of those funds. This was our purpose in permitting funding of community service officers. In the years since the passage of the 1968 legislation, the wisdom of our action has been demonstrated by the experiences of many of our Nation's cities.

But while substantial progress has been made, the problem of unsatisfactory policy-community relations remains urgent; and the funding for community service officer programs under title I, part C of this legislation remains a valuable resource to local government.

The provision for the community service officer funds is maintained as originally adopted in the House-passed bill to revise and extend the LEAA authorization (H.R. 8152) and the Senate amendment No. 248 that is being offered as a substitute to the House bill.

I wish to suggest today that, on the basis of our experience thus far, the program merits your continued support.

Mr. President, I am pleased that the community service officer provisions are being maintained in the LEAA legislation and I am hopeful that they will continue to be of assistance to local crime control efforts.

EXHIBIT No. 1

The community service officer is a police assistant or police aide. He should be qualified in capability, motivation, and integrity for police assistance work, and be from the locality of the police unit with which he serves. He should be a representative member of the community he will serve in ethnic origin and economic status. He may lack formal requirements for regular police qualifications, such as a high school degree or a spotless arrest record.

His service should be geared to enable him to qualify for regular police status, in most cases.

As a part of the ghetto, the community service officer would have a measure of understanding of ghetto problems that could never be acquired by an outsider. He would be an agent for the people of the central city as much as for the police. He would provide a vital link—a bridge—for communication. He would help translate the concepts of one society to the other. While performing his basic tasks, he could provide the kinds of nonpolice services that police normally perform outside the ghetto, but rarely have the manpower to provide in the ghetto. This would, by the way, free regular policemen for the very demanding traditional police functions.

The uniformed or at least readily identifiable community service officer, while not possessing full law-enforcement powers or carrying arms, though frequently equipped with a 2-way radio link to police headquarters, would be available to assist precinct level line officers in their regular patrol and investigative work. They would work closely with other uniformed and nonuniformed police personnel to keep open valuable lines of communication to and from the ghetto communities. They would inform the officers with whom they work of the culture, attitudes, and institutions of the community. They would also inform the community of the attitudes and concerns of the police departments.

Community service officers, in addition to continuing their education with the aim of becoming full-fledged police officers, will make a significant contribution to a development of better police-community relations. Indeed, their very presence in the community will symbolize a quickening relationship between the police departments and the community.

The community service officer would be a transfer agent for municipal information to the ghetto community. He would enable a police department to refer citizen complaints, like violations of the housing code or the closing of a school playground to other governmental agencies. He would enable the police departments to handle more service calls, such as getting a homeowner into his locked house or getting a drunk off the street. He could seek to refer delinquent children to a social service agency.

A very important task he could undertake is working with juveniles who were in trouble and explain to parents why their children had been arrested. This juvenile work has been successfully undertaken in Richmond, Calif., where five neighborhood aides have been assigned to a juvenile unit. The Richmond project shows that the community service officer could be very effective in organizing community meetings to deal with problems within the community relating to the police. It is hoped that the community service officer would work with regular policemen in these projects so that the police officer will not be viewed as a more isolated person than he is considered today in many ghetto communities.

The CSO could also be trained to render emergency aid to the sick, the mentally ill, or the alcoholic. He could investigate certain minor thefts and loss of property. This investigative function currently is done by regular officers and is a tremendous drain of man-hours which could be more effectively used for patrol. Creating the CSO might do much to solve some of the manpower problems which prevail in many police department, and allow the police to better serve the public. The community service officer program offers a rapid means of recruiting large numbers of well-qualified and experienced minority group personnel—it is an employment program as well as a police-augmentation program.

The community service officer could provide continuing assistance to families encountering domestic problems; a frequent, but often unrecognized job of our policemen. The CSO could become active in police athletic league activities, Boy Scout troops, and many other character development programs.

In short, there is almost no limit to the function that community service officers could perform with imaginative local programing. The young men reached under this program—many of whom could be returning servicemen—are a valuable source of energy which we can harness and direct into productive community service. We have seen the ugly harvest if this tremendous energy is not directed to creative, beneficial activity. The communuity service officer is one possible way to direct a valuable dynamic human resource to helping inner city residents in particular, and our society generally.

EXHIBIT No. 2

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in response to your recent letter requesting information regarding the funding of community service officer programs under section 301(a)(7) of the Omnibus Crime Control and Safe Streets Act of 1968 and regarding the evaluation of these programs.

Because 85 percent of the Law Enforcement Assistance Administration's Part C action funds is distributed to local units of government by the state planning agencies under the block grant concept, we will not have a complete record of individual subgrants until our Grants Management Information system is fully operational. I have, however, directed the Programs Management Division to manually review the FY 1972 Comprehensive State Plans to determine the number of community service officer programs that will be funded out of FY 1972 block grant funds and the total amount of funds for these programs. This effort will not be completed until after the close of FY 1972, when all the state plans have been approved by LEAA.

I have also had our Programs Management Division compile a list and description of all community service officer programs and all other police-community relations programs funded directly by the Law Enforcement Assistance Administration during fiscal years 1969–1971. This material is enclosed.

Although all of the community relations programs have not been as successful as you or I would hope, I would like to give you a report on a current program in Minneapolis which is quite successful. The Minneapolis Police Department was awarded $129,455 by LEAA in FY 1970 to operate a community service officer recruitment and training program. After initial recruitment problems involving traditional civil service testing procedures, this program has developed into a very beneficial effort to provide better opportunities for minority members to become policemen. The Minneapolis program is one in which the CSO recruits are fully integrated into the police department and are given rotating assignments which familarize them with all aspects of the department's law enforcement program. This particular program has helped to provide positive feedback to and from the minority communities and has aided in the development of a meaningful effort by the Police Department to bring minority members into the police force.

To date we have not had an evaluation of community service officer programs. The National Institute of Law Enforcement and Criminal Justice is presently studying some aspects of community relations programs in police departments. When the general study is completed during the latter half of FY 1973, the National Institute will undertake an evaluation of selected community service officer programs funded directly by LEAA and by the states. I will advise you when this effort is started.

Although this is not a complete answer to your inquiry, I trust you know that LEAA shares your concern about the need for viable community service officer programs as important steps in the effort to improve our criminal justice system.

With kind regards.

Sincerely,

JERRIS LEONARD,
Administrator.

Enclosure.

EXHIBIT No. 3

Project Title: Servaid II (Community Service Aides).

Grantee: New York State Division of Criminal Justice Services.

Subgrantee: City of Mount Vernon.

Functional Program Category: Prevention.

Project Director: Edward J. Lorch, Police Department, Roosevelt Square, Mt. Vernon, New York.

Total Project Cost: $113,115.

LEAA Contribution: $81,545.

State Contribution: $31,570.

Period of Award: July 1, 1970-July 31, 1973.

Project Summary: Like many urban areas,

the City of Mount Vernon has encountered a growing antagonism between its police department and its minority group residents. One of the chief concerns of the city's Black community has been its lack of property representation on the Police Department and the general lack of communication with the Department.

To ameliorate the situation the applicant implemented a community service aide program primarily aimed at utilizing young Blacks in an attempt at improving rapport between the Black community and the Police Department, and to recruit young Blacks into the Department. Ten young people were selected for the Aide position, given training in the operation of the Police Department and other city agencies, and assigned a number of tasks including: manning the Police Mobile Information Center to record citizen complaints and requests for service; providing service requested or making referrals; accompanying community relations officers on visits to schools and community group lectures; patrolling the community and maintaining direct contact with its citizens; and assisting police at large public gatherings.

Indices of Effectiveness: The evaluation of the project found it to be successful in performing the tasks cited above. On-site observation, interviews, and attitude surveys show that the Aides were very effective in averting potential conflicts between youth and police during the summer months, in assisting the city's schools in stopping disturbances, in rendering service to the general public in terms of taking complaints, providing referrals, and in following up on these actions. Police officers had a generally favorable attitude towards the Aides—expressing the opinion that the program had helped to improve the police relationship with the public. Surveys taken of the City's youth indicate their awareness and acceptance of the program as a positive force for helping to avert disorder and for "cooling" things. In some respects, however, the evaluation illuminated several weaknesses of the project. Recruitment procedures were far too narrow—none of the Aides was selected through the schools or community groups. Entrance requirements and tests were often irrelevant to the needs of the program, training had to be revised to reflect the requirements of the project, and the city failed to provide sufficient opportunities for admitting Aides into the Department

To correct these deficiencies and expand the impact of the program, the applicant seeks to implement many of the recommendations made by the evaluator. These include: a small increase in the number of Aides (to a total of 14, including several white Aides); improving the recruitment and selection system for Aides, modifying the training procedure to reflect more accurately the requirements of the Aide position; providing greater opportunities for Aides to advance in the program as a reward for effective service, tightening of the administrative controls of the project, and finally, seeking to develop with the City's Civil Service Commission procedures for entry into the Department of some Aides who might otherwise be ineligible for positions as police officers.

Project Title: Expanded School Relations Bureau.

Grantee: Alabama Law Enforcement Planning Agency.

Subgrantee: Montgomery Police Department.

Functional Program.

Category: Prevention.

Project Director: Raymond D. Fowler, Jr., Ph.D., Department of Psychology, University of Alabama, University, Alabama 35476, 205/348-5083.

Total Project Cost: $262,002.

LEAA Contribution: $114,263.

State Contribution: $147,739.

Period of Award: May 11, 1972–April 30, 1973.

Project Summary: To effect early detection and control of juvenile delinquency and to foster deeper understanding between youth and police officers, the Montgomery Police Department established a School Relations Bureau. By placing teams of officers, who work with the 37,000 students in the City's forty-nine public high schools and in three of the City's junior high schools, the School Relations Bureau endeavors to redirect predelinquent as well as delinquent behavior.

The school and the Board of Education serve as a conduit through which youth and policemen may encounter one another in a positive and helpful environment. Cooperation between these two agencies has created an opportunity for early detection and correction of problem behavior and for better communication and understanding among school, police and youth.

At the close of 1971, the School Relations Bureau could refer to several favorable results of its program. Placement of officers in a situation where they could be perceived as friends of youth has resulted in an increased respect for and more positive attitude toward law enforcement and police officers. This placement has resulted in the early identification of seriously disturbed individuals while simultaneously maintaining the treatment of nondelinquent behavioral problems in an informal environment outside the criminal justice system.

The coverage of the School Relations Bureau has almost doubled since this grant has gone into effect. Eight additional officers have been placed on the staff, cars and equipment have been purchased for these officers, and a two-week training institute in delinquency prevention has been conducted. A full-time Ph. D. psychologist has been added to the School Relations Bureau staff to work with youth exhibiting delinquent and pre-delinquent behavior resulting from underlying emotional problems.

The School Relations Bureau coordinates the services of many of the community agencies to assist in problems outside of the particular police expertise. Therefore, a student, who shares his problem with the officer in his school, essentially asks for assistance not only from his school and the officer but also from the community agency to which his particular need will be referred.

Indices of Effectiveness: Since the initiation of the project, a decreased tendency for students to progress from minor infractions to more serious ones has been noted. Property damages in the schools as well as acts of violence against persons have declined. Data collected from 1971 and 1972, while inconclusive, indicate the desired tendency to treat more individuals on an informal basis, less on a formal, courtroom basis. With an increase from eight personnel in 1971 to nineteen in 1972, the School Relations Bureau has increased its number of informal dispositions from 422, in 1971 to 649 in 1972, while diminishing the number of cases which had to be disposed formally from 115 in 1971 to 96 in 1972. Preliminary data covering the first months of this grant show an even stronger trend in this direction.

Project Title: Many Aiding Youth By Experience (MAYBE).

Grantee: State Law Enforcement Planning Agency.

Subgrantee: West Orange Police Department.

Functional Program Category: Community Involvement in Local Juvenile Delinquency Prevention Programs.

Project Director: Joseph J. McGuire, Municipal Plaza, West Orange, New Jersey 07052, 201/736-1500.

Total Project Cost: $123,363.

LEAA Contribution: $88,705.

State or Local Contributions: $34,658.

Period of Award: October 7, 1972–October 6, 1973.

Project Summary: West Orange policemen are working hand in hand with university authorities on human relations in a program designed to help youngsters in trouble and to help the police help the youngsters stay out of trouble. They call the program MAYBE (Many Aiding Youth by Experience) but there seem to be few "maybes" voiced over the effectiveness of the project in promoting understanding between the police and youngsters enrolled in the program and their families.

West Orange is a suburb of Newark in populous Essex County. The project was initiated by the West Orange Youth Services Bureau in conjunction with the West Orange Police Department and Seton Hall University. The program, first of all, gives West Orange police officers training designed to enable them to relate better with youngsters and to understand their needs and problems. Seton Hall educators providing the training have in turn been getting the policemen's point of view by spending hours riding in patrol cars and monitoring calls and reports at police headquarters. The theory, explains one of the professors, is that police can give emotional or psychological first aid on the beat just as they give physical first aid; that training in behavioral sciences enables the policemen to deal more effectively with people and their problems.

The second phase of the program is the counseling service bureau which is staffed by 12 counselors from Seton Hall plus four group therapists, a psychiatrist and a psychologist.

Indices of Effectiveness: Between last October and mid-May, the service agency had treated nearly 200 boys and girls between the ages of 13 and 20. The program, aimed at preventive action, is open without charge to any resident of West Orange but most of the youngsters come in through referrals from the police. Youths who have appeared in Juvenile Court can have their records cleared if they agree to counseling and are judged to be making progress in the program. The actual counseling is confidential and winds up with the youngster's family joining him in counseling sessions. People close to the program say the municipality's youngsters are beginning to see policemen in a new light—that they realize police aren't out just to arrest them but are willing to help them out. Representatives from another state have come into West Orange and plan to use the program as a model for one of their own.

Project Title: Crime Prevention Unit.

Grantee: New Jersey State Law Enforcement Planning Agency.

Subgrantee: City of Plainfield.

Functional Program Category: Prevention of Crime Through "Hardening" Crime Targets and Public Education.

Project Director: Charles K. Allen, Director of Public Affairs and Safety, 200 E. Fourth Street, Plainfield, New Jersey 07060 209/561-5933.

Total Project Cost: $60,599.

LEAA Contribution: $45,449.

State or Local Contribution: $15,150.

Period of Award: June 1, 1972–May 31, 1973.

Project Summary: The Plainfield Crime Prevention Unit project has united police and residents of an aging, high crime rate neighborhood in an effort that has had a marked effect on both the incidence of crime and community/police relations. The project director reports that crime statistics in all categories have undergone a steady downward trend since the program was initiated. The unit staff has been engaged in multi-pronged efforts to educate and gain the confidence

and cooperation of residents. The unit staff got the program rolling by sending letters describing the aims of the program to all residents and by holding a series of conferences during which problems and complaints were aired and crime prevention tips were provided.

Staff members make daily detailed checks of police reports, using the data to evaluate crime patterns and schedule visits with crime victims. These visits are designed not only to obtain information that might aid in apprehending criminals but to provide suggestions on what can be done to protect the victims from future incidents. The unit makes house surveys, checks locks, advising residents on security precautions and educating them on crime patterns.

Early in 1972, a "hotline" for anonymous reports of suspected criminal activity was established. It has produced an average of a tip a day. Other components of the program are: "Operation Identification", a project to etch commonly stolen household valuables with personal identification markings undertaken with the aid of the local Jaycee chapter; "Operation Good Neighbor"; "Operation Nightlight"; and "Operation Aware", a project designed to let risedents know about all of the other projects. The director notes that both residents and line police officers have accepted the program as a means of reducing crime and the hostility that had built up between the two groups during and after the 1965 riots.

Indices of Effectiveness: The target neighborhood, according to 1969 statistics, contained 12 per cent of the city's population, but accounted for 32 per cent of its adult crime and 52 per cent of its juvenile crime. Generally, the crime rate has gone down during the progress of the project with breaking and entering reduced by 50 per cent over the previous year. Other project results include the production of 8,000 pieces of crime prevention literature and the erection of 64 street lights in the target area.

Mr. McCLELLAN. I know of no other amendments.

The PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The PRESIDENT pro tempore. Is all time yielded back?

Mr. McCLELLAN. I yield back the remainder of my time.

Mr. HRUSKA. I yield back the remainder of my time.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 8152) was passed.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be allowed to make certain technical and clerical corrections as necessary in the engrossment of H.R. 8152.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. McCLELLAN, Mr. ERVIN, Mr. HART, Mr. HRUSKA, and Mr. SCOTT of Pennsylvania conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the Senate go into executive session.

There being no objection, the Senate proceeded to the consideration of executive business.

U.S. COURT OF CUSTOMS AND PATENT APPEALS

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the nomination at the desk, which was received from the President today.

The PRESIDENT pro tempore. Without objection, the clerk will report the nomination.

The assistant legislative clerk read the nomination of Jack R. Miller, of Iowa, to be an Associate Judge of the U.S. Court of Customs and Patent Appeals.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements therein limited to 10 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FUNDS FOR NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1808.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1808) to apportion funds for the National System of Interstate and Defense Highways and to authorize funds in accordance with title 23, United States Code, for fiscal year 1974, and for other purposes:

Page 2, line 3, after "appropriated", insert: "out of the Highway Trust Fund.".

Mr. RANDOLPH. Mr. President, I am gratified to report to the Senate that the House of Representatives today passed S. 1808. This bill provides $1.5 billion for the Federal-aid highway program so that it can continue functioning while Senate and House conferees continue to work on the Federal-aid Highway Act of 1973 (S. 502).

Members of the Senate are familiar with the history of S. 502 which has been under consideration by the conference committee since May 6. Our first meetings in conference were productive and agreement was reached on a number of points in the bill. In recent weeks, however, little progress has been made. We reached this plateau in our negotiations when the conferees turned their attention to the most controversial issue in the bill. This issue is whether the Highway Act should provide flexibility in the development of transportation systems to the extent that highway trust funds could be used for public transportation purposes. When the bill was considered by the Senate, an amendment was adopted permitting this use of trust fund resources. The House of Representatives rejected a similar proposal.

The two votes thus established the positions of the two bodies and at this time the conferees of neither House have abandoned them.

There have been thorough discussions on this issue and its wide implications. Conferees on both sides of the table have offered compromise proposals but still we have failed to reach agreement.

Based on our experiences last year, when the 92d Congress adjourned without passing highway legislation, members of the Senate Public Works Committee knew that completion of a new highway bill would be a long and arduous task. Early this year it was apparent that State highway departments were rapidly depleting available highway funds. This situation arose because Federal-aid highway funds normally are apportioned to the States 6 months in advance of the fiscal year for which they are authorized. Funds authorized for fiscal year 1973 were being exhausted and there were no fiscal 1974 authorizations.

After the conference on S. 502 convened, I introduced S. 1808 with the cosponsorship of members of the Senate Committee on Public Works. This measure authorizes apportionment of $1 billion for the Interstate System and $500 million for primary, secondary, and urban extension roads. Both of these figures are within the limits of authorizations which have been agreed to by the

conference at this time. The Senate passed S. 1808 by voice vote on May 23.

Until yesterday, members of the House Committee on Public Works had been reluctant to consider this bill. Their feeling was that we might soon reach agreement on S. 502, thus obviating the necessity for an interim financing measure.

Frankly, I did not share this optimism. It was apparent that resolution of the remaining points of dispute in the conference would require several weeks. I, therefore, urged the Members of the House on several occasions to act on S. 1808, so that highway construction in the United States would not come to a complete halt.

Meanwhile, the situation throughout the country continued to deteriorate. States were obligating 1973 funds available to them and projects already underway went forward. The total level of construction activity dropped precipitously. On a yearly basis, an average of about $370 million in new construction contracts are awarded monthly. The level has not been reached in a single month this year. Even in the spring and early summer months, when many highway contracts are awarded, in no month has the total of new highway contracts amounted to more than $254 million. They could reasonably have been expected to be more than $400 million under normal conditions. Approximately 30 States are now without Federal-aid highway money and the situation will be even more critical when the fiscal year ends on Saturday. Without S. 1808, the pot would have run dry.

The conferees met again last night to discuss the Federal-aid Highway Act of 1973. We explored the issues remaining to be resolved and the House conferees at that time informed us of their willingness to take immediate action on S. 1808. That action has been taken today and this bill can soon become law.

I am gratified that the House of Representatives has passed this bill. The continuation of an orderly highway program is important, not only to the development of improved transportation but also to the many thousands of Americans who depend on the highway program for a livelihood. The States already have lost considerable time on their 1973 construction schedules. The enactment of S. 1808 will permit normal activities to resume while Members of the Congress continue to come to grips with the issues that are preventing the enactment of a general highway bill.

I do not view the authorization of interim funds as in anyway reducing the pressure on either the Senate or the House of Representatives to move expeditiously on S. 502. I remind the Senate that the interim financing bill contains no authorizations for the urban highway system. It would be improper to include urban highway funds in this bill since the structure and financing of the urban system is a central feature of the mass transit controversy.

Mr. President, I again express my gratification at the passage of S. 1808 and my appreciation of the attitude of the House conferees in agreeing to this measure. I pledge to Members of the Senate that the conference on the Federal-Aid Highway Act of 1973 will continue to work diligently on the remaining issues so that the full highway programs can continue unimpeded.

Mr. GRIFFIN. Mr. President, I understand that this measure has been cleared with the minority members of the committee and that there is no objection or controversy about it.

Mr. RANDOLPH. Mr. President, the able assistant minority leader is correct. We had felt that Senator STAFFORD would be present. He has been notified, and I am sure he will be in the Chamber in just a few minutes. Perhaps because of some other commitment, he has not yet come to the Chamber.

Mr. GRIFFIN. If the distinguished chairman of the committee will indulge me, perhaps to put in a quorum call, I understand that the Senator from Vermont is on his way to the Chamber and that he will be here momentarily.

Mr. RANDOLPH. He had been notified earlier in the afternoon and indicated that he would like to be here.

Mr. GRIFFIN. We checked with his office, and he is on his way. I think we should hold up action on this matter until he arrives.

Mr. RANDOLPH. I know that there is no problem.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I am honored to support passage of S. 1808, which the House passed earlier today, with a technical amendment.

S. 1808 provides an authorization for important Federal-aid highway programs for fiscal year 1974. Many of the States, as my colleagues know, have depleted their available Federal-aid highway funds. This bill will authorize a total of $1.5 billion in obligational authority, a sum that will carry forward important new highway programs for approximately 3 or 4 months.

I would like to take a few moments of the Senate's time to bring my colleagues up to date on developments relating to comprehensive Federal-aid highway legislation.

As my colleagues know, the Congress adjourned in 1972 without adopting new highway legislation. Therefore, one of the first activities of the 93d Congress had to be the development of a new highway bill to carry forward programs that would otherwise expire at the end of fiscal 1973.

Recognizing that this issue would take time to resolve, I was honored to introduce Senate Concurrent Resolution 6, along with the distinguished chairman of the Committee on Public Works (Mr. RANDOLPH) and others. That resolution would have authorized the immediate apportionment of $1 billion in Federal-aid support for the Interstate Highway program for fiscal 1974. Introduced in January, that resolution was passed by the Senate on March 6. The House did not act upon it.

A week later, on March 15, the Senate passed S. 502, a comprehensive 3-year bill that would continue the Federal-aid highway program and provided an important new intiative, the so-called Muskie-Baker amendment, which would have opened a portion of the highway trust fund for the support of public transportation including rail mass transit. Subsequently, the House adopted a differing version of S. 502, which lacked this trust fund support for mass transit.

When it became clear that we would not resolve quickly this and some other issues in conference, Chairman RANDOLPH, with my cosponsorship, introduced S. 1808, the bill now before the Senate. This bill passed the Senate on May 23. It was our hope, at that time, that the House would adopt this interim bill, giving the conferees the time needed to complete the action on S. 502 without impeding in any way, the highway programs in the States. Once again, the House did not act on this legislation because they believed that a final resolution of S. 502 was possible prior to the end of the fiscal year.

The conference has met on some 20 occasions and we have resolved many of the provisions that were in dispute.

However, we have been unable to resolve the most significant issue: The issue of urban flexibility in the use of highway trust funds for both highways and mass-transit purposes.

In an effort to resolve these differences, the Senate conferees developed a new approach that built upon a suggestion that had been made by several of the House conferees. This new section would return 20 percent of the gasoline taxes collected nationally to the States for any transportation purpose.

Last evening, the conferees met for several hours at and following dinner. That discussion was most constructive and valuable. But, frankly, it became clear that we could not reach agreement on the Senate's compromise, or any other variation that was suggested last evening.

Because of that awareness, and a desire not to penalize the States, the House conferees agreed to seek adoption of S. 1808.

While I believe that the Senate's June 21 offer represents a reasonable compromise between the two bodies, I recognize there are other variations that could resolve this issue. It is my hope that following the July 4 recess that we will be able to return promptly to conference, to meet this issue head on, and to work out our differences.

Pending that resolution, the adoption of S. 1808 means a fresh flow of Federal-aid funds to the States to allow highway programs to continue. I urge my colleagues to approve this bill.

While I cannot say that the conference can be completed in 1 week or even 1 month, I am confident that a spirit of compromise and cooperation prevails in the conference and that we will have a final 3-year bill to bring back to the Senate in the near future.

Mr. President, to give my colleagues an understanding of the importance of S. 1808, I ask unanimous consent that a table of the funds that will be apportioned under this bill be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

APPORTIONMENT OF FUNDS AUTHORIZED BY THIS BILL

The following table indicates the amounts which would be available to each State under the provisions of this bill:

APPROXIMATE APPORTIONMENT OF FEDERAL-AID HIGHWAY FUNDS PURSUANT TO S. 1808

[In thousands of dollars]

State	Interstate ($1,000,000)	ABC ($500,000)	Total ($1,500,000)
Alabama	$20,247	$9,177	$29,424
Alaska		20,144	20,144
Arizona	19,923	6,479	26,402
Arkansas	7,438	6,590	14,028
California	67,169	31,526	98,695
Colorado	20,325	7,886	28,211
Connecticut	28,449	4,942	33,391
Delaware	1,558	2,166	3,724
Florida	30,939	11,875	42,814
Georgia	24,382	11,382	35,764
Hawaii	10,143	2,347	12,490
Idaho	4,381	4,537	8,918
Illinois	48,304	20,122	68,426
Indiana	11,848	11,054	22,902
Iowa	10,447	9,835	20,282
Kansas	11,848	9,419	21,267
Kentucky	14,465	8,005	22,470
Louisiana	29,733	7,831	37,564
Maine	5,165	3,204	8,369
Maryland	37,514	6,169	43,683
Massachusetts	30,478	8,000	38,478
Michigan	35,025	16,565	51,590
Minnesota	22,795	11,744	34,539
Mississippi	8,771	7,116	15,887
Missouri	18,796	12,758	31,554
Montana	10,074	7,236	17,310
Nebraska	1,480	7,408	8,888
Nevada	4,822	4,584	9,406
New Hampshire	4,312	2,170	6,482
New Jersey	$27,646	$9,607	$37,253
New Mexico	9,094	6,159	15,253
New York	37,671	27,162	64,833
North Carolina	17,895	11,735	29,630
North Dakota	1,549	5,191	6,740
Ohio	30,106	18,414	48,520
Oklahoma	7,115	8,873	15,988
Oregon	24,853	7,050	31,903
Pennsylvania	48,177	19,991	68,168
Rhode Island	8,771	2,531	11,302
South Carolina	8,066	6,227	14,293
South Dakota	3,538	5,466	9,004
Tennessee	13,602	9,849	23,451
Texas	44,884	29,177	74,061
Utah	11,446	4,522	15,968
Vermont	3,734	1,946	5,680
Virginia	42,561	9,953	52,514
Washington	35,162	8,033	43,195
West Virginia	22,560	4,386	26,946
Wisconsin	11,437	11,212	22,649
Wyoming	5,547	4,354	9,901
District of Columbia	23,755	2,481	26,236
Puerto Rico		3,410	3,410
Total	980,000	490,000	1,470,000
Administration's 2 percent	20,000	10,000	30,000
Total	1,000,000	500,000	1,500,000

Mr. BENTSEN. Mr. President, I want to express my personal appreciation to Congressman JIM WRIGHT and the rest of the House conferees on the highway bill for moving this interim authorization highway measure through the House of Representatives. I know that it was their personal preference to have a complete highway bill to offer the Congress and the States, and, indeed, that was my preference as well. However, we have reached a point in the highway conference at which we are, at least temporarily, stalemated. In the meantime, 30 States or more do not have the funds to continue their highway programs, and we are running a real risk of bringing highway construction to a halt in this country. This measure will release some of the undisputed funds to the States and will allow them to continue their efforts while the conferees work to report out a complete bill.

This action today does not lessen the pressure on the House and Senate conferees. The amount of money in this bill represents only a small portion of the funds the States require, and soon we will confront a situation equally as serious as the one we confront today. What this bill does is to give conferees and the States a little breathing room while we continue our work on the larger bill.

I pledge that I, as the chairman of the Senate conferees, will work just as diligently as before to move a complete highway bill through the Congress. I know that my colleagues among the Senate conferees agree with me on this point and will still consider themselves obligated to work as rapidly as possible toward a reasonable solution.

Mr. GRIFFIN. Mr. President, what is the pending question?

The PRESIDENT pro tempore. The question is on the motion to concur in the House amendment to S. 1808. [Putting the question.]

The motion was agreed to.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

ORDER FOR COMMITTEE ON COMMERCE TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce have until midnight tonight to file reports.

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

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes.

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

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. tomorrow.

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will convene at 10 o'clock a.m., following a recess.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes.

The majority leader at that time in all likelihood will call up the continuing resolution. There will be yea-and-nay votes thereon.

The HUD appropriation bill will be taken up Saturday under a time limitation.

Aside from the foregoing, the debt limitation conference report must still be called up, when ready, either tomorrow or Saturday.

Any of the following measures are eligible to be called up on Friday or Saturday at any time as the circumstances permit, and the order of listing is not significant, nor is it all-inclusive:

S. 1435. District of Columbia Home Rule.

S. 2047, Dulles Airport Transit.

H.R. 7445, Renegotiation Act, which expires on June 30.

S. 426, Premarket Testing of Chemical Substances.

Senate Joint Resolution 129, Temporary Extension of Certain HUD Authority.

House Joint Resolution 512, Extension of Certain HUD Authority.

Both Friday and Saturday can be long days, and yea-and-nay votes will occur on both days. Senators will be prepared for possibly long sessions on both days.

The Senate will reconvene on Monday, July 9, following the Independence Day recess—assuming that there will be a recess. The main track item for consideration on the day of our return will be S. 1081, rights-of-way across Federal lands. Any other calendar measures which have been cleared for action prior to that date may be called up on a double-track system for that Monday.

Hence, rollcall votes can be expected on Monday, July 9, when the Senate reconvenes, keeping in mind that we will then have only 4 weeks in which to transact business prior to the August recess.

RECESS UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and at 6:32 p.m. the Senate recessed until tomorrow, Friday, June 29, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 28 (legislative day of June 25), 1973:

FEDERAL DEPOSIT INSURANCE CORPORATION

George A. LeMaistre, of Alabama, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Irvine H. Sprague, resigned.

U.S. COURT OF CUSTOMS AND PATENT APPEALS

Jack R. Miller, of Iowa, to be an Associate Judge of the U.S. Court of Customs and Patent Appeals vice J. Lindsay Almond, Jr., retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28 (legislative day of June 25), 1973:

DEPARTMENT OF DEFENSE

James R. Schlesinger, of Virginia, to be Secretary of Defense.

DEPARTMENT OF TRANSPORTATION

John W. Barnum, of New York, to be Under Secretary of Transportation.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

U.S. COURT OF CUSTOMS AND PATENT APPEALS

Jack R. Miller, of Iowa, to be an Associate Judge of the United States Court of Customs and Patent Appeals.

HOUSE OF REPRESENTATIVES—*Thursday, June 28, 1973*

The House met at 12 o'clock noon.

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

Seek the Lord and you shall live.—Amos 5: 6.

Dear Lord and Father of mankind, we thank Thee for Thy mercies which are new every morning and fresh every day. By our attitudes may we prove ourselves worthy of the gifts Thou art so abundantly bestowing upon us.

Bless us with good health in mind and body and give us the good sense to take good care of ourselves for the sake of our families and for the good of our country. Deliver us from cynicism which corrodes faith and from discords which discourage our efforts to seek peace and pursue it.

Give to us all faith in the ultimate triumph of righteousness and good will, no matter how dark and dismal the day may seem to be. May our faith be seen in our worship, our words, and our works.

In the spirit of Him whose life is the light of men we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8410. An act to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8410) entitled "An act to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. TALMADGE, Mr. HARTKE, Mr. RIBICOFF, Mr. BENNETT, Mr. CURTIS, and Mr. FANNIN to be the conferees on the part of the Senate.

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 amendment of the Senate to the bill (H.R. 7528) entitled "An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 343. An act relative to Federal primary elections and national conventions;

S. 969. An act relating to the constitutional rights of Indians;

S. 1352. An act to require loadlines on U.S. vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and for other purposes;

S. 1410. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 1 year the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

S. 1443. An act to authorize the furnishing of defense articles and services to foreign countries and international organizations;

S. 1615. An act for the relief of August F. Walz;

S. 1618. An act to name the headquarters building in the Geological Survey National Center under construction in Reston, Va., as the "John Wesley Powell Federal Building";

S. 1759. An act authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; and

S. 1901. An act to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings.

APPOINTMENT OF CONFEREES ON H.R. 8410, TEMPORARY INCREASE IN PUBLIC DEBT LIMIT

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8410) to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none, and appoints the following conferees: Messrs. MILLS of Arkansas, ULLMAN, BURKE of Massachusetts, Mrs. GRIFFITHS, Messrs. SCHNEEBELI, COLLIER, and BROYHILL of Virginia.

UNNECESSARY RECORDED TELLER VOTES

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

Mr. MONTGOMERY. Mr. Speaker, there is no question about it, that the electronic voting device is saving time for the Members and the staff, but it can be made to be more effective by a change in the rules. We are, in my opinion, having too many rollcall votes, especially recorded teller votes.

Mr. Speaker, I have done some research on this subject. In the first ses-