occur—the yeas and nays having already been ordered—on final passage of the District of Columbia appropriations bill, H.R. 8658. That bill has already been advanced to third reading. No further debate will occur thereon. The Senate will proceed at that hour to vote, as I have stated, on the passage of the bill.

As a reminder, there will be several yea and nay votes tomorrow, and Senators will want to be prepared for a session that could last into the evening.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

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 adjournment until 9 a.m. tomorrow.

The motion was agreed to; and at 7:18 p.m. the Senate adjourned until tomorrow, Friday, July 20, 1973, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 19, 1973:

ATOMIC ENERGY COMMISSION

William A. Anders, of Virginia, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1978, vice James T. Ramey, term expired.

THE JUDICIARY

Leonard I. Garth, of New Jersey, to be a U.S. circuit judge, Third Circuit vice James Rosen, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 19, 1973:

IN THE COAST GUARD

Coast Guard nominations beginning Bruce C. Skinner, to be commander, and ending Michael J. Goodwin, to be lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 16, 1973.

HOUSE OF REPRESENTATIVES—*Thursday, July 19, 1973*

The House met at 12 o'clock noon.

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

He that abideth in Me and I in him, the same bringeth forth much fruit.—John 15: 5.

O God, unfailing source of wisdom, power, and love, we come to Thee seeking light upon our way, strength for our way, and love in our way that we may walk humbly with Thee, dwell harmoniously with our neighbors, and live happily with ourselves.

As we face the tasks of this day may it be with courage and with faith keeping our minds clear, our hearts confident, and our hands clean, that we may work diligently for a stronger Nation and a better world.

Kindle in our hearts and in the hearts of all nations a true love for peace and for freedom that in a real sense Thy kingdom of good will may move forward and the people on our planet may learn to live together in deed and in truth: to the glory of Thy holy name and the good of all humanity. 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.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 9, 1973:

H.R. 7445. An act to extend the Renegotiation Act of 1951 for 1 year, and for other purposes.

On July 10, 1973:

H.R. 5452. An act to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended;

H.R. 6187. An act to amend section 502(a) of the Merchant Marine Act, 1936;

H.R. 6330. An act to amend section 8 of the Public Buildings Act of 1959, relating to the District of Columbia;

H.R. 7200. An act to amend the Railroad Retirement Act of 1937 and the Railroad Retirement 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; and

H.R. 7670. An act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8949. An act to amend title 38 of the United States Code relating to basic provision of the loan guaranty program for veterans.

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

S. 1081. An act to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment; and

S.J. Res. 118. Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make a statement.

The Chair has been advised that the electronic voting system, which has not been functioning for the past 3 days, is now in order.

Technicians thoroughly tested the system this morning and have assured the Chair that it is fully operable.

The Chair will therefore direct that its use be resumed as of today.

ANNOUNCEMENT OF HEARINGS ON FLIGHT-PAY LEGISLATION

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

Mr. STRATTON. Mr. Speaker, today I am announcing that the Military Compensation Subcommittee of the Armed Services Committee will commence hearings on flight-pay legislation on Thursday, July 26, specifically to take testimony from Members of Congress.

Because of the considerable congressional interest in this subject the subcommittee is setting aside the first 2 days of its hearings, July 26 and 27, for Members. Hearings will commence at 10 a.m. in the Carl Vinson Room, 2118 Rayburn House Office Building.

Members who wish to testify are asked to notify the staff by calling extension 56703. Committee rules require statements to be submitted 48 hours in advance.

Section 715 of Public Law 92-570 terminated, as of May 31, flight pay for officers in the grade of colonel, or Navy captain, and above, in assignments which do not require the maintenance of basic flying skills. On June 28 the House, in the course of instructing its conferees on H.R. 8537, rejected—by a vote of 238 to 175—a 6-month extension of the May 31 termination date.

The Defense Department has submitted legislation for a general revision of the flight-pay laws. It is contained in H.R. 8593, and I hope Members who testify before the subcommittee, in addition to providing their general views, also address themselves to the philosophy and provisions of H.R. 8593, which was introduced by request, incidentally, and at this point is simply a vehicle on which to commence the hearings.

Elsewhere in this RECORD I shall include a section-by-section analysis of H.R. 8593.

THE EFFECT OF THE FROEHLICH AMENDMENT TO THE AGRICULTURE BILL

(Mr. ROSENTHAL asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. ROSENTHAL. Mr. Speaker, on Wednesday I wrote to my colleagues regarding my intention to request a record vote on the Froehlich amendment to the agriculture bill. In my view, this amendment will give the Secretary of Agriculture, Earl Butz, unwarranted and dangerous powers over the price of every food item found in the supermarket.

Today, Members received a letter from Mr. Froehlich, stating that his amendment does not give Secretary Butz "absolute discretion" to make "unilateral" decisions regarding food prices and that "weather," not the Agriculture Secretary, is responsible for the high cost of food.

I strongly disagree, for the following reasons:

The amendment does give Butz absolute discretion to raise food prices:

The language of the amendment is clear—it states that when the Secretary certifies to the President that the supply of an agricultural product will be reduced unacceptably as a result of economic stabilization controls and no alternative means for increasing supply are available "the President shall make appropriate adjustments in the maximum price which may be charged."

Although weather conditions have affected fruit and vegetable prices, the enormously high cost of feed grains is responsible for the huge increases in the price of meat, poultry, eggs, milk, cereals and bakery products—and, Secretary Butz is responsible in the main for the high cost of feed grains: It is incontestable that the high cost of many major food items, dependent for their production on feed grains, is directly attributable to the cost of those grains. I believe it is equally incontestable that the major reasons for the high price of feed grains are: First, the United States-Soviet grain deal and other grain sales abroad; second, the failure to impose controls on the price of key feed grains before their cost threatened poultry, hog, and other animal producers; and third, the failure to recognize in 1971 and 1972 that the U.S. and world food supply and demand situation should have resulted in an increase in available acreage for production.

Secretary Butz was the chief architect of these policies of mismanagement and neglect. Phase 4 regulations on food prices are not to my personal liking, but giving Secretary Butz total authority to raise prices beyond what the Cost of Living Council has authorized, would be unthinkable.

I agree with Mr. FROEHLICH that food prices and availability are "the most crucial and compelling issue of our time." However, Secretary Butz' policies have failed, time and time again, the test of fairness and effectiveness.

I regard the vote this afternoon as being of dubious value to small family farmers but as crucial to the American consumer. I also think it is fair to view the vote today as a test of confidence in Mr. Butz' stewardship of the Agriculture Department.

FLEXIBLE GI INTEREST RATE AUTHORITY IN VETERANS' ADMINISTRATION

Mr. DORN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8949) to amend title 38 of the United States Code relating to basic provisions of the loan guarantee program for veterans, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That section 1803(c)(1) of title 38, United States Code, is amended by striking out the semicolon and all that follows thereafter and inserting in lieu thereof the following: ", except that in establishing the rate of interest that shall be applicable to such loans, the Administrator shall consult with the Secretary of Housing and Urban Development regarding the rate of interest the Secretary considers necessary to meet the mortgage market for home loans insured under section 203(b) of the National Housing Act, and, to the maximum extent practicable, carry out a coordinated policy on interest rates on loans insured under such section 203(b) and on loans guaranteed or insured under this chapter."

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

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object—and I do not intend to object—I take this time so that the distinguished chairman, the gentleman from South Carolina (Mr. DORN), may make an explanation of the Senate amendment to the bill.

Mr. DORN. Mr. Speaker, at the outset, I wish to report to the House that the Senate amendment is germane to the bill and we have ascertained that there is no additional cost involved in such an amendment.

As the Members will recall, H.R. 8949 passed the House on July 17 by a vote of 411 to 3. This is urgent legislation restoring authority, which expired June 30, 1973, to the Administrator of Veterans' Affairs to set interest rates on GI loans consonant with current mortgage market conditions. Since June 30 the allowable interest rate reverted to 6 percent which, of course, has dried up the program inasmuch as lenders are completely unable to participate on the basis of such a low yield.

H.R. 8949, as passed by the House, specifically amended title 38, the Veterans Code of Laws, to extend flexible GI interest rate authority in the VA on a permanent basis. As amended by the Senate in the form now before the House the basic objective of the bill is retained but language is added to provide that "the Administrator shall consult with the Secretary of Housing and Urban Development regarding the rate of interest the Secretary considers necessary to meet the mortgage market for home loans insured under section 203(b) of the National Housing Act, and, to the maximum extent practicable, carry out a coordinated policy on interest rates on loans insured" under title 38 United States Code and the mentioned section of the National Housing Act.

I note in the Senate proceedings of yesterday that the chairman of the Veterans' Affairs Committee took cognizance of the House view that even under its version existing practices and procedures would probably insure that FHA and VA rates would be in normal tandem despite the grant of legally independent authority. The Senate amendment therefore merely spells out this desirable policy. Accordingly, we feel that the basic objectives will be accomplished under the bill as amended, and in view of the extreme urgency of the situation I urge that the House concur in the Senate amendment and thus clear the bill for action by the President.

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman. I say to my distinguished friend that I think it is a clarifying and needed addition, and I would concur in it and accept the explanation for the addition by the other body.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING FLOOD CONTROL ACT OF 1968

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6717) to amend section 210 of the Flood Control Act of 1968, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert: That the first paragraph of section 4(b) of the Land and Water Conservation Fund Act of 1965, as amended (78 Stat. 897; 16 U.S.C. 4601–5), is amended to read as follows:

"(b) SPECIAL RECREATION USE FEES.—Each Federal agency developing, administering, or providing specialized sites, facilities, equipment, or services related to outdoor recreation shall provide for the collection of special recreation use fees for the use of sites, facilities, equipment, or services furnished at Federal expense: Provided, That in no event shall there be a charge for the day use or recreational use of those facilities or combination of those facilities or areas which virtually all visitors might reasonably be expected to utilize, such as, but not limited to picnic areas, boat ramps where no mechanical or hydraulic equipment is provided, drinking water, wayside exhibits, roads, trails, overlook sites, visitors' centers, scenic drives, and toilet facilities. No fee may be charged for access to or use of any campground not having the following—flush restrooms, showers reasonably available, access and circulatory roads, sanitary disposal stations reasonably available, visitor protection control, designated tent or trailer spaces, refuse containers and potable water."

SEC. 2. Section 4(a)(2) of the Land and Water Conservation Fund Act of 1965, as amended (78 Stat. 879; 16 U.S.C. 4601–5), is amended to read as follows:

"Reasonable admission fees for a single visit at any designated area shall be established by the administering Secretary for per-

sons who choose not to purchase the annual permit or who enter such an area by means other than by private, noncommercial vehicle. A 'single visit' means that length of time a visitor remains within the exterior boundary of a designated fee area beginning from the day he first enters the area until he leaves, except that on the same day such admission fee is paid, the visitor may leave and reenter without the payment of an additional admission fee to the same area."

Amend the title so as to read: "An Act to amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes."

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

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object—and I do not intend to object—I would like to yield to the distinguished chairman of the subcommittee, the gentleman from Texas (Mr. ROBERTS) who is handling this legislation, to give the House an explanation of the changes made by the other body.

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

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, H.R. 6717 as it passed the House provided that there could be no fees collected for day use and no fees for use of campgrounds at Corps of Engineers projects unless those campgrounds are highly developed and have those facilities mentioned in the bill; namely, flush restrooms, showers, access roads, sanitary disposal stations, visitor protection, tent or trailer spaces, scenic drives, picnic tables, refuse containers, and potable water.

The reason for the bill was that the Corps of Engineers and other Federal agencies were interpreting last year's user fee legislation as allowing them to charge fees for day use and for use of campgrounds which were not highly developed.

H.R. 6717 as passed by the House was an amendment to section 210 of the Flood Control Act of 1968 which provided that user fees could be collected at corps projects only for highly developed facilities. The purpose of H.R. 6717 was to describe just what we meant by highly developed facilities.

As amended by the Senate, the bill amends the user fee provision of the Land and Water Conservation Funds Act and applies to all Federal agencies. The amended bill does for all agencies what H.R. 6717 did for the corps. It prohibits the charging of fees for day use and it provides that no fees may be charged for use of campgrounds unless they have flush restrooms, showers reasonably available, access and circulatory roads, sanitary disposal stations reasonably available, visitor protection control, designated tent and trailer spaces, refuse containers, and potable water.

Accordingly, I urge passage of the bill as amended by the Senate.

Mr. HAMMERSCHMIDT. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REPUBLICAN CONGRESSIONAL BASEBALL TEAM

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

Mr. CONTE. Mr. Speaker, for the past several mornings the anxious athletes of the Republican Congressional Baseball Team have been holding our annual early-bird workouts at a local ballfield in preparation for the July 30 congressional game.

My purpose today, as manager of the all-winning GOP club, is to serve notice to my colleagues from across the aisle that our team has successfully completed phase I of our baseball policy. Phase I was devoted to conditioning, and I am happy to report today that, after a tough week on the practice field, my athletes are now slim, trim, and ready.

We are now moving boldly into phase II, which emphasizes the honing of those particular—or I might say peculiar—skills that have made us the idols of baseball fans from the sandlots to the major league parks across this great land.

Phase III, of course, will be the game itself, and that will be the phase in which we once again break the back of the inflationary rhetoric which usually flows from the Democratic baseball camp around this time of year.

My team will impose another 1-year freeze on the Democratic team, when we meet July 30 in Baltimore's Memorial Stadium.

Mr. Speaker, I urge you and all the Members of this House to come out to the park that evening to watch the well-conditioned, heavy-hitting, slick-fielding, hard-running, victory-hungry Republican team win its 10th consecutive congressional baseball game.

Mr. FLOWERS. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. FLOWERS. I understand from this morning's activity you are also developing some special expertise in stealing signals this year. Is there any truth to this report?

Mr. CONTE. I have a special investigation team working, for as we were practicing this morning I found the Democrats spying on us.

Mr. TEAGUE of California. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. TEAGUE of California. I might comment that I think my good friend from Massachusetts (Mr. CONTE) is not a very good stealer of signals, because we all missed the big signal when they knocked out the cotton section from the farm bill the other day.

Mr. CONTE. I never said I was very good in winning that battle, but I say I am a good baseball manager.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 353]

Ashley	Fisher	Milford
Badillo	Frenzel	Mills, Ark.
Blatnik	Giaimo	Murphy, N.Y.
Burke, Calif.	Ginn	Nelsen
Carey, N.Y.	Gray	O'Neill
Chisholm	Guyer	Owens
Clark	Hanna	Patman
Collins, Ill.	Harsha	Reid
Conyers	Hébert	St Germain
Danielson	Kemp	Seiberling
Dellums	Landgrebe	Stokes
Diggs	McEwen	Talcott
Dorn	Mailliard	Teague, Tex.
Downing	Maraziti	Young, Ill.
Esch	Melcher	

The SPEAKER. On this rollcall 389 Members have recorded their presence by electronic device, a quorum.

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

AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

Mr. FOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 8860) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

The SPEAKER. The question is on the motion offered by the gentleman from Washington.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8860, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on Monday, July 16, 1973, it had agreed that section 4, ending on page 59, line 12 of the bill, be considered as read and open to amendment at any point.

Are there amendments to be proposed to section 4?

AMENDMENT OFFERED BY MR. FOLEY

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

The Clerk read as follows:

Amendment offered by Mr. FOLEY: Beginning on Page 54, Line 7, strike out line 7 through page 59, line 12 and insert the following:

SEC. 4. The Food Stamp Act of 1964, as amended, is amended—

(a) by inserting after the sentence which would be added to subsection (e) of section 3, effective January 1, 1974, by section 411 of the Act of October 30, 1972, the following: "Notwithstanding any other provision of law, households in which members are included, or upon application would be eligibile to be included, in a federally aided public assistance program pursuant to title

XVI of the Social Security Act shall be eligible to participate in the food stamp program or the program of distribution of federally donated foods if they satisfy the eligibility criteria applied to other households."

(b) That (a) the second sentence of section 3(e) of the Food Stamp Act of 1964 (7 U.S.C. 2012(e)) is amended—

(1) by striking out "or"; and

(2) by inserting before the period at the end thereof the following: ", or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program."

(c) Section 3 of the Food Stamp Act of 1964 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(n) The term 'drug addiction or alcoholic treatment and rehabilitation program' means any drug addiction or alcoholic treatment and rehabilitation program conducted by a private nonprofit organization for institution which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91-616 'Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment, and Rehabilitation Act' and Public Law 92-255 'Drug Abuse Office and Treatment Act of 1972' as providing treatment that can lead to the rehabilitation of drug addicts or alcoholics."

(d) Section 5 of the Food Stamp Act of 1964 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall establish uniform national standards of eligibility for households described in section 3(e)(3) of this Act."

(e) Section 5(c) of the Food Stamp Act of 1964 (7 U.S.C. 2014(c)) is amended by adding at the end thereof the following: "For the purposes of this section, the term 'able-bodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction, or alcoholic treatment and rehabilitation program."

(f) Section 10 of the Food Stamp Act of 1964 (7 U.S.C. 2019) is amended by inserting at the end thereof the following new subsection:

"(i) Subject to such terms and conditions as may be prescribed by the Secretary in the regulations pursuant to this Act, members of an eligible household who are narcotic addicts or alcoholics and regularly participate in a drug addiction or alcoholic treatment and rehabilitation program may use coupons issued to them to purchase food prepared for or served to them during the course of such program by a private nonprofit organization or institution which meets requirements (1), (2), and (3) of subsection (h) above. Meals served pursuant to this subsection shall be deemed 'food' for the purposes of this Act."

(g) By amending subsection (a) of section 7 of the Food Stamp Act of 1964 (7 U.S.C. 2016(a)) to read as follows:

"The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted semi-annually by the nearest dollar increment that is a multiple of two to reflect changes in the price of food published by the Bureau of Labor Statistics in the Department of Labor, to be implemented commencing with the allotments of January 1, 1974, incorporating the changes in the prices of food through August 31, 1973, but in no event shall such adjustment be made for households of a given size unless the increase in the face value of the coupon allotment for such households, as calculated above, is a minimum of $2.00.

(h) By adding at the end of subsection (h) of section 10, the following: "Subject to such terms and conditions as may be prescribed by the Secretary, in the regulations issued pursuant to this Act, members of an eligible household who are sixty years of age or over or elderly persons and their spouses may also use coupons issued to them to purchase meals prepared by senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals especially for elderly persons, any public or nonprofit private eating establishment which prepares meals especially for elderly persons during special hours, and any other public or nonprofit private establishment approved for such purpose by the Secretary."

(i) By striking out "June 30, 1972, and June 30, 1973" in the first sentence of subsection (a) of section 16, and substituting "June 30, 1972, through June 30, 1977."

(j) Section 3(b) of the Food Stamp Act of 1964 (7 U.S.C. 2012(b) is amended to read as follows: "The term 'food' means any food or food product for home consumption except alcoholic beverages and tobacco and shall also include seeds and plants for use in gardens to produce food for the personal consumption of the eligible household."

(k) Section 3(f) of the Food Stamp Act of 1964 (7 U.S.C. 2012(f)) is amended by striking the second sentence and inserting in lieu thereof the following new sentence: "It shall also mean a political subdivision or a private nonprofit organization or institution that meets the requirements of sections 10(h) or 10(i) of this Act."

Mr. FOLEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. FOLEY. Mr. Chairman, the purpose of this amendment, and it is an amendment in the nature of a substitute, is to substitute for the committee section 4 on food stamps a new section.

I hope I can succinctly explain to the members of the committee the nature of this amendment. First of all, the amendment I have offered eliminates from the bill four paragraphs. One of those paragraphs deals with the determination of resources in order to establish eligibility.

The committee bill would have altered current regulations that have been working satisfactorily for the last 2 years. In particular, the committee bill would require the cash value of life insurance policies to be included as a liquid asset.

Mr. Chairman, we have many elderly citizens and others who are recipients of the food stamp program, or potential recipients, who under this committee version would be required to cash in or to borrow against their life insurance, their small life insurance policies, in order to utilize this resource before they can receive food stamps.

This is a particularly harsh provision in the committe bill. It is one that militates against frugality and the efforts by our citizens to try to provide some security for themselves to take care of their old age. I believe this section should be removed from the bill, to allow the Department to establish, as it has in the past, proper eligibility and asset requirements.

The second feature of my amendment would eliminate from the committee bill a prohibition of temporary certification for food stamp recipients in certain cases. The committee bill purports not to alter departmental practice in this regard. The change in language could provoke unnecessary problems.

A third feature my amendment would eliminate from the committee bill—a well-intentioned but I believe unfortunate amendment which would require the Secretary to make a determination as to which foods were nonnutritious, in the sense that those foods would not be eligible for purchase by food stamp recipients. The Department is opposed to this particular section of the bill. The National Retail Food Industry is opposed to it, because it would force clerks at the checkout stands to be pawing over every item of food that a food stamp recipient would want to purchase to determine whether it was on some list of nonnutritious or inadequately nutritious food. It runs against the whole theory of the food stamp program, that people should be able to make judgments about their diets and food needs as other citizens do. My substitute amendment would take care of that.

My amendment would also eliminate a provision in the present law which says a food stamp recipient cannot be sold imported foods or imported meat with food stamps. I come from a livestock raising area, but this is a provision of existing law that should be removed. We hear complaints sometimes that food stamp recipients are buying steak while the nonrecipient is buying hamburger. Few Members know that in many parts of the country hamburger has been a proscribed food and could not be purchased with food stamps because it contained a portion of imported meat. I believe the time has come to get rid of this section.

The most important feature of my amendment is a provision which would require the Department to compute the bonus value of food stamps semiannually. They currently compute this bonus value annually.

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

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

Mr. FOLEY. This, simply stated, is a cost-of-living adjustment to determine the value of the food stamp bonus value twice a year instead of once a year. As it is now, there is a considerable lag before the adjustment is made. This would shorten the lag by 6 months. If we adjusted the value next January instead of July, we would be dealing with food prices current as of August 31 of this year. I believe this is a fair and equitable provision. It would provide that the adjustment could go up or down. In the happy but perhaps unlikely event that food prices went down, the food

stamp recipient would have the bonus value adjusted downward.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. Mr. Chairman, I do not find fault with all of the proposals in this really far-reaching amendment, but I am advised by the Department of Agriculture that this semiannual adjustment or, rather, annual adjustment would bear or carry an estimated cost of $344 million.

Would the gentleman concur with that?

Mr. FOLEY. Mr. Chairman, I will estimate that the cost would be in the nature of $250 million. There is substantial cost, there is no question about that. We must realize that there are 12.5 million recipients of the food stamp program. The cost would be much lower in any but a period of fast rising food prices. In an average year less than $100 million.

Mr. TEAGUE of California. Mr. Chairman, I suggest that whether it is $250 million or $330 million, that is a lot of money, and I hope that the Members in this Chamber who really want a farm bill will bear that in mind.

This might be another one of those "nails in the coffin," and we ought to be completely aware of what we are doing if we vote for this amendment.

The CHAIRMAN. The time of the gentleman from Washington (Mr. FOLEY) has expired.

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

Mr. FOLEY. Mr. Chairman, another feature of my substitute is that it removes from the committee bill the prohibition against recipients who are students in institutions of higher learning. The committee bill provides that such students must be married and have a child or children in order to be eligible for food stamps.

I understand that many Members have felt somewhat hostile to students receiving food stamps, but they must meet, under the present law, exactly the same income criteria as any other person. We have veterans coming back from Vietnam who are attending school; we have others who are attending school who do meet eligibility requirements and should not be discriminated against solely because they are students.

That would include for example an AFDC mother who wants to upgrade her skills and goes to school to become employed; she has children, but she is not married perhaps. The result would be that the committee bill would bar such a person from receiving foodstamps.

Even the committee bill says that if the student has received foodstamps before going to school, the student can continue to receive foodstamps during school attendance. I might suggest that this is going to lead to students registering for foodstamps in the summertime and just continuing on during the school year.

It is an amendment that, I believe, lacks any real justification.

Mr. Chairman, there is no serious problem of any kind in the administration of this program with respect to students and I suggest that students should be held to the same eligibility requirements as any other citizens.

Mr. Chairman, I hope the committee will adopt this amendment in the nature of a substitute.

To recapitulate briefly, the amendment entails the following changes to the committee bill:

It strikes section 4 in its entirety and replaces it with a new provision which:

Preserves provisions in the committee bill which:

Allow food stamp aid to certain alcoholics and drug addicts;

Continue food stamp benefits for SSI recipients;

Allow elderly people to use food stamps for prepared meals at certain facilities; and

Allow food stamps to be used to purchase garden seeds.

Deletes from the committee bill provisions which:

Ban food stamp aid to certain college students;

Apply a stricter resource test on assets of food stamp beneficiaries;

Require prior certification except in cases of natural disaster; and

Authorize the Secretary to prohibit use of food stamps to purchase foods of "low or insignificant nutritional value."

Adds to the committee bill provisions which:

Require semiannual adjustments in the face value of food stamps to reflect changes in the cost of living index;

Require uniform national standards of eligibility; and

Permit the use of food stamps to purchase imported foods.

AMENDMENT OFFERED BY MR. CONABLE TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. CONABLE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONABLE to the amendment offered by Mr. FOLEY: Page 1, strike out all of subsection (a) through line 18; redesignate all subsequent subsections accordingly.

Mr. CONABLE. Mr. Chairman, my amendment to the Foley amendment involves some historical and legislative complexity, so I hope that I may have the close attention of the members of the committee. One must, to start with, have some basic understanding of our welfare system.

We have, as you know, a number of categories of welfare in this country. An effort was made to reform welfare last year and in the previous Congress, and a proposal was made whereby most of the complex systems of welfare were combined into one comprehensive proposal. The other body did not go along with the family assistance plan produced by the Committee on Ways and Means of the House. As a result, the extent of welfare reform was limited in the last Congress to Federalization of the adult categories of welfare. These adult categories of welfare relate to the aged, the blind, and the disabled, and the provision that was included in the truncated H.R. 1, the bill to which violence was done by the other body, provided for payment of a totally federalized contribution to the aged, the blind, and the disabled of $130 a month for an individual and $195 for a couple. Included in that figure was a cash-out of the bonus value of food stamps.

The food stamp provision, after all, is a welfare type of provision. The Renegotiation Act, which we passed 2 weeks ago, raised one monthly figure as of July 1, 1974, to $140 for individuals and $210 for couples. The Renegotiation Act extension also mandated the States must supplement aid to the aged, the blind, and the disabled at least at the level they were paying existing recipients in December of 1973.

The effect of the agricultural bill we are considering today is, among other things, to provide that the food stamp program will be put back into effect with respect to those eligible recipients in the adult categories of welfare. In other words, to make a reimposition of food stamp programs on top of the cash-out for adult welfare recipients followed the enactment of H.R. 1.

Our hope in the Committee on Ways and Means and I believe the hope of the Congress as a whole was that we could move toward some simplification of our welfare system, and that was the reason for the original cash-out.

There is, of course, some disappointment that the cash-out was not higher, and there are those who will oppose my amendment on that basis hoping to reimpose food stamps and cash them out again and then reimpose them and cash them out again until they achieve the level for adult categories that they would like to see.

It is a complex situation, but I would call the attention of the members of this committee to the fact that adult categories of welfare do no use food stamps to the degree that perhaps they should. Roughly 28 percent of the adult categories claim the food stamps to which they are entitled, and those that do not claim them get no benefit from them at all, while the cash-out benefits them automatically through inclaim in their check.

Mr. BURTON. Will the gentleman yield?

Mr. CONABLE. I will when I finish my statement, if I may. I suspect that we will have a good deal of discussion on this amendment.

Mr. BURTON. I think it might help all of the Members to get the benefit of your important view on this question if we could ad seriatim make our insertions and let the Members decide at each stage of discussion where the facts lie.

Mr. CONABLE. Maybe that is the tactic you would like, but I would like to finish my statement.

Now, with respect to the adult categories generally, then, it is our hope that we can have one check sent out from the Social Security Administration, which, after all, participates in much of the money made available to the recipients of this adult category money, while the effect of this particular proposal essentially will be to put a new food stamp layer back.

Food stamps require a different phase-

out than cash welfare and thus requires double administration. The States do not want to be responsible for the administration of a dual system if they can avoid it.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CONABLE was allowed to proceed for 5 additional minutes.)

Mr. CONABLE. Mr. Chairman, the States are quite reluctant to continue the administration of the program with respect to the adult categories if they could in fact move to a purely cash type of welfare for these particular people.

Mr. Chairman, I will now yield to the gentleman from California (Mr. BURTON) for whatever first assertion the gentleman would like to make.

Mr. BURTON. Mr. Chairman, first of all, would the gentleman repeat his last sentence, please? I did not quite hear it.

Mr. CONABLE. I said the States would prefer not to have to administer a food stamp program with regard to the adult categories. There is expense to them in that. There is a complication also in the welfare system which otherwise they would like to see handled as one federalized program.

Mr. BURTON. Mr. Chairman, I would say to the gentleman that I agree with the gentleman on that assertion. Of course, there is nothing to preclude, with appropriate authority, having the new administration of the SSI program to, also, federally distribute the food stamp.

Mr. CONABLE. The SSI program, for the benefit of the members is the federalized adult category program established by last year's H.R. 1 as it finally passed.

Mr. BURTON. I thank the gentleman for the information. As the gentleman may know, I have spent some time on the genesis and development and outline of the 19 different versions of this landmark legislation.

If I may highlight the difference between my view of this question and that of the gentleman in the well. I have no quarrel of any kind whatsoever with the cashing out of food stamps and the rendering ineligible those aged, blind, and disabled that receive cash assistance provided it is mandated that they receive cash to replace the loss of the bonus value.

As the gentleman is fully aware, there is no requirement under H.R. 1 or any amendments thereto, up to this moment, that requires that in the process of cashing out the food stamps these elderly and blind poor will not lose that bonus value.

The States are permitted to implement a cashout value. Some of the States, depending upon the economic circumstances of a State, are going to find that this in effect reduces some of the savings that otherwise would accrue to them; or, putting it differently, because of other sections of H.R. 1, will increase their expenses that they will not have increased if the Foley amendment is adopted.

Mr. CONABLE. Mr. Chairman, I decline to yield further at this time.

I should like to say that the States are held harmless on a cashout at this point. They are mandated to maintain the level of adult assistance that is in effect as of December 1973, and the great bulk of the States will be receiving under the SSI program, the new program, more money than they were required to contribute previously.

Most of the State legislatures have adjourned for the year—and I am unaware that any of them implemented the cash out. Few, if any, will meet again until after January 1, 1974, the date the SSI and the food stamp ineligibility take effect.

This means, as a practical matter that the SSI recipients in many States will lose out.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. TEAGUE of California, and by unanimous consent, Mr. CONABLE was allowed to proceed for 5 additional minutes.)

Mr. CONABLE. Mr. Chairman, I would suggest that the gentleman speak on his own time.

Mr. BURTON. I think the membership is entitled to have the facts before them. The fact is that by rearranging the method and the form under which the adult programs for the aged, blind, and disabled are to be financed, in the absence of caseload increases, the Federal Government is going to be spending less money under SSI than they would have spent if SSI had not been enacted at all. This is because, under the new funding mechanism, all of the social security income is deducted entirely from the Federal portion of the payment.

In a State like California, just by way of illustration, our State under any version of H.R. 1 except that finally adopted would have saved some $200 or $300 million, but the SSI program, as adopted—and I supported it, and I do not quarrel with its result—our State is going to lose a couple of hundred million dollars they would otherwise have gotten if there had been no change in the adult program.

So our particular State was significantly disadvantaged economically, in the interest of constructing a rational national program.

Mr. CONABLE. I thank the gentleman for his contribution. I trust he will have further to say as this debate progresses.

Mr. Chairman, there are several points I want to make in closing. First, this is a modest step toward welfare reform if we can preserve a cash-out and keep some new layer of food stamps from being imposed on top of the cash-out the Congress has already achieved. There will be, I suspect, considerable support in several States for this, since most of the welfare people are not anxious to continue both a food stamp program on top of adult categories of welfare which have now been federalized, except to the extent of the supplementation which is mandate to maintain the present levels of adult assistance in those States which have higher levels than $130 or $140 per month that the SSI program provides.

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

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

Mr. BURGENER. I thank the gentleman for yielding.

I should like to associate myself with the remarks of the gentleman in the well. The director of social welfare in our State tells me by telegram that if we fail to adopt the amendment that Mr. CONABLE proposes, our recipients will lose both the food stamps and the $10 cash out amount—which it is in our State—so I think it is entirely in the interest of the States that give supplement grants higher than the minimum, to adopt such an amendment, and I certainly support that.

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

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

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

Mr. Chairman, it is indeed a sad commentary that we should be arguing here today about food stamps for America's poor and elderly, while we authorize millions in subsidies for the giants of agribusiness.

The House Agriculture Committee has approved provisions that severely restrict eligibility for food stamps. The implications of the stamp restrictions for the elderly are particularly cruel in terms of their special nutritional and health needs. I am very concerned about the impact of these changes on this segment of our population who must live on a fixed income and for whom food is the most essential prerequisite next to housing. For this reason I urge your support today for continuing the current agricultural regulations and for the food stamp amendments offered by my distinguished colleague from the State of Washington.

The existing regulations as set by the Secretary of Agriculture have worked effectively for several years without problems. It is essential that they remain in effect rather than instituting new and severely restrictive provisions that would eliminate tens of thousands of elderly households from food stamp eligibility.

It is at our Nation's elderly that changes proposed by the committee would strike the hardest.

First, these changes strike at the elderly by reducing the assets limit for households of two or more persons with one elderly member from $3,000 to $1,500. The committee bill would allow the $3,000 limit only for households with two or more persons over 60.

Imagine, if you will, the consequences to a household of five with assets of $1,600 denied food stamps because only one of its members is over 60. Under the current regulations this same family would be permitted assets up to $3,000 to qualify for food stamps. There is no question but that many older persons desperately need these additional assets for protection against the vicsisitudes of serious illness and to cover funeral and burial costs.

Here is another illustration of a hardship situation created by the committee version. Imagine, if you will, a house-

hold with an elderly man whose wife is in her mid or late fifties. They would now find the amount of assets they could have and still qualify for food stamps reduced from $3,000 to $1,500.

There is yet another area of particular harshness to our older Americans.

The committee bill has significantly narrowed those items which may be excluded by a household when calculating its assets for food stamp eligibility.

The most critical item exempted by the Agriculture Department, but now included in the present bill for calculating resources, is the cash value of life insurance. Failure to exempt this item would make thousands of elderly poor ineligible for food stamps.

Too often the life insurance policies held by elderly poor are merely sufficient to cover the cost of their funeral or burial expenses, or to help provide for an ailing spouse after they die. To deprive older Americans of food stamps simply because they own a modest life insurance policy is both harsh and punitive. In effect the committee is asking our elderly poor in many cases, either to give up their life insurance or to give up food stamps. This, after years of sacrifice to provide some measure of security for their loved ones. What a tragic injustice to subject America's grandparents to a choice between losing their policies or forfeiting their food stamps.

A study by the Institute for Life Insurance conducted in 1969 found 62 percent of all persons over 65 holding life insurance policies. Since 45 percent of the elderly live at or below the poverty line, clearly a significant number of poor do own life insurance policies and would therefore suffer unnecessarily because of this callous provision.

The loss of food stamp benefits would work a double hardship on the elderly by reason of the physical infirmities associated with old age.

Item: 300,000 elderly suffer from diabetes.

Item: 1.6 million elderly suffer from hypertension.

Item: 2 million elderly suffer from serious dental problems.

All of these conditions may require special types of diet. They are usually more costly, and therefore, any assistance the elderly can obtain for providing nutritionally adequate diets through the food stamp program is absolutely crucial.

Surely the Members of Congress will agree that the Agriculture Department is anything but lax in setting requirements for food stamp eligibility.

Yet the Secretary of Agriculture has ruled that the cash value of life insurance policies and income-producing property, for another, be included among exemptions when calculating assets for the food stamp program. It seems that the committee bill would in effect eliminate any family that owns a small piece of property or holds an insurance policy from receiving food stamps—no matter how low their income level.

We are a generous nation. But, regrettably, we have lagged behind other societies in the care of our elderly. We have simply failed to provide our senior citizens with the necessities and benefits they so richly deserve. I believe we will, over the next few years, have to make major readjustments in our treatment of those to whom we owe so much. Eliminating the discriminatory food stamp provisions of the committee bill is only a small step—but an important one—toward our goal of providing a more human tomorrow for America's older citizens.

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

Mr. Chairman, as I stated during the time generously yielded to me by our distinguished colleague, the gentleman from New York, I strongly support the fundamental notion of the SSI program. I would even like to think I had some modest role in suggesting to the then Under Secretary Jack Veneman in HEW how this program might be constructed to achieve maximum efficiency at minimum administrative overhead.

I do not quarrel with the stated objective of the gentleman from New York but his amendment does not achieve that stated objective.

If this Conable amendment is approved, hundreds of thousands of elderly, blind, and disabled poor in this country will be $10 per month worse off than would be the case if the amendment was defeated.

If the gentleman from New York wanted to delete this SSI portion of the Foley proposal and substitute language that would state that while being rendered ineligible for food stamps any aged, blind, and disabled person shall have that amount which they lose by way of eligibility for this food stamp bonus replaced by a cash payment, I would fully support it.

We have got a problem between the Ways and Means jurisdiction and the Department of Agriculture jurisdiction.

I might give one little footnote that is perhaps of some interest. It was at the behest of the distinguished majority leader, the late Mr. Boggs, that I met with him and Senator LONG and Mr. Moynihan and Mr. Veneman and another man from HEW, and Mr. Hymel was there.

It was I who advanced the thought of wiping out the food stamp bonus value and assuring all recipients either that the recipient by virtue of the operation of the new Federal minimum would get a $10 increase or if they would get no increase or some increase less than $10 as a result of the new minimum, they would get the corresponding difference and at the same time be rendered ineligible for food stamps. There was accord on that count.

If we take a look at the Senate bill proposed the last 3 or 4 days at the end of the 91st Congress we will see a supplemental requirement of adding $10 for every recipient in the proposal that also wiped out their food stamp eligibility. But when H.R. 1 finally ran its course this critical savings clause was lost.

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

Mr. BURTON. Last month we passed a provision that requires all States to maintain all benefits for every elderly blind or disabled person in this country that is on board this December, which is the month immediately preceding the moving into this new SSI program.

Also, as the gentleman from New York stated, yes, there is some technical hold harmless for a State theoretically to cash out food stamps but we have got a real hooker, the unresolved problem.

Were is where the proposal of the gentleman from New York flies in the teeth of reality and fact. The States are required under SSI, those that make supplemental payments, to set up a modified payment level, but that level cannot exceed payments other than those that were taking place in January 1972.

Now, if we take that requirement and we take the mandated requirement—States like California literally cannot provide that food stamp cash without it coming out entirely on stateside.

I hope every person in this Chamber who is concerned about the plight of the elderly, the blind, and the poor will reject the Conable amendment and support the Foley amendment. I, for one, state my assurance that at any time we want to eliminate the food stamp bonus amount for those receiving SSI payments and those old people and those crippled people—130 bucks a month, what a pittance, what an inordinate luxury—if we will agree to replace this loss to them in cash, I will then support the Conable amendment.

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

Mr. BURTON. I yield to my friend from California (Mr. BURGENER).

Mr. BURGENER. Mr. BURTON, is it not a fact that in the discussions on H.R. 1, that an agreement was reached that a certain amount of cash money would be substituted for food stamps?

Mr. BURTON. Yes.

Mr. BURGENER. And now, if this bill is not changed, in addition to that cash supplement, food stamps will be added on top, is that not true?

Mr. BURTON. Yes.

Mr. BURGENER. Well, I would then like to vote the other way, in favor of the Conable amendment. I thank the gentleman.

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

(By unanimous consent, Mr. BURTON was allowed to proceed for 1 additional minute.)

Mr. BURTON. Mr. Chairman, the gentleman simply did not ask the right question. It was anticipated and stated, at least to me, that in the process of cashing out the food stamps, and I will give the Members the exact quote, Moynihan and Veneman said to me: "How are we going to get MCGOVERN, who is head of the Senate's Food Nutrition Committee and others to agree to cash out food stamps when the minimum payments cannot be higher than the amounts paid in a number of States. How do we get them to buy it?"

They wanted me to talk to the distinguished chairman of the Committee on Agriculture, Mr. POAGE. I did, some three times on this question.

We agreed to cash out the food

stamps—with a clear understanding that no one would suffer a net loss.

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

Mr. Chairman, I rise in support of the Conable amendment. I would like to point out to the Committee that the real problem which we have before this Congress is to change the welfare system.

If the Members have read any of the reports which have come from the subcommittee of the Joint Economic Committee which I chaired, they must be aware by now that a family of four in New York City getting all of the welfare programs available to them would have to earn $11,500 a year to equal that.

The median wage in New York City is $90 a week, $90.

We brought before the House 2 years in succession a bill to amend the total welfare package, and 2 years in succession the House passed it and it was turned down over in the other body.

The last time we asked for a payment of $2,400 nationwide, guaranteed by the Federal Government and paid by the Federal Government for a family of four. One of the suggested improvements in the other body was an additional $400. But those who made that suggestion did not look at the results. If we had given that additional $400, and if the person would then have gone to work, he would have ended up with less money than he would have had with the $2,400 the House offered. The other body has not gone along with us.

This is a modest effort to begin to correct the welfare system. The truth is that 50 percent of all the people who are entitled to food stamps under the aged categories never get them. They do not apply for them. It costs some money to get them. They have to go downtown, or they have to do something or other, and they end up not getting food stamps.

The truth is that we did cash out the food stamps. For a lot of people in the United States this is a real godsend.

Now we have somebody from a State which is paying in one county to a family of two aged $440 come in and object to the fact that they might not get as much, they are not mandated. That is nonsense. That State still is going to get the amount of money to give those people food stamps, if they want to do so.

I urge the Members in the name of commonsense and human reason to try to stop these vast inequities. Let us begin to correct this welfare system before it destroys this country. Please support the Conable amendment.

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

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

Mr. CONABLE. I should like to compliment the gentlewoman on the study she has been making and the contribution she has given us all in our understanding of the welfare system. The joint Economic Committee is doing a good job on its welfare study, largely because of the gentlewoman's efforts.

I should like to ask the gentlewoman also if it is not true there is a major problem in the welfare system because of multiple programs?

Mrs. GRIFFITHS. Of course.

Mr. CONABLE. And duplicating phaseout?

Mrs. GRIFFITHS. Of course.

Mr. CONABLE. And overlapping administration?

Mrs. GRIFFITHS. Of course.

What we need to set up in this House is a staff who can advise us all on the effects of every welfare program generated by any committee. Food stamps are a part of the welfare program.

Mr. KOCH. Mr. Chairman, will the gentlewoman yield?

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

(On request of Mr. KOCH, and by unanimous consent, Mrs. GRIFFITHS was allowed to proceed for 2 additional minutes.)

Mr. KOCH. I am a great admirer of the gentlewoman. I was very interested in the report she released.

Before this figure of $11,500 becomes embedded in the rhetoric of this House, that every family of four on welfare in New York City is receiving that amount, I want to make the situation clear. My office called the author of that basic report and asked how many people were in fact receiving the equivalent of $11,500. I was told very few and we have to understand that the reference is only to those who are getting every conceivable benefit under the existing law.

Mrs. GRIFFITHS. Yes.

Mr. KOCH. To illustrate a family of four with two children, and if they were going to day care centers, approximately $3,000 for each child would be figured into the amount; is that not so?

Mrs. GRIFFITHS. Yes.

Mr. KOCH. So if a welfare family has two children, so that the woman can go to work, she is accountable for $6,000; is that not right?

Mrs. GRIFFITHS. That is right, if $3,000 were the amount per child, but it is not. But let me point out the inequities in the total system are unbelievable. A woman under welfare is far better off than a man.

Mr. KOCH. I understand.

Mrs. GRIFFITHS. There are all these inequities.

Mr. Chairman, if the gentleman would point out to me that he had made objections that we are treating SSI persons differently than we are treating those on social security, I would be glad to talk about that.

Mr. KOCH. Mr. Chairman, will the gentlewoman yield further?

Mrs. GRIFFITHS. I yield to the gentleman.

Mr. KOCH. Mr. Chairman, first of all, we are not talking about welfare families, is that not a fact? This has no real relevancy to the welfare program?

Mrs. GRIFFITHS. Mr. Chairman, I do not understand what the gentleman is talking about. SSI is welfare. So is the food stamp program welfare. What is the gentleman talking about now?

Mr. KOCH. We are talking about the SSI program. Those are basically the elderly and the disabled. They are not basically welfare families.

Mrs. GRIFFITHS. Well, Mr. Chairman, it is a welfare program. Food stamps is welfare. Whether one is from Grosse Pointe and is going to the University of Michigan and getting them or not, it is welfare.

Mr. KOCH. Mr. Chairman, the point I want to make, if the gentlewoman will bear with me, is this:

By referring to the report which the gentlewoman has brought to our attention in this debate and by talking about the families on welfare, does the gentlewoman not believe that she is clouding this particular subject?

Mrs. GRIFFITHS. No; I am not.

Mr. KOCH. Mr. Chairman, is the gentlewoman not clouding the subject with extraneous factors which have no relevance to the issue at hand?

Mrs. GRIFFITHS. No. Mr. Chairman, if the gentleman had paid attention from the beginning to what I said, he would have known my position.

The CHAIRMAN. The time of the gentlewoman from Michigan (Mrs. GRIFFITHS) has expired.

(By unanimous consent, Mrs. GRIFFITHS was allowed to proceed for 3 additional minutes.)

Mrs. GRIFFITHS. Mr. Chairman, I certainly am not trying to cloud over anything. I tried to point out that we originally tried to cure the entire welfare program at one time, and the House passed this measure. We made a sincere and honest effort. Now we cannot do it because the other body got into the act.

We have tried to cure the problem on a piecemeal basis, and I urge that the Members accept the amendment offered by the gentleman from New York, Mr. CONABLE. If we do not do this, in my judgment, we are going to destroy America.

We cannot have every committee of this Congress passing out welfare without any regard to what it does to our system, and it is not just every committee in the Congress; it is every town, every county, every State.

Mr. Chairman, just to keep up with these welfare changes is an almost incredible job. What is available in one State or in one county is vastly different from what is available in other places. It really is not fair to the American taxpayer.

Mr. BURTON. Mr. Chairman, will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman from California.

Mr. BURTON. Mr. Chairman, we all share great respect for the gentlewoman's concern and commitment, both to the poor people of this country and to the taxpayers. I have been impressed with some of the information which the gentlewoman gave us in her presentation.

A good deal of that which was stated, I am sure the gentlewoman will agree with me, is confusing the issue. The gentlewoman knows and I know that there are not technically any welfare children involved in this in any way. The gentlewoman was discussing that merely to point out the problem, since there are not any welfare families with children involved in this. I know the gentlewoman knows this.

Mrs. GRIFFITHS. Mr. Chairman, is the gentleman telling me that the blind do not have children?

Mr. BURTON. Over two-thirds of the blind aid recipients are over 60 years of age.

Mrs. GRIFFITHS. That might be the average, I do not know, but certainly there are blind people with children.

Mr. BURTON. There are about 7,400 blind persons in this country who are——

Mrs. GRIFFITHS. I do not yield any further.

Let me explain once again: We are not trying to confuse the issue in any way. I want to explain we tried to correct welfare, and you have gone with us on that.

Mr. BURTON. I want you to know this only affects the aged, blind, and disabled. There are only some 78,000 blind recipients in the country and two-thirds of them are over the age of 60 and about 20 percent are married, and if you compute it down, we have about 2,800 blind families that have kids that are in this amendment. However, by and large, we are not talking about what people traditionally think of as welfare families but old and crippled and blind people, and we should not take this food stamp bonus away from them.

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

(By unanimous consent, Mrs. GRIFFITHS was allowed to proceed for 1 additional minute.)

Mrs. GRIFFITHS. That is not the point at all and has nothing to do with it. The point of it is we are now trying to reform welfare, and if we reform it in our committee and then it goes to another committee and all of these things that are taken out are put back in, then we will never get it reformed.

No one is trying to be unkind to these people. For many of them there is a tremendous increase, despite all of the statistics that you stated.

Mr. BURTON. Seventy-five percent.

Mrs. GRIFFITHS. Mr. Chairman, I have thought about this problem until I am sick of it. I urge you to vote with Mr. CONABLE on his amendment and then vote for the Foley amendment.

Mr. GIBBONS. Mr. Chairman, I rise in support of the Conable amendment.

Mr. Chairman, I think I have supported the food stamps ever since I have been in Congress, and I hope I am a friend of the aged, the blind, and disabled and of dependent children and of all these people. I have tried to conduct myself in such a way as to demonstrate that.

But let me refresh your recollection for a few moments and the memory of the House on what has transpired in the Congress.

Last year or the year before last we passed H.R. 1. At that time we cashed out food stamps. I worked with the food stamp people, both the lobbyists promoting them and with the Department of Agriculture administering the program, and we turned the food stamps into cash, that is, the House of Representatives did. We did not get all that some of us wanted, but we got 99 percent of it, which is pretty darned good, and we passed that bill and sent it over to the Senate.

It languished in the other body for about a year. When it came back they left the cashout of food stamps for the aged, blind, and disabled in the bill, but they had taken out the cashout of food stamps for children and their parents for some reason.

We understand—and I am not going back through the litany of the problems that Mrs. GRIFFITHS outlined here, although what she says is true. We have so many welfare programs in this country that you cannot unscramble them all and every committee in the Congress has its own share. I feel that the Ways and Means Committee will continue to improve the benefits for the aged, blind, and disabled.

As proof of that, just 2 weeks ago the Congress, the House and the Senate together, increased the benefits of the aged, blind, and disabled. We increased it over what we had done just a year ago, because of the inflation that has taken place.

I think the Committee on Ways and Means and the rest of us are going to be as liberal as we should be in that area, but we made a deal and we cashed out these food stamps, and we are now being asked to buy them and start distributing them again. I do not think that is good.

I will tell you, food stamps are better than commodities and commodities are better than hunger, but cash is better than any of them, and I think we ought to stick to the same kind of cash proposal that this House almost unanimously agreed to 2 years ago and ratified again last year and reratified again 2 weeks ago.

We should support the Conable amendment. It makes good sense.

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

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

Mr. CONYERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I have heard two Members of the distinguished Committee on Ways and Means emphasizing that it is time we began to deal with the welfare problem, and that if we let all these programs proliferate it will be a bad thing. Can the gentleman give us any idea as to when the gentleman's committee will deal with the welfare problem?

Mr. GIBBONS. Let me say to the gentleman from Michigan that I thought we had dealt with it 2 years ago in H.R. 1.

But the Senate did not agree. The Senate struck out of H.R. 1 the family assistance program that the House has passed twice.

Mr. CONYERS. Is the gentleman's committee giving any consideration to this problem?

Mr. GIBBONS. If the gentleman will permit me to finish my statement: It is not a matter of what the Committee on Ways and Means does, and it is not a matter of what the House of Representatives does, it is a matter of what the Senate has done. We can pass all the bills we want to, and when they get over there if the Senate kills them, there is no way to resurrect them.

Mr. CONYERS. I understand that.

But are there any prospective plans for dealing with the problem?

Mr. GIBBONS. We have the same Members in the Senate, by and large.

Mr. CONYERS. Does the gentleman or members on his committee talk with them?

Mr. GIBBONS. I cannot precisely respond to the question asked by the gentleman from Michigan, because I do not know. I can say that I think it is high on our agenda, and I can say that I know it is high on my personal agenda. I want to do right for the people who are disadvantaged, and I have tried to do this by my support for social welfare programs since I have been in the Congress.

I just think the amendment offered by the gentleman from New York (Mr. CONABLE) makes good sense.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BURTON, and by unanimous consent, Mr. GIBBONS was allowed to proceed for 1 additional minute.)

Mr. BURTON. Mr. Chairman, will the gentleman yield to me?

Mr. GIBBONS. Yes. I always hesitate to yield to the gentleman from California because I know that the gentleman has made a professional study of this, of welfare, and that the gentleman can outtalk anybody on the floor on this thing.

I think that I understand it as well as the gentleman does, but I am not positive that I do. I understand the big picture, I think; but go ahead.

Mr. BURTON. Does the gentleman know how many States have implemented the $10?

Mr. GIBBONS. I know they will never implement it if we keep——

Mr. BURTON. How many States?

Mr. GIBBONS. We have given them the money, but they will not spend it.

Mr. BURTON. No, we have not given them the money. That is a misstatement.

Mr. GIBBONS. There was $31 billion we gave them last year.

Mr. BURTON. The gentleman has made one statement that I fully concur with, we ought to stop the phoney money, and give them cash.

Mr. GIBBONS. That is right.

Mr. BURTON. But we are taking away the food stamp bonus, and we are not giving them the cash. That is the problem with the amendment.

Mr. GIBBONS. The gentleman is wrong; the gentleman is wrong.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. CONABLE) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

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

RECORDED VOTE

Mr. BURTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 238, noes 173, not voting 22, as follows:

[Roll No. 354]

AYES—238

Abdnor	Arends	Bennett
Alexander	Armstrong	Bevill
Anderson, Ill.	Ashbrook	Blackburn
Andrews, N.C.	Bafalis	Bray
Andrews, N. Dak.	Baker	Breaux
Archer	Beard	Breckinridge
	Bell	Brinkley

Broomfield	Hébert	Rhodes
Brotzman	Henderson	Rinaldo
Brown, Mich.	Hillis	Roberts
Brown, Ohio	Hinshaw	Robinson, Va.
Broyhill, N.C.	Hogan	Robison, N.Y.
Broyhill, Va.	Holt	Rogers
Buchanan	Horton	Roncallo, N.Y.
Burgener	Hosmer	Roush
Burke, Fla.	Huber	Rousselot
Burleson, Tex.	Hudnut	Roy
Butler	Hunt	Runnels
Byron	Hutchinson	Ruppe
Camp	Ichord	Ruth
Carter	Jarman	Ryan
Casey, Tex.	Johnson, Colo.	Sandman
Cederberg	Johnson, Pa.	Sarasin
Chappell	Jones, Ala.	Satterfield
Clancy	Jones, Okla.	Saylor
Clausen, Don H.	Keating	Scherle
	Ketchum	Schneebeli
Clawson, Del	King	Sebelius
Cleveland	Kuykendall	Shoup
Cochran	Landrum	Shriver
Collier	Latta	Shuster
Collins, Tex.	Lent	Sikes
Conable	Long, La.	Skubitz
Conlan	Lott	Slack
Coughlin	Lujan	Smith, N.Y.
Crane	McClory	Snyder
Daniel, Dan	McCloskey	Spence
Daniel, Robert W., Jr.	McCollister	Stanton, J. William
	McKinney	
Davis, Wis.	Madigan	Stark
Dellenback	Mahon	Steed
Dennis	Mailliard	Steelman
Derwinski	Mallary	Steiger, Ariz.
Devine	Mann	Steiger, Wis.
Dickinson	Maraziti	Stephens
Dorn	Martin, Nebr.	Stratton
Duncan	Martin, N.C.	Stubblefield
du Pont	Mathias, Calif.	Stuckey
Edwards, Ala.	Mathis, Ga.	Sullivan
Erlenborn	Mayne	Symms
Esch	Mazzoli	Taylor, Mo.
Eshleman	Michel	Taylor, N.C.
Fascell	Miller	Teague, Calif.
Findley	Minshall, Ohio	Teague, Tex.
Fish	Mitchell, N.Y.	Thomson, Wis.
Flynt	Mizell	Thone
Ford, Gerald R.	Mollohan	Thornton
Fountain	Montgomery	Towell, Nev.
Frelinghuysen	Moorhead, Calif.	Treen
Frenzel		Udall
Frey	Mosher	Ullman
Froehlich	Myers	Vander Jagt
Fuqua	Natcher	Veysey
Gettys	Nelsen	Waggonner
Gibbons	Nichols	Wampler
Gilman	O'Brien	Ware
Ginn	Parris	Whitehurst
Goldwater	Patten	Widnall
Goodling	Pettis	Wiggins
Griffiths	Peyser	Williams
Gross	Pickle	Wilson, Bob
Grover	Pike	Winn
Gubser	Poage	Wyatt
Gunter	Powell, Ohio	Wydler
Guyer	Price, Tex.	Wylie
Haley	Pritchard	Wyman
Hamilton	Quie	Young, Alaska
Hanrahan	Quillen	Young, Fla.
Hansen, Idaho	Railsback	Young, S.C.
Harvey	Rarick	Zion
Hastings	Regula	Zwach

NOES—173

Abzug	Clay	Foley
Adams	Cohen	Ford, William D.
Addabbo	Conte	
Anderson, Calif.	Conyers	Forsythe
	Corman	Fraser
Annunzio	Cotter	Fulton
Ashley	Cronin	Gaydos
Aspin	Culver	Giaimo
Badillo	Daniels, Dominick V.	Gonzalez
Barrett		Grasso
Bergland	Davis, Ga.	Green, Pa.
Biaggi	Davis, S.C.	Gude
Biester	de la Garza	Hammer-schmidt
Bingham	Delaney	
Boggs	Dellums	Hanley
Boland	Denholm	Hanna
Bolling	Dent	Hansen, Wash.
Bowen	Diggs	Harrington
Brademas	Dingell	Harsha
Brasco	Donohue	Hawkins
Brooks	Drinan	Hays
Brown, Calif.	Dulski	Hechler, W. Va.
Burke, Calif.	Eckhardt	Heckler, Mass.
Burke, Mass.	Edwards, Calif.	Heinz
Burlison, Mo.	Eilberg	Helstoski
Burton	Evans, Colo.	Hicks
Carney, Ohio	Evins, Tenn.	Holifield
Chisholm	Flood	Howard
Clark	Flowers	Hungate
Johnson, Calif.	Murphy, Ill.	Seiberling
Jones, Tenn.	Murphy, N.Y.	Shipley
Jordan	Nedzi	Sisk
Karth	Nix	Smith, Iowa
Kastenmeier	Obey	Staggers
Kazen	O'Hara	Stanton, James V.
Kluczynski	O'Neill	
Koch	Passman	Steele
Kyros	Pepper	Studds
Leggett	Perkins	Symington
Lehman	Podell	Thompson, N.J.
Litton	Preyer	Tiernan
Long, Md.	Price, Ill.	Van Deerlin
McCormack	Randall	Vanik
McDade	Rangel	Vigorito
McFall	Rees	Waldie
McKay	Reid	Walsh
McSpadden	Reuss	Whalen
Macdonald	Riegle	White
Madden	Rodino	Whitten
Meeds	Roe	Wilson, Charles H., Calif.
Melcher	Roncalio, Wyo.	
Metcalfe	Rooney, N.Y.	
Mezvinsky	Rooney, Pa.	Wilson, Charles, Tex.
Minish	Rose	
Mink	Rosenthal	Wolff
Mitchell, Md.	Rostenkowski	Wright
Moakley	Roybal	Yates
Moorhead, Pa.	St Germain	Yatron
Morgan	Sarbanes	Young, Ga.
Moss	Schroeder	Young, Tex.
		Zablocki

NOT VOTING—22

Blatnik	Green, Oreg.	Mills, Ark.
Carey, N.Y.	Holtzman	Owens
Chamberlain	Jones, N.C.	Patman
Collins, Ill.	Kemp	Stokes
Danielson	Landgrebe	Talcott
Downing	McEwen	Young, Ill.
Fisher	Matsunaga	
Gray	Milford	

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DICKINSON TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. DICKINSON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON to to the amendment offered by Mr. FOLEY: Page 4, line 18, insert the following:

(l) Notwithstanding any other provision of law, a household shall not participate in the food stamp program while its principal wage earner is, on account of a labor dispute to which he is a party or to which a labor organization of which he is a member is a party, on strike: *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further*, That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout.

"(m) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(o) The term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or condition of work.

"(p) The term 'strike' includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement)."

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. DICKINSON. Mr. Chairman, this is the amendment, so-called, to prohibit the issuance of food stamps to strikers.

Mr. Chairman, I do not offer this because I am opposed to organized labor, but, to the contrary, because I believe in the precepts and principles of collective bargaining. I believe that the issuance of food stamps to strikers strikes at the very heart of free and collective bargaining.

This is not, and I repeat not, an anti-organized labor amendment, but rather it is a pro-poor-people amendment. Every dollar that is taken away from those who are in need to help subsidize someone on strike, who is not in need, to that extent it is a perversion of the intent of the original passage of the law.

Mr. Chairman, I support free enterprise. I support the principle of collective bargaining.

There is free enterprise, as well as some ills, in the food stamp program in general. The Governor of Kentucky, for instance, told the story about the farmer in his State, who went to town in his bib overalls with a great big ham on his shoulder. It was a pretty Kentucky smoked ham. A tourist passed by and asked him if he wanted to sell the ham. He said, "No," he did not believe he did. The tourist said, "I will give you $30 for it." He told him it was not for sale. Then the tourist said, "I will give you $40 for it." It was a beautiful smoked ham. He said, "No, it is not for sale at any price."

The farmer went on down to the grocery store, down the street, and he sold the ham to the grocer for $35. He took that $35, and he put $15 in his bib pocket, up here, for spending money. He took the remaining $20, and he went down to the bank, and with that $20 he bought $100 worth of food stamps.

He takes the $100 and goes back to the same grocer, gives $40 worth of food stamps for the same ham he had sold him, buys $60 worth of groceries. So he goes home with $15 in his pocket, $60 worth of groceries and the same ham he started with. Now, that is free enterprise.

Mr. Chairman, I am not trying to get at that part of the food stamp program, but I am trying to get at what I think is an injustice to those in need and an injustice to those who deserve the food stamp program.

There are three reasons why I think this is wrong. First, it destroys the balance necessary to maintain a true collective bargaining system; second, it limits the amount of food stamps which can be issued to the low-income families which the program was designed to aid; and third, it is an illegal use of severely limited tax dollars.

Mr. Chairman, how can there be a true collective bargaining when we take the taxpayers' dollars and use them in preference to one side over another and give one side an advantage over another in a manner directly affecting the consumer and the public? In so doing, we are abandoning our principles of fair-play and free enterprise.

The collective bargaining system depends on pressure on both sides to negotiate a settlement. When the strikers are receiving enough public assistance, a great part of which is in food stamps, to keep them from needing to work, there is obviously not the same amount of pressure on the strikers as there is on management.

If the Government through its intervention, eliminates the pressure on either side, then it eliminates the incentive to negotiate in good faith, and this in turn prolongs strikes, and prolonged strikes mean higher wages at settlement, and eventually higher prices to the consumer, and higher taxes.

Therefore, we destroy the economic function of the collective bargaining system and in this way we throw our system out of whack.

Mr. Chairman, I had a complaint from one person who said he was irate at the thought that we would eliminate food stamps for strikers, and he said that he was entitled to his food stamps while on strike because he paid taxes.

Well, that is fine on the surface, but if we look beneath the surface, we will find out General Motors and United States Steel pay taxes too. I wonder if we would contend that they, too, are entitled to government assistance to help them during a strike.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. DICKINSON) has expired.

(By unanimous consent, Mr. DICKINSON was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, I do not believe there is a Member on the floor today or in Congress who believes that it is right for the Federal Government to go in and subsidize business and subsidize management during a strike to enable them to prolong a strike, rather than to come to some reasonable agreement. And the converse is true; the opposite side of the coin is true. Neither is it right for the Federal Government to go in and subsidize the striker.

The use of food stamps for strikers is a perversion of the purpose of the Food Stamp Act. Food stamps to strikers is an unintended consequence of a program designed to help low-income families to exist and live better. If the food stamp program is maintained through vigorous political efforts, and if this practice is continued food stamps for those intended to benefit from the program must be reduced or the cost of the program will continue to accelerate rapidly. According to the letters I have received, there are many of our working poor who really need help, but who cannot qualify because of the way in which the law is written, while strikers who are less deserving at the same time are getting food stamps.

The cost of the food stamp program, like so many Federal programs, increased greatly in the last decade, from $14 million to more than $1.9 billion. It is proposed to be $2.4 billion by this bill. At a time when we are struggling to reduce Federal spending, we should recognize an estimate $240 million went last year to subsidize strikers. That is more than 10 percent of the program.

I base my statistics on a very comprehensive study. Here is a bound volume entitled "Welfare and Strikes—The Use of Public Funds to Support Strikes" by Mr. Armand Thieblot, and associate professor at the University of Pennsylvania.

His study shows conclusively that by using the public Treasury we prolonged and induced or encouraged strikes. The result of all this is to cost the consumer and everyone more.

The purpose of this amendment is to keep people from being eligible for food stamps simply because they are on strike. My amendment says if you are already entitled to the food stamps and you go on strike, then you are still entitled to the food stamps. We know as a matter of practice, when you go in to sign up for food stamps and declare, if they ask you, what your net worth is, all you have to do is make a representation and they do not have the time, with an influx of thousands of people, to look behind the statement and find out if you do in fact qualify. There is no follow up.

As an extreme example, but this is true, a person can go on strike and have two Cadillac automobiles and a cabin cruiser and go down and qualify for food stamps immediately, but the working poor person who does deserve them but has a small income from his job cannot qualify.

Now, where is the justice in that? Is that what we wanted and intended to do, or is it a perversion of the program? There is no doubt in my mind that the program has been perverted from its original intent. It was never intended by the Congress or those who envisioned aid to the needy initially that this program would be taken to subsidize strikers and that 10 percent, approximately, would be taken off the top—and it is growing—to go to those who do not really need it and really are not qualified and really prefer one party over another in a collective bargaining situation and thereby destroy the whole collective bargaining system.

Mr. YOUNG of Florida. Will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, I rise in support of the gentleman's amendment to prohibit the issuance of food stamps to strikers.

On January 11 of this year, I introduced H.R. 1940, to amend the Food Stamp Act of 1964 to exclude striking households from coverage. My bill is identical in thrust with the amendment offered here today, and I am delighted that the House will have an opportunity to vote on this matter.

The Food Stamp Act of 1964 was enacted to implement a program of Government food subsidies for destitute persons: the unemployed; the unemployable; families on welfare; mothers with dependent children; the aged; the blind, and the disabled.

By no stretch of the imagination can able-bodied strikers be placed into these categories. By no stretch of the imagination can skilled individuals who choose not to work be called destitute.

The right to strike is basic. But financial support from taxpayers' funds during a strike is an intolerable breach of Federal neutrality in a labor-management dispute.

It is a perversion of the original intent of the Food Stamp Act—to help feed the truly needy.

An able-bodied man who elects to stop working—and in some cases, deprives others of the right to work—should not be discouraged or encouraged in his actions by the Federal Government.

The unions exist to represent labor and look after labor's interests. Unions maintain "strike funds" to support their members during contract disputes involving strikes. By providing a virtually unlimited "strike fund supplement" in the form of food stamps, the Government is effectively subsidizing a strike with public money. It supports one side in a dispute to the loss of private enterprise, the taxpayer, and the consumer.

The food stamps issued to strikers do not go to feed starving children or malnourished senior citizens. They are used in households which may have a gross annual income of up to $20,000 per year. The head of the household not only has access to union financial resources, he has the assurance of a salable skill and a job in his future.

But for every food stamp dollar provided to these households—an estimated $238 million in fiscal 1972 alone—there is one less dollar for someone genuinely in need.

The squeeze on Federal resources grows more intense with each passing month. The Congress has approved programs which are worthwhile—but which we literally cannot afford to fund.

Why, then, should we agree to the annual diversion of $238 million from the truly needy to able-bodied employables?

I urge my colleagues to vote "yea" on this amendment. The present system is a compendium of abuses:

The taxpayers' dollars go to support extended strikes which serve to inconvenience the public and raise the price of consumer goods.

The Federal Government abandons its neutrality in labor-management relations in favor of financing strikes.

And those who legitimately qualify for welfare are cheated of funds and benefits which are rightfully theirs.

Mr. REID. Will the gentleman yield?

Mr. DICKINSON. In just a moment.

So, Mr. Chairman, without belaboring—and I think we all pretty well understand what is involved—if you really want to do the job that this program is designed to do and if you want to help the needy and if you want to stop preferring one side over another in a collective bargaining situation and if you want to do what is right and what is just, not with an anti-labor vote but with a pro-poor-person vote, then support my amendment. I think it is fair, I think it is just, and I think it is needed.

Mr. FOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we are to some extent back at an old stand. On several occasions in the past the House rejected an amendment similar to the amendment offered by the gentleman from Alabama

(Mr. DICKINSON). I think the House acted wisely in rejecting the amendment in the past. I hope it will do so again.

The present draft of this proposal goes a little further than others in the past, because it says not only do you take away food stamps from the household if a member of the household is on strike, but if he just happens to belong to a labor organization that is on strike, you take away his food stamps.

What that means, I do not know, but if it is meant to mean that all members of an international union are ineligible for food stamps if one of its local unions is on strike, I do not know what possible equity there could be in that.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield at that point?

Mr. FOLEY. I would prefer that the gentleman permit me to finish my statement, and then I will be glad to yield to the gentleman if I can secure additional time.

Mr. Chairman, the suggestion of this amendment by Mr. Dickinson is that if a labor union member or other person is on strike, he is somehow engaged in an improper if not illegal activity.

I would remind the Members that our labor laws protect the right to strike, and the courts have to recognize, when strikes are called in the appropriate manner, after an unfortunate breakdown in collective bargaining, the right to strike is not illegal and not subject to injunction or other legal restraint.

I might suggest that obviously when a breakdown in collective bargaining occurs it is not always the fault of the union, it sometimes is the fault of the employer. No one can say that every strike is a result of a breakdown in collective bargaining attributable to excessive demands by unions.

In many cases the failure of collective bargaining lies with the employer.

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

Mr. FOLEY. Not at this time. I allowed the gentleman from Alabama to complete a 10-minute address without asking the gentleman to yield. I would like to complete my remarks, and then I will yield.

The first assumption is wrong. Much as we regret strikes, they are legal. Much as we regret them, they are sometimes the fault of the unions, and they are sometimes the fault of the companies.

The basic argument behind this proposal is that we ought to be fair and equitable, and the Government ought not to come in and help break a strike, or win a strike for the union. That might be all right if we were going to be perfectly equitable, if we were going to say that absolute neutrality is the rule. But there is no law that says that a small business loan cannot be made to a company during a strike. There is no law that says a Government contract cannot be let to a company during a strike. In fact, the tax laws say that any losses occurring as the result of a strike not only can be claimed in that tax year, but they can be carried back for 5 years, and carried forward for 3 years, thus insuring the maximum tax deductibility for strike losses. Is that not a little cushioning of the strike impact on the employer through the tax laws?

As far as I know there is not a single expense to an employer due to a strike that cannot be written off, and cannot be written off if the company wants to do it.

So the real purpose of this amendment is not to restore some Government neutrality allegedly lost because strikers are eligible for food stamps but on the contrary to use a denial of food stamps as a pressure on the worker—or more accurately on his family—to help break a strike. Remember everyone in the household, mother, father, daughter, son, even infant child—are denied participation. Not just the worker himself.

Now, the gentleman from Alabama says that no one has the right to food stamps, and I might agree, but you know, most all know, the complaint one hears, that some people who are receiving food stamps are professional loafers who will not work. If there is one thing a striker is, he is by definition a worker. He is someone who holds down a job, who contributes to the economy of his country, and his community, and who does indeed pay taxes, to support this and other Government programs.

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

Mr. FOLEY. I am delighted to yield to our distinguished Speaker, the gentleman from Oklahoma (Mr. ALBERT).

Mr. ALBERT. Mr. Chairman, I would ask the gentleman from Washington if we would not have this sort of a situation if this amendment were to carry, that the families of the strikers, no matter what other circumstances, would be the only ones in the United States that could not qualify, if they otherwise qualified?

Mr. FOLEY. The distinguished Speaker is exactly correct.

I just want to point out something else.

Perhaps some accuse me of being demagogic or overly sentimental, but I wish to point out to the House, as I have before, that under our present laws if a man or other head of the household is convicted of a felony, whether it be murder, robbery, rape, or treason, and is incarcerated in a penitentiary for that offense, his family is still eligible for food stamps. But supporters of this amendment would urge notwithstanding that fact, that if a man is out on strike, his family should not be eligible.

What standard of social values can justify such discrimination against not our worst but against some of our best—our hardest working—our most responsible citizens.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. FOLEY was allowed to proceed for 5 additional minutes.)

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

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

Mr. REID. I commend the gentleman in the well for his statement on particularly, in my judgment, the gentleman from Alabama's amendment.

Mr. FOLEY has clearly pointed out we penalize children, and what we are saying here today is that we could penalize 10 million children, because that is roughly the number who do not have adequate nutrition. I commend the gentleman for making that point, because the heart of this amendment is penalizing children.

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

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

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

I should like to discuss with the gentleman a couple of points he made: First of all, that this amendment as introduced by the gentleman from Alabama is discriminatory against union members. That is certainly not true, and I think if the gentleman has read the amendment, he would know that it states:

> *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, . . .

So I want to make it clear that the gentleman's point and the Speaker's point, that it would discriminate against union members, if they were eligible for food stamps before, is not true.

Mr. Chairman, as I have stated in my testimony before the Agriculture Committee during its consideration of this legislation, the existence of a food stamp program without safeguards designed to prevent the abuse of the program by persons such as strikers, who are voluntarily unemployed, offers nothing but trouble for the taxpayers of this country. According to the comprehensive Wharton study, which I cited in my testimony, the availability of food stamps for strikers tends to increase the frequency, length, and ultimate costs of strikes by reducing the economic pressure which might otherwise encourage striking unions to work out their differences with management without resorting to costly strikes. This is not to deny that unions should exercise the right to strike where strikes are lawful and are peacefully conducted, but the decision to strike should be made with due regard for all of the consequences. It makes no more sense to permit food stamps to be made available to strikers than it would make sense to enact legislation for the relief of employers who suffer loss of revenues and profits because of strikes.

To add insult to injury, the same taxpayer who, as a consumer, suffers the hardship of lengthy strikes and inflationary settlements is then asked to bear the increased cost of providing these benefits to strikers. For example, according to the Wharton report, the cost of providing food stamps to striking General Motors employees in Michigan during the 1970 strike was more than $10 million, and that is just the cost of one strike in one State for one of several taxpayer-supported programs, such as the AFDC program, under which benefits have been made available to strikers.

It must be obvious to my colleagues that there is absolutely no way to budget for the provision of these benefits to strikers since there is no way of estimating how long a strike may last or

how many strikers may apply for assistance and since the very fact that the benefits may be made available is likely, according to the Wharton report, to affect the frequency and cost of strikes. This is a time of great concern, which all of us share, for the future of the dollar and for the health of our economy. I believe we all recognize that our ability to deal with these problems is directly related to the success of our effort to find some way to gain effective control over the growth of the Federal budget. Many Members are undoubtedly aware, as well, of a study which has just been released by the Joint Economic Committee which indicates that we have reached the point where a family of four can conceivably obtain benefits equivalent to a gross earned income as high as $11,500 without working, so that there seems to be little reason for many persons, including many present taxpayers, to work, unless for some reason they happen to feel restless or feel compelled out of habit to continue working.

My reason for discussing the findings of the Wharton and Joint Economic Committee studies at this time is that I simply cannot understand how, in light of our concern over the unchecked growth of the Federal budget and the destruction of the economic incentives which are the foundation of our productive economy, we can proceed with "business as usual" and permit the provision of unlimited benefits to individuals who voluntarily choose not to work.

For these reasons I believe that it is essential that this House enact the Dickinson amendment to prohibit food stamps for strikers.

Mr. FOLEY. I will yield for a question, but not for a speech. Obviously, people on strike are people who have jobs. Thank God they usually do not have to depend on the food stamp program and are not eligible, because of their wages. To argue that workers who are on strike should only be eligible for food stamps if they were eligible before the strike is either foolish or deceptive. Before the strike they were receiving wages and obviously ineligible because of employment. In any case the proponents argue that a worker on strike has only himself to blame. It is his own fault he is on strike; right? Not necessarily. Not necessarily.

In the first place, as I have said, it may be the company's fault that collective bargaining failed. Second, unions vote on strikes. They have to vote on strikes. A member who votes against a strike who is opposed to going on strike is prohibited, with his household, from participating in food stamps, exactly as is the member who gets to go on strike. They are both in the same situation. A member who wants to go back to work and votes to end the strike does not then become eligible. His ineligibility continues if he is a member of the union on strike. He is not eligible as long as the union to which he belongs is on strike.

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

Mr. FOLEY. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Just to advise the Members of our legislative history, my amendment says only those members who are on strike are ineligible, not everybody who belongs to a union. If a local union of AFL–CIO goes on strike with 20 members, that does not mean all members of the AFL–CIO are covered.

As to the other point in the gentleman's debate, this is not directed at children. This is not to deprive those who were eligible before the strike. This is directed at charity for people not deserving charity.

I appreciate the gentleman's yielding.

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

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

Mr. HOLIFIELD. I was very much interested in the gentleman from Alabama's proclaiming his thesis that we should not subsidize strikers because we do not subsidize private enterprise. I have not found that to be the situation. There is hardly a major corporation in America that is not, indeed, subsidized one way or the other. And all we have got to do is look at the Pennsylvania Railroad and Lockheed and a few others.

I also wanted to comment on the gentleman's very lucid explanation that felons of different types and their families and their children can get food stamps but here is a man who is not a felon but who is exercising a legal right which this Congress has legislated for him to participate in, striking in order to obtain results in collective bargaining which the Congress has legislated, a man performing a completely lawful act under all the laws of the United States, and yet it is his family that suffers, his children, and his wife.

Mr. FOLEY. I thank the gentleman.

I would like to point out when the gentleman from Alabama says we are not trying to reach the children, he could have provided an amendment that stated where a household has a member on strike they would lose a proportionate value of the food stamps as the striker bears to the household but he chose to take out every child, every adult including possibly aged and infirm—the whole family.

This amendment is punitive, antilabor, antiunion, unfair, and discriminatory.

It will not bring labor or industrial peace. It will contribute only a legacy of bitterness and rancor toward the worker's employer and toward the worker's Government as well.

Mr. GOODLING. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, before addressing myself to the business before the House today I would like to correct an ugly rumor that apparently is making its rounds in the House. It has been said by some of my friends or probably my enemies that when I voted "aye" the other day the electronic rollcall broke down. But it was not that at all, I can assure the Members. The electronic rollcall suffered so much through this bad agricultural bill that it simply could not take any more of it, and I want to predict that unless we get to a final vote in a hurry it will probably break down again.

Mr. Chairman, this is not the first time that the emotional strings of the Congress have been played upon by the food-stamps-for-strikers issue.

No other subject brings out the crying towels in greater quantities. Tears flow copiously down the cheeks of the emotion-engendering pros as their hearts bleed profusely for the poor, innocent children who supposedly will starve if food stamps are denied their striking parents. Interestingly enough, however, I do not recall seeing these same Members shedding such crocodile tears for the poor, overworked taxpayer, the one who inevitably is required to pick up the tab for this food-stamps-for-strikers program.

Even a cursory glance will show that we are traveling down the food stamp road at an alarming rate of speed. The skids are well greased. The program started originally in 1961 with five $1 million pilot programs, I would like to point out that in the early history of the program, food stamps for strikers, college students, hippies, and commune residents never entered into the minds of food stamp proponents. The food stamp program was designed for the poor and needy who desperately needed assistance and who did not drive high-priced autos to pick up stamps and groceries.

Things are different today, however, with an "open door" policy on food stamps. The cost of the program has orbited to $2.5 billion, which is the projected figure for fiscal 1974. Is there not a song that says, "We have come a long way, baby"? Where food stamp costs are concerned we sure have!

I would like to point out that denial of food stamps to strikers is not a violation of the right-to-strike doctrine. The right-to-strike is a basic right of labor, and I want to see it preserved and maintained. However, if the Federal Government subsidizes the striker, we, in a sense, go from "collective bargaining" to "protective bargaining." Those who go out on strike do so to obtain certain benefits and advantages. If they do this, they should also be willing to accept certain disadvantages that might occur. What they want, however, is to eat their cake and have it, too.

In one of the strikes, during which strikers were getting food stamps, one striker was heard to remark:

> They can't starve us out now that we are getting food stamps. We can go on forever.

Such an atmosphere hardly appears to be ideal for serious negotiation.

Today our dollar is being devalued and our inflation spiral is ever upward. Let us recognize that it is this type of irresponsible food-stamps-for-strikers legislation that is causing such economic woes. There are, of course, those who would give away the capitol dome, failing to give serious thought to the balance of the structure until it is too late and a capitol in ruins comes tumbling down and, inevitably it will unless we reverse present trends.

Let us give the overworked taxpayer a

real break and support the amendment designed to prohibit the issuance of food stamps to strikers.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Arizona (Mr. STEIGER).

Mr. STEIGER of Arizona. Mr. Chairman, I would just like to congratulate the gentleman from Pennsylvania on his well reasoned and logical response to what has to be described by anybody with obvious embarrassment as a resort to rhetoric on the part of the gentleman from Washington.

I can appreciate that embarrassment, and would only like to advise the opponents of this amendment that it is because they do not have the votes that they stall and engage in rhetoric and subject themselves to embarrassment. It is already out of this amendment when we proceed to finish the rest of this legislative work.

Mr. TEAGUE of California. Mr. Chairman, I rise in support of the amendment.

There is no purpose in going over all the arguments pro and con on this subject. I think every one of us has made up our minds. I would like to point out something which the gentleman from Alabama (Mr. DICKINSON) did not.

The amendment which he has offered is modified somewhat from the bill he and many other Members of this House introduced. We offered in the committee an amendment which lost twice on an 18-to-17 vote and won once when we did not have a quorum.

However, it applies only to the principal wage earner and the family. This means that if there is a large family, and one of the girls is working as a telephone operator and goes out on strike, then it does not make the whole family ineligible. Also, in contrast to the original bill introduced by Mr. DICKINSON, it does not apply to walkouts.

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

Mr. TEAGUE of California. I yield to the gentleman from Washington, even though he did not yield to me.

Mr. FOLEY. Mr. Chairman, I am glad to yield to the gentleman anytime. I regret I did not have time to yield to the gentleman earlier and still complete my statement. I assume the gentleman has concluded his remarks and can yield to me now.

Mr. Chairman, it is true, it is not that if the principal wage earner in the family, the head of the household, is on strike, the entire family loses eligibility?

Mr. TEAGUE of California. Yes; that is certainly right.

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

Mr. TEAGUE of California. I yield to my colleague from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, is it not also true that the overwhelming majority of the unions today have substantial strike funds, so that the argument that the unions are depleted and without ability to help support their strikers while they are on strike is no longer true; and whereas the need for food stamps to strikers is nowhere near as pressing now as it was perhaps in previous times, because they are usually able to finance and able to support their own workers, and if the food stamp program as we originally enacted it was for the poor people in this country, and not people who are basically working, is that not correct?

Mr. TEAGUE of California. Yes, in my opinion.

Mr. ROUSSELOT. Was it not brought out in the Committee—and this is why there were perhaps 17 votes for this amendment—that the overwhelming majority of unions have a way of supporting their people when they are on strike, so that it is not necessary today to make use of the food stamps?

Mr. TEAGUE of California. Yes, I made that argument in committee.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. VIGORITO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I definitely am against the amendment of the gentleman from Alabama.

It is legal to be on strike. It has been legal for almost 40 years.

Last year one of the lower Federal courts, and I am not sure exactly which one, stated that a striker cannot be denied Federal benefits merely because he is on strike. Unfortunately, they did not mention food stamps, but if I interpret correctly the meaning of "Federal benefits" then food stamps would be included.

To reenforce my argument and to second the statement of one of the lower Federal courts, 2 weeks ago the Supreme Court stated that hippies have a right to food stamps. Now it seems that some are in favor of food stamps for hippies but not for strikers, who have a legal right to be on strike.

I should like to ask the gentleman from Alabama a question, if he will permit me to do so.

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

Mr. VIGORITO. Before I continue, I would like to remind the gentleman that I am one of three certified public accountants in the House. Does the gentleman still wish that I ask the question?

As the gentleman knows, in one of his statements he mentioned the taxpayers would be stuck with the bill to give food to strikers, not only to strikers, but also to their families, including children, and milk for the babies.

Does the gentleman believe in lockouts? No. He does not believe in strikes, I am sure.

Mr. DICKINSON. Is that a question, or is the gentleman answering for me?

Mr. VIGORITO. I am just making a statement.

Mr. DICKINSON. If the gentleman is just rambling, go ahead, but when he gets to the question, let me know.

Mr. VIGORITO. I am leading up to the question, and I will state the question right now.

Can General Motors, assuming the negotiations presently going are not satisfactory, decide to lock up its plant for 2 months, and can it deduct the cost of the lockout for 2 months, including depreciation, overhead costs, executive salaries, and so forth and so on, which would be untold millions of dollars That is the question.

Mr. DICKINSON. Is that the gentleman's question?

Mr. VIGORITO. That is the question.

Mr. DICKINSON. I thank the gentleman. If he will read the amendment he will see it says:

Provided further, That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout.

I believe the question is moot.

Mr. VIGORITO. That does not answer my question. Suppose a company has a lockout. Is the company entitled to deduct the expenses of overhead, depreciation, and executive salaries during the period of the lockout?

Mr. DICKINSON. Perhaps that is true, but that is really not at issue here.

Mr. VIGORITO. That is the question.

Mr. DICKINSON. The employees are not prohibited. The gentleman talks about the children. The point is that if we take from those who deserve this, the really hungry children, to give to the children of strikers, whom are we hurting? We are hurting those who really need it.

Mr. VIGORITO. I disagree with the gentleman very much, because there is no limit to how much we can pay out in food stamps.

I thank the gentleman from Alabama.

The point is, Mr. Chairman, under the Internal Revenue Code each corporation which has a lockout and suffers say $100 million in expenses during such a 2-month period can deduct that on the tax return, and the taxpayers will pick up about half of the cost, or approximately $50 million.

I oppose the amendment. I would appreciate it very much if the Members would vote down the amendment.

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

Mr. VIGORITO. I yield to my good friend from Ohio.

Mr. VANIK. So far as the tax question is concerned, the distinguished gentleman from Pennsylvania is absolutely correct. All the business expenses during a period of lockout, including salaries and so forth, are deductible as business expenses.

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

(On request of Mr. TEAGUE of California, and by unanimous consent, Mr. VIGORITO was allowed to proceed for 1 additional minute.)

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. Mr. Chairman, I am sure that my friend from Pennsylvania, who is, as I know, a fine CPA, is correct. But I think that he probably also knows that the law specifically provides that the recipients of food stamps do not pay income tax on the value of those food stamps.

Mr. VIGORITO. The gentleman is correct. There are a lot of Federal bene-

fits that a lot of people do not pay income taxes. In fact, there are a lot of benefits that go to the upper echelons of our business world. They get fringe benefits, and they do not pay any income tax.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have listened to this debate with a great deal of concern. I oppose the amendment.

I believe that people are eligible for foodstamps in whatever category their eligibility permits them to be eligible. Obviously they do not pay taxes on foodstamps, because that is not income.

It is interesting to me that we have had a discussion on forbidding food stamps to strikers in connection with this particular bill. There has been a great deal of discussion describing foodstamps to strikers of food stamps as subsidies. Some of the Members who have spoken in opposition to this amendment depriving strikers of foodstamps argued in return of the many subsidies of one kind or another to large corporations. I agree with this observation.

I believe that this proposed amendment does undermine the hard-won right of strikers to collective bargaining, as others have noted. But it does something else which is more fundamental. That is this: It discriminates against people who are workers, and it says that it doesn't matter that they continue to be workers.

We do not do that same thing in this very bill with respect to any other group, least of all the farmers. We go to great lengths here in this bill to provide for the ways in which farmers can continue to be farmers. We go to great lengths here in this bill to say that there are serious economic problems affecting the farmers in this country and we, therefore, have to subsidize them in order for them to continue to be farmers.

Mr. Chairman, I say to all of the Members in this House that this is the fundamental proposition in this bill. Those of us from all over this country who are not farmers, who constitute 98 percent of the people in this country, who are supporting many, if not all, aspects of this bill, because we recognize the need of people to be able to continue with their work, as farmers have the right to ask every single Member in this House to support the right of workers to continue to be workers. We must not discriminate against workers and say that they and their families can go hungry because they happen to be out on strike, at the same time that we ask help for farmers and their families.

Mr. Chairman, I ask the Members to oppose this amendment

Mr. WHALEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to address my remarks to the argument that the Government, by providing food stamps, would be subsidizing strikers.

What is a strike? A strike is an agreement on the part of two parties to a contract, management and labor, to disagree. A strike can be averted in one of two ways: Labor can accept the lesser offer of management, or management can accept the higher request of labor. A strike ensues because both parties feel that it is in their long-term interest, economically, to stop work.

Now, what is the effect of a strike? First, with respect to the worker, quite obviously by going out on strike, his income declines.

Therefore, his tax liability declines correspondingly. However, his personal expenses continue; he has to pay for his utilities.

The worker may have to pay for the education of his children; certainly he has to pay for the food that he cousumes and perhaps has to pay rent. There is no Federal relief to help the worker with the exception of food stamps, for which the worker, of course, has to pay.

Now, what about the company? The company's sales decline, unless the company, of course, prior to the time of the strike, builds up its inventories. In the event of a sales decline, the company's income and profit decline. The company's tax liability declines correspondingly. But the company, too, has continuing expenses. The company is confronted with the cost of depreciation, and it, too, must pay for utilities—heat, light, and power—pay for insurance and pay for plant maintenance, and it also pays certain key executives' salaries. The Federal Government allows these expenses to be deducted as a cost of doing business, despite the fact that the company voluntarily has decided to stop doing business. As a consequence, this will further reduce the profit of the company and will further reduce the tax liability of the company.

Let me give you an illustration. For example, if a strike goes over a 2-month period the company's allowable costs are $1 million, this would reduce the company's tax liability by $500,000. This, of course, represents a subsidy by the Federal Government at a time when the company has, by its own choice, closed operation.

As the gentleman from Washington (Mr. FOLEY) pointed out, the company has another tax advantage. If the strike goes on long enough and the company sustains an operating loss, it can go back for 5 years or forward for 3 years and obtain tax credits. For example, if the company had lost $1 million in that particular year, it could claim approximately $500,000 in taxes previously paid.

Mr. RAILSBACK. Will the gentleman yield?

Mr. WHALEN. I yield to the gentleman.

Mr. RAILSBACK. I think this particular point is most important. You are talking about a net operating loss, which if it is large enough, can be used to offset taxes paid for the 5 preceding years and can also be carried forward for 3 years. I favor giving business this tax benefit, but I do think it is unfair to imply that strikers are the only ones to receive benefits because of the food-stamp payment. I do not think enough has been made of that.

Mr. WHALEN. That is exactly correct. And it is certainly a tax subsidy on the part of the Federal Government plus allowing expenses at a time when the company decided voluntarily to stop business.

I would simply conclude by saying that you have to look at both sides of the ledger. In my opinion, the Federal Government subsidizes the company far more than it does the striker in terms of providing food stamps. Therefore, until the subsidization of the company ceases on the part of the Federal Government, I will certainly oppose any effort to deny strikers food stamps. Therefore, I urge my colleagues to oppose the amendment.

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

Mr. Chairman, the first time this proposal to prohibit strikers from qualifying for food stamps was brought up 2 years ago I supported it, because of the abuses that had been occurring. One of the proponents of this amendent today quoted one of the union leaders, stating that we can last indefinitely on account of the fact that we have food stamps. That statement originated about 3 years ago before the regulations were tightened up.

I shall ask permission to insert the regulations when we go back into the House.

I see no reason why we should discriminate against some section of our society when they are engaged in something that is legal if they qualify otherwise. We tightened up the qualifications for stamps.

The gentleman from Alabama who proposed the amendment was quite enthusiastic and waxed quite eloquent, but he also got his statistics wrong and clear out of the realm of fact in some regard.

He said a man can have two Cadillacs and have a cabin cruiser, and qualify for food stamps. He cannot. He absolutely cannot. If that man is getting food stamps, then he is getting them illegally. And if a man like that is getting food stamps in a Member's State, then that Member had better jump on those State officials who administer the program and force them to adhere to the law.

The way the discussion has been going on today, if a person goes out on strike then they automatically qualify for stamps. They do not. We have tightened the law. In one strike that occurred in my area, there were 3,300 on strike, and I think 700 of them qualified.

One would also think that we were going to fatten them up real well on food stamps. What do they get if they qualify? If they have no income whatever, a family of two would get $60 worth of food stamps a month. I do not know what the other Members spend on their grocery bills, but I guarantee they will not get very fat on $60 a month with the price of groceries as they are now.

A family of four would receive $108. Now, then, if they are getting a union supplement from the union funds then that supplement has to be taken into consideration, so they start paying something for their stamps. We are not giving them to them.

I know that some of the Members will think it rather unusual and a bit out of

character for me to be up here because I have opposed a lot of things that the unions have advocated, but this is just plain and sound do unto others as you want done unto yourself. They are fully within the law. There is no reason why we should try to discriminate against people who are giving up their paychecks in order to try to make their point, whether they are right or wrong, and to say that they cannot qualify for this very program that they have helped to finance.

Another thing that I would like to point out to the Members is this: I think it would be unconstitutional, in my opinion, for us to say that we can cut out a segment of our society just because they are doing something that some other segment of our society does not like, even though it is legal. If strikes should be illegal then make them illegal.

As the gentleman from Washington, in opposition to this amendment pointed out, here we are giving food stamps to families of murderers, rapists, treasonists, you name them. Are we going to say that we are not going to give stamps to someone who gives up their paycheck for a principle, whether they are right or wrong, give up their regular paycheck and say no, they cannot qualify whatsoever.

Mr. Chairman, eligibility for the food stamp program will be determined according to uniform national income and resources standards set by the Secretary of Agriculture. Standards for Alaska and Hawaii are adjusted in accordance with the separate poverty guidelines and other factors peculiar to the States.

Monthly maximum income eligibility levels are:

Household size	48 States and District of Columbia	Alaska	Hawaii
1-person	$170	$208	$193
2-person	222	272	254
3-person	293	400	373
4-person	360	480	467
5-person	427	573	560
6-person	493	667	640
7-person	547	733	707
8-person	600	800	773
Each additional person, add	53	67	67

The standards apply to all households, except those in which all members were receiving public assistance.

Income to be measured in determining household eligibility and in arriving at the amount the household is to pay—purchase requirement—for its food stamp allotment is, in general, any cash or payments to members of the household from any source, including all types of public assistance, scholarships and educational grants. However, 10 percent of income from earned wages or from a training allowance, up to a maximum of $30 per month per household, is to be deducted to cover such items as transportation and other expenses necessary to securing the income. Not counted as income to the household are earnings of a child under 18 who is still in school, benefits which do not involve a cash transaction such as free use of living quarters, certain nonrecurring lump-sum payments such as insurance settlements, inheritances, income tax refunds, and all loans except educational loans on which repayment is not due until completion of the recipient's education.

Other allowances: Mandatory deductions from earnings in amounts which are not elective by the recipients, such as any income tax, social security tax, and required union dues, are considered as a "household expense" in arriving at the household income figure for program purposes. The regulations also permit deductions for educational tuition and fees, shelter costs that exceed 30 percent of income, medical payments in excess of $10 per month for the household, child care costs necessary for a household member to accept or continue employment, and unusual expenses resulting from disaster or casualty losses.

Resources such as savings accounts, negotiable securities and certain property, are limited to $1,500 per household, plus an additional $1,500 for households of two or more containing at least one person 60 years of age or over.

Not counted as resources are the value of such items as a home, household goods, car, personal effects, cash value of life insurance policies, income-producing property, and tools and machinery essential to employment or self-support. However, resources do include such nonliquid assets as non-income-producing buildings, land, or other real or personal property, at fair market value.

Household definition: All members of a household under 60 years of age must be related by blood, affinity, or through a legal relationship sanctioned by State law, for the household to be eligible for food stamps. A man and woman, living as husband and wife, if accepted as married by the community in which they live, are defined by the regulations as related. Foster, adopted and other children under 18 years old for whom an adult member has assumed a parental role are also considered related members of a food stamp household. An unrelated roomer or boarder is not deemed a part of the household, and will not disqualify the household from the food stamp program. "Affinity" is defined as the relationship which one spouse has to the blood relatives of the other, and is not destroyed for food stamp program purposes by divorce or death of a spouse.

Tax dependents: No household can be eligible if it has a member over 18 who is claimed as a dependent for Federal income tax purposes by a parent or guardian in another household which itself is not eligible for either food stamps or USDA-donated foods.

Work registration: The law sets work registration as an eligibility requirement for food stamps, for any household containing an able-bodied member between ages 18 and 65, unless that member is, first, responsible for the care of dependent children under 18 or of incapacitated adults; second, a student enrolled at least halftime in any school or training program recognized by any Federal, State, or local government agency; third, working at least 30 hours per week. The work registration form is to be forwarded by the food stamp certification office to the State or Federal employment office for the area. For the household to be eligible for stamps, the registered member or members of the household must cooperate in seeking, and accepting employment of a type and in a location reasonably consistent with physical and mental fitness, with consideration of transportation costs and commuting time, and at wages, including piece-rate basis, that are the highest of applicable Federal and State minimums or other authorized Federal regulations, but in no case less than $1.30 per hour. The registrant cannot be required to join, resign from, or refrain from joining any recognized labor organization as a condition of employment, nor accept work offered at a site which is undergoing a strike or lockout.

Food stamp allotment: Allotments of food stamps are geared to cost of the USDA economy diet, with the amount of money paid by households not to exceed 30 percent of income. Stamps will be issued free to one- and two-person households with incomes under $20 per month and to all other households with incomes under $30.

Under the new law public assistance households may elect to have payment for their full allotment of food stamps deducted regularly from money they get under any federally aided assistance program. All households may elect, at time of issuance, to buy all, three-quarters, one-half, or one-quarter of their monthly food stamp allotment, with their payment adjusted accordingly.

Examples of monthly allotments and amounts to be paid by recipients in the 48 contiguous States and District of Columbia:

	For a household of—			
	1 person	2 persons	4 persons	6 persons
Food stamp allotment	$32	$60	$108	$173
PURCHASE REQUIREMENT				
Net income:				
$0 to $19.99	Free	Free	Free	Free
$20 to $29.99	1	1	Free	Free
$100 to $109.99	18	23	25	27
$150 to $169.99	26	36	41	43
$190 to $209.99		48	53	55
$210 to $229.99		54	59	61
$250 to $269.99			71	73
$290 to $309.99			83	85
$330 to $359.99			95	97
$360 to $389.99			99	106
$450 to $479.99				133
$480 to $509.99				139

Note: Because food costs are determined to be significantly higher in Alaska and Hawaii, food stamp allotments are greater than those of other States shown above. Separate issuance tables for Alaska and Hawaii will be published in the Federal Register with the regulations.

Meal service: Elderly participants who are disabled or feeble so that they cannot adequately prepare all of their meals, may use food stamps to pay for meals delivered to them by a non-profit meal delivery service, if available. Such delivery services will be authorized to redeem stamps by USDA's Food and Nutrition Service similarly to retailers and wholesalers.

Dual food assistance: When a food stamp program opens in a county or city that has been distributing USDA donated foods, both programs will be permitted at the State's request for a transaction period up to 3 months. Both pro-

grams may be operated permanently provided that funds are available and the national eligibility standards are used for both programs, together with controls to prevent double participation by the same household. "Operating expense funds" which are available to the States from USDA for family food donations cannot be used for such permanent dual operations, however. Temporary emergency distribution of donated foods may be made in food stamp areas when FNS determines that commercial food distribution channels have been disrupted.

The new regulations also:

Contain provisions aimed at eliminating abuses of the program. Mandatory "quality control" plans are to be part of each State's food stamp plan of operation. Misuse of "authorization to purchase" cards—the document households get when certified for participation, commonly termed ATP cards—is subject to the same penalties as unauthorized issuance and use of the food stamp coupons themselves.

Spell out fair housing procedures under which any participant aggrieved by an action of the State agency or its local counterpart affecting participation can ask for a fair hearing. Each household is to be informed of its right to a hearing at the time of application. Reasonable time to enter a request for a hearing, reasonable advance notice of the date of the hearing, the right to examine documents and confront witnesses, and prompt decisions are required.

Provide that public assistance households electing to have their payments for food stamps deducted from their welfare check may return properly issued food stamps to the State agency for a refund of the purchase requirement.

Permit transfer of eligibility of certified households—except those certified under disaster or emergency provisions—for 60 days following a move from one food stamp area to another, provided the household circumstances remain the same.

Require States to develop an "outreach" program within 180 days of publication of the regulations, to be approved by FNS and to become part of the State food stamp plan of operation.

Add the stipulation that authorized food retailers and nonprofit meal delivery services must not knowingly enter into any food stamp transaction in which the main purpose of the customer is to obtain cash change. Otherwise, rules and procedures for accepting and redeeming food stamp coupons by retailers, wholesalers, and banks are unchanged, as are the provisions covering disqualification proceedings against authorized firms.

Mr. Chairman, I advocate the defeat of this amendment.

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

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Alabama.

There are a number of points to keep in mind as we discuss this amendment, but each of us should seriously consider the question of whether the issuance of food stamps to strikers interferes with the collective bargaining process. I submit that the issuance of food stamps to strikers does irreparable harm to collective bargaining, and unless we stop this practice, collective bargaining will be relegated to simply a theory.

Briefly, I want to share with the Members of the House a specific example in this regard that occurred in Los Angeles. During the auto strike about 2 years ago, a United Auto Worker in Los Angeles actually made more money from nontaxable Government benefits while on strike than when he was working. This was possible because of food stamps and other nontaxable welfare benefits.

A UAW member in Los Angeles County earning $2.75 per hour before the strike had a weekly gross of $110. The average weekly deductions totaled $18.65, leaving a net pay of $91.35. Nontaxable UAW strike benefits paid him $40 weekly. He could buy $106 worth of food stamps for $42 per month. In addition, the California Welfare Department paid $282 in emergency relief per month or $70 per week for which strikers are eligible.

The sum of all this provided the striker—who was not working voluntarily—$34.65 more per week in disposable income per week than before he went on strike. He would have needed a raise of about $.90 per hour just to stay even with his strike income. In my judgment this gives the striking union an inequitable advantage at the bargaining table.

Everyone is hurt when a strike is allowed to continue over an inordinate amount of time. Food stamps do play a key role in perpetuating the strike, and its time for the House to stand up and say no to this disgraceful practice.

Mr. VANIK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

Mr. Chairman, we do not shut the water off or stop taxpayer supported water supplies for the farmer when the farmer withholds produce from the market, or when the farmer refuses to produce.

We do not call a taxpayers-subsidized loan on farm property, the house, the utilities service, or the telephone, when the farmer decides not to produce. A farmer can strike. The farmer does strike, and today many farmers are striking. Yet we keep flowing to the farm a steady stream of taxpayer-supported subsidies.

Are the children of strikers, are the families of strikers who work and pay income taxes while working, to be treated differently than other unfortunate people who have not worked at all? What kind of discrimination is called for in this amendment? How can we discriminate against those who have a legitimate grievance and argument, a dispute? How can we take it out on the family because the worker has such a legitimate dispute?

We let the farmer hold off production. We let him withhold the flow of goods to the marketplace. Indeed, we have paid him liberally and very generously throughout history in this country for not producing at all.

When we talk about starving a family into submission on a legitimate strike issue, I think we are suggesting one of the the meanest kind of unhumanities to come on the American scene.

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

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

Mr. MIZELL. I thank the gentleman for yielding.

I ask him to yield because to my knowledge I know of no farmer who is on strike today, at least not in my district. He is working from sunup to sundown. He is even working at nights and on weekends.

Mr. VANIK. A farmer goes on strike when he destroys baby chickens and when he destroys milk or produce, and when he keeps products off the market.

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

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

Mr. ROUSSELOT. I thank the gentleman for yielding. First of all, I think the gentleman mentioned that when the farmer goes on strike or refuses to produce in the marketplace, the Federal Government does not "shut off" his water, I think the gentleman said. First of all, thank goodness the Federal Government is not wholly in the water business.

Mr. VANIK. Taxpayer subsidized projects supply a considerable portion of the water, forests and grazing land used by American agriculture—particularly in California.

Mr. ROUSSELOT. The main point is that the Federal Government does not have a program of providing the water as it does food stamps. The general taxpayers do not supply that water. In this case we are asking all the taxpayers of the country to provide a food stamp program that is supposed to be for the poor. Thank goodness, the general taxpayers of this country are not asked to provide the water for the farmer. The point is that the suggested similarity, I think, is an incorrect analogy. I do not think that the water of this country is in any way similar to the federally subsidized food stamp program.

Mr. VANIK. I want to say in response to the gentleman that that just does not stack up with my understanding of farm programs, because a good part of the water that has been developed for American agriculture has been developed through taxpayers subsidies in the building of dams on rivers and in capturing water throughout the country in order to increase the productivity of the land. The General Accounting Office has recently documented the tremendous cost of this subsidy. We have subsidies for rural telephone service, subsidies for the development of rural electrification, and farm loan programs with a subsidized interest rate for the building of farm properties. These things are not suspended, terminated or withheld if the farmer refuses to produce.

Mr. ROUSSELOT. The gentleman and I do not vote for those subsidy programs.

Mr. VANIK. I have. We have.

Mr. ROUSSELOT. I have not.

Mr. VANIK. I have.

Mr. ROUSSELOT. My point is I do not think it is right to ask the general taxpayers to pay for a group of people who on a voluntary basis have decided to go on strike, and especially because this group of workers are not generally classified as "the needy poor."

Mr. VANIK. I contend that the farmer has, does, and is on strike in many parts of America today.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. I thank the gentleman for yielding.

I just want to ask the gentleman a question. Would the gentleman agree with me that the subject of the food stamps program, which I have always supported, and the general farm programs, which I have not supported, should not be put together in one package? Would it not be much better to keep them separate?

Mr. VANIK. I would heartily agree that we would be better off with a separate consideration of these issues.

Mr. YOUNG of Illinois. Mr. Chairman, I rise not to try to persuade any of the Members that they should vote for or against the amendment with respect to food stamps, but I would like to try to persuade some of my colleagues, who I know are very able and very learned, or perhaps to dissuade them from using the term "subsidy" so loosely as it has been used in this Chamber today and particularly by a person who is a CPA and a very well informed person.

I want to point out that one may not agree with the argument that food stamps for strikers is a subsidy, and if that is a bad argument, we should not accept it, but we should not reply to a bad argument with another bad argument.

The other bad argument I would like to address myself to is this idea that because we have deductions we are getting subsidies from the Government. If we believe in the free enterprise system we should accept the fact that if we earn money we are entitled to it, and if we get a deduction it is not a subsidy from the Federal Government.

I have seen too much in the last year in articles on tax loopholes and I have heard arguments as used here today that because we are getting deductions for depreciation we are getting subsidies from the Federal Government. Depreciation is simply a return of capital. We do not get to deduct all of the expenditure in 1 year as we do with ordinary business expense, instead it is taken out over a period of time. That is not a subsidy.

The fact that we have a net operating loss provision also does not amount to a subsidy.

I think it is important that we recognize that the arguments we are using today are not apropos of what the issue is. They are irrelevant.

As I say, if one wants to vote for or against food stamps, that is one's prerogative, but I do not think the arguments that are being used here today for and against are apropos.

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

Mr. YOUNG of Illinois. I yield to my colleague, the gentleman from Ohio.

Mr. WHALEN. Mr. Chairman, the argument I advanced was not that depreciation should not be allowed as a deductible expense. Certainly it should. All other expenses should also be allowed while the company is doing business. The thrust of my argument simply was that the company, along with labor, has agreed to stop doing business. I do not believe, therefore, that the company should be allowed to deduct expenses of doing business when voluntarily it has ceased doing business.

Mr. YOUNG of Illinois. But I point out that to say they are subsidies by allowing taxpayers deductions is not sound thinking, since it implies the Federal Government owns all one's income and whatever the Federal Government lets one keep is at the sufferance of the Government. That is fallacious thinking, as I think the gentleman will agree.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise really to ask two or three questions if I may. There are parts of this debate that bother me. A few moments ago I heard one of our colleagues for whom I have a great deal of respect say that a union person on strike might receive $60 in food stamps or a family of four might receive $108. The food stamp program was started when there was a surplus of certain foods. Press reports in the last few months would indicate this is no longer true. Food stamps are cash. My first question is if we did not have the food stamp program—I am wondering if this House and this Congress would really vote $60 cash for a person on strike. I must say this troubles me. I believe the Government should maintain a position of neutrality in any labor dispute. If we translate the bonus in purchase of food stamps, would Congress really approve a program to pay a person on strike $30 or $50 or $75 a month cash?

The second part, and I would like to address the question either to the manager for the minority or the majority side, has there ever been a study made of the effect that the food stamp program, or receiving of food stamps, has had on the strikers' benefit funds? We all know that these funds are kept for the purpose of giving money to the strikers so that they can maintain their homes and their livelihood—feed themselves, their children. What I am really wondering is, before the food stamps were given to members on strike and after the food stamps were made available, has there been any study or is there any evidence at all that the unions might be inclined to shift the burden of supporting families from the funds, that is the striker benefit funds to the food stamp program?

It would seem to me there would be that possibility, and I would like some assurance that there is not, and I understand the eligibility requirements. However, if a union could save a very substantial amount of money by saying that the benefits will be reduced by x number of dollars, and therefore the people would become eligible for food stamps, we really are shifting the burden from one party in a strike to the Government.

Could the gentleman respond?

Mr. FOLEY. If the gentlewoman will yield to me, as far as I know, I do not think there is any study of any kind on this subject. I would like to point out that I think, as the gentlewoman knows that in order to be eligible for food stamps there are resource tests which include savings accounts, negotiable securities, certain property limited to $1,500 per household; one's income from whatever source, including a strike fund which must be included to determine whether one is eligible. I might point out that food stamps are not given to every recipient free of cost.

In fact, if a person is at the top end of the eligibility scale, the value of the food stamp over what it cost him to buy it might be $10 or $7.50. This completely negates the value of the stamp as a practical matter when a person has to go through all the registration in order to get it. If a person comes to the eligibility limit, the cost goes up for the stamps as the income goes up.

Mrs. GREEN of Oregon. I understand that, but it also can be considerably more than what the gentleman has suggested.

The other part; My understanding is that unless the legislature in my State changed the rules this year, a person on welfare cannot own his home or cars or boats and so forth, and go on welfare and, therefore automatically be eligible for food stamps unless they are willing to agree to a claim against the estate. Therefore, I think I am correct that in this bill we place the individual on strike in a much better position to get food stamps than those on welfare or others who are of very low income. The union member on strike can have his home free and clear and own a car, a boat—plus having $1,499 in liquid assets. Or a couple may have their home free and clear and have $2,999 in liquid assets and still be eligible for food stamps. I would venture that Oregon is more liberal than most States—but as I said, to be eligible for welfare and, therefore, food stamps, a family must be willing to agree to a claim against their estate.

A family of low income, eligible for food stamps in Oregon, cannot have liquid assets of more than 1,500—whether there is one member or four—and the value of the boat or trailer would be considered as a part of the liquid assets.

So—as I understand this bill—a union member on strike would be better off than the family on welfare—as the low-income family—as far as receiving food stamps is concerned. Is this what we intend, to be more generous with food stamps to the person on strike than to the family on welfare?

One other question, if I may, and then I will yield to either the manager on the majority or the minority side. Could either gentleman advise me what the

cost would be in connection with the value of the food stamps? Does either gentleman have any idea what the total amount would be in any given year?

Mr. FOLEY. For what period of time?

Mrs. GREEN of Oregon. In a year; in a given year's period of time—1970? 1971? 1972?

Mr. FOLEY. Mr. Chairman, it would be almost impossible to give the gentlewoman that figure. If she is dealing with a question of how much it cost to provide food stamps to families on strike, it depends upon how many strikes there are in a given year and how many workers are involved, and their eligibility.

The studies made and cited are the Armand Thieblot study, which was just a finance study and indicated as the average of all strikes they studied, only 29 percent of the workers on strike received food stamps.

Mr. TEAGUE of California. Will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from California (Mr. TEAGUE).

Mr. TEAGUE of California. That totals $240 million in the value of the food stamps.

Mrs. GREEN of Oregon. In 1 year's time?

Mr. TEAGUE of California. That is my understanding.

Mr. FOLEY. I do not think that is correct.

Mr. HUBER. Mr. Chairman, I move to strike the requisite numbers of words.

Mr. Chairman, this is a real loser whatever we do. The thing that bothers me and I am speaking as having at one time run five plants in five States, and never had a strike, but I think the thing which concerned me the most during the time around these plants was the fear of strikes.

It is very difficult to build up customers and it is very difficult to build up an organization, and nothing jeopardizes these important factors as seriously as a strike. Just a couple of days ago we had a serious debate here about productivity, and we were going to spend $5 million to find someone to tell us how we could improve productivity in the United States.

If we could solve the strike problem, we would really increase our productivity. We would not have to spend $5 million to find that out. Therefore, perhaps we ought to concentrate on productivity. What can we do to try to eliminate strikes? I suppose we could say the same thing about lockouts; what should we do about lockouts?

If we can solve those problems we will certainly improve the gross national product, and there will be more for everybody.

I believe we ought to make it as difficult as we possibly can to have people locked out, or to go on strike, without interfering with their rights. We should not make it easy for a plant to lock out employees, and we should not make it easy for employees to go on strike.

We know, for instance, in Japan, that when there is a strike in Japan the strikers wear black armbands but they continue to work. Japan, we were told today in one of our meetings, will soon be the second major country in the world, productivitywise. It has come that far since World War II.

In other words, the people who can solve the strike and lockout problems will improve their productivity and take over more and more of the productivity of this world.

How can we increase our share of the total gross national product of the world? We are sitting here trying to find out how to make it easier to put management and labor at each other's throat. We ought to try to make it tougher for labor and management to fight, not easier, and we should not encourage either one of them to take advantage of the law. The laws are there to protect them, but I do not believe the laws are put there by the Congress to make it easier for them to fight one another.

I believe we have missed out this year because of pressure either from management or labor to take care of their own special interests.

I am opposed to the idea of food stamps because I do believe it makes it easier to have a strike.

I am sure the learned CPA would tell us that one cannot make money on a strike. And one must have years and years of history of profits even to get anything back if recovery of previous profits is attempted.

Those arguments do not interest me. What interests me is to try to make management and labor work together, so that we can increase the productivity of this country so that we will have a bigger pie to share among us all.

Therefore, I would oppose anything that makes it easier to have a strike or to have a lockout.

Mr. MICHEL. Mr. Chairman, first may I take this opportunity to commend my colleague, Mr. DICKINSON, for offering this amendment. On two prior occasions I offered the amendment to Agriculture appropriations bills and 2 years ago we lost by some 50 votes. Last year, the margin was narrowed to 18 or 19 votes, and I have a hunch this year that it could prevail, depending how strong that unholy alliance hangs together—and I do not think I need explain any further to Members of this House what I am talking about.

Now, for those of you with large concentrations of laboring people in your district, let me cite my own personal experience, for this is the kind of district I have.

When I first offered this amendment the largest distillery in the world, which is located in my district, was on strike. It was a prolonged one, and there were food stamps being distributed to the workers. That obviously dramatized the issue in my home community, but I will tell you quite frankly that after having sponsored the amendment I had no reservation about going right back to that same union hall and defending my position. Obviously, I did not suffer too badly, for I am still here.

Second, may I say that the legality of striking is not at issue here today. I agree with the gentleman from Alabama that this is not an antilabor vote, but a pro-poor-people vote. We all recognize the legality of a strike and what an economic force it is in the collective bargaining process. The gentleman from Michigan (Mr. HUBER) pointed that out in his very excellent presentation. What he said here today probably made more sense than anyone else, and I would not have taken this time after hearing what he had to say except that I feel honorbound to support my colleague, Mr. DICKINSON.

Third, the tax laws of the country are not at issue in this amendment, and it is rather silly to listen to some of the arguments that have been advanced on that score here this afternoon. Mr. YOUNG of Illinois addressed himself very well to this during the course of his remarks, and I commend him for taking the time to set the record straight.

Mr. Chairman, the purpose of the food stamp program is clearly to provide assistance to the involuntarily poor. And those who are temporarily unemployed because they have voted to strike against their employer simply do not belong in the same category.

The food stamp program was not intended to be bargaining legislation in the collective bargaining process. If it were, it seems to me we would be amending the Taft-Hartley Act to make the accommodation. I will say quite frankly, however, that I have the same concern that Mrs. GREEN expressed here when she raised the question as to whether we were not substituting the union strike fund with food stamps. That is exactly what is taking place for the value received by way of food stamps in this kind of situation can more than match those traditional strike benefits paid by a good many unions. Now, if this amendment should fail, it seems to me that we would be signaling the business and industrial community that there is no way to change course and that from here on in, the possibility of food stamps being distributed to striking workers should be taken into account in the collective bargaining process.

I wonder what some might say if we then proposed an amendment to the Taft-Hartley Act to ban the deductions from workers' pay for the purpose of raising a strike fund by the union. I suspect there would be a good many workers who would like to see that practice eliminated and spend those dollar deductions as they see fit.

Mr. Chairman, in conclusion, I want to emphasize again that I fully support the right to strike, but that right does not mean that those on strike have a right to an extra benefit paid for by the Federal Government in the form of food stamps.

Now is the time to make this very clear by writing it into this authorizing piece of legislation.

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

Mr. Chairman, I take this time to ask the distinguished gentleman from Washington a question. In his presentation he spoke about the tightening up of the requirements in order for people to receive food stamps, and particularly these people who would be on strike.

Do I correctly understand there is a

provision somewhere in the law that if a person is out on strike he must register for work and if work is offered, he must take it even though he is on strike, before he is eligible to receive food stamps?

Mr. FOLEY. The gentleman is precisely correct. In addition to the requirements of asset limitation and income, limitations which we have already discussed, it is required that any person over the age of 18 years, unless he is caring for certain infirm persons, must register and accept work. The only two exceptions are that he cannot be required to report for work to a struck plant or site, and he cannot be required as a condition of accepting the job to join or refuse to join or resign from a union organization. If he is able bodied and there is a job, he must accept it. It does not have to be even the present Federal minimum wage. The law says it cannot be under $1.30. He has to accept that and go to work.

Mr. KAZEN. And if he does not, he is not eligible to receive food stamps?

Mr. FOLEY. He is not eligible.

Mr. KAZEN. I thank the gentleman.

Mr. HENDERSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Alabama.

It is one thing for the taxpayers of this Nation to provide a subsidy to persons who, through no fault of their own, lack sufficient income to maintain a decent standard of living. Providing a subsidy to persons who are able to work, have work available, but have chosen not to work, is quite another thing.

It is the function of union welfare funds to provide for assisting union members to feed their families and to help them to subsist during strikes. If union members are willing to set aside a portion of their own dues to accumulate a war chest to tide them over the period of a strike, that is their business.

But when the taxpayers of the United States are called upon to subsidize strikers during the period of a strike, that is something else.

I think we might well apply to food stamps the same test given to applicants for unemployment compensation. As we all know, to be eligible, such applicant must first, be unemployed without fault on his part; second, be physically able to work; third, be available for work; and fourth, be actively seeking employment.

Where able-bodied adults are concerned, I believe that the same criteria should be applied to food stamps.

Mr. GAYDOS. Mr. Chairman, I rise in opposition to this amendment.

Basically, the proponents of the amendment make three contentions. One, that the issuance of food stamps to strikers increased the number of strikes in the period after 1964. Two, that the duration of strikes in this period increased as a result of the issuance of food stamps to strikers, and three, that when strikers receive food stamps, the Federal Government becomes involved in the collective bargaining process.

Let us analyze these contentions.

At the outset, it is clear that there was an increase in the number of strikes during the 1960's, but it is fallacious to attribute this increase to the issuance of food stamps to strikers. The BLS statistics for the period 1950–71 show a mixed pattern, with an overall increase in the number of strikes. There were 4,843 strikes in 1950 and 5,183 strikes in 1971. But in 1952 there were 5,117 strikes, or only 21 less than in 1971. When we review the BLS statistics on union membership we find that while there was an increase of 578,000 in the 1950's, the increase in the 1960's was much greater, namely, 3,372,000. Certainly, the tremendous increase in union membership in the 1960's would mean an increase in the number of strikes. This is particularly true when it is realized that the trade union movement is entering heretofore unorganized industries and companies. Municipal employees and farmworkers immediately come to mind as areas where strike activity has increased substantially in recent years.

In addition, when we review labor-management relations in the background of the activities of the NLRB we find that there has been a steady increase in the number of unfair labor practice charges filed against employers during the period of 1950 through 1972. In 1950, there were 4,472 such charges; in 1960, 7,723; and in 1972, 17,736. When we confine our attention to section 8(a)5 of the NLRA, the section of the act which requires employers to bargain collectively with representatives of their employees, we find there were 1,309 charges filed in 1950; 1,753 in 1960 and 4,489 in 1970. While all unfair labor practice charges against employers increased 72 percent in the 1950's and 76 percent for the 1960's, the section 8(a)5 charges increased at a rate of 33.9 percent in the 1950's but at a rate of 156 percent in the 1960's.

This inordinate increase in the 1960's certainly establishes an increased proclivity on the part of management to refuse to bargain with representatives of their employees. The only alternative for the workers in this situation is to use the ultimate weapon of a strike.

I submit that these figures clearly show that the increase in the number of strikes in the 1960's was attributable to both the substantial increase in union membership as well as the intensified attitude of management in refusing to bargain with representatives of their employees, and not because some of the workers who went on strike received food stamps.

When we turn to the contention that the issuance of food stamps to strikers increased the duration of strikes, we find that the BLS statistics do not establish that there was any such increase in the duration of strikes. The BLS statistics for the period 1956–72 establish a rather erratic pattern with the highest annual average length of strikes being 36.7 days for 1959, and the average of 15.3 days for 1972 comparing most favorably with 17.1 days for 1963, the year before the inception of the food stamp program.

Furthermore, the average length of strikes for the 8 year period prior to the Food Stamp Act of 1964 was 16.95 days whereas the average for the 8 year period subsequent to 1964 was 16.04 days.

To go one step further and consider strikes in excess of 30 days, we find that in 1960, 23.1 percent of the workers on strike were engaged in strikes over 30 days, while in 1971, the percentage was smaller, namely 22.1 percent.

Since there has been no perceptible increase in the duration of strikes during the period from 1956 to 1972, obviously, it cannot be maintained that the issuance of food stamps to strikers caused an increase in the duration of strikes.

I would like for just a moment to comment on the Thieblot-Cowin study, which has frequently been referred to by the supporters of this amendment. While this study was published by the Wharton School of Finance of the University of Pennsylvania, the fact remains that it was completely financed by a fund set up by 4 anonymous industrial foundations and 13 equally anonymous independent companies. Clearly, the funding of the study alone should cast great doubt on its objectivity. But, additionally, the completely biased nature of the study is demonstrated by the fact that the very skillfully selected strikes analyzed by the study represent only thirteen-hundredths of 1 percent of the strikes which occurred in the period studied. Such a woefully deficient sampling technique grossly misrepresents the true picture.

There are many who contend that in issuing food stamps to strikers, the Federal Government is involving itself in the collective-bargaining process, implying that otherwise the Federal Government remains neutral in the management-worker relationship.

I submit that this is a grand illusion. The Federal Government has been involved in the collective bargaining process for many years. Just for example, the Wagner Act and the Norris-La Guardia Act are instances where the Federal Government intervened on behalf of the worker. The Taft-Hartley and Landrum-Griffin Acts are instances of Federal Government intervention on behalf of management. These latter acts have been the authority for the Federal Government to obtain injunctive relief curtailing strikes on many occasions.

Additionally, there are various ways by which the Federal Government intervenes on behalf of management to minimize the effect of strikes. If a company is performing work pursuant to a Federal Government contract, it has the advantage of a "force majeure" clause which excuses any delay in completion of the contract due to a strike. It may well be that a company has the benefit of a "price escalation" clause which allows the company to collect additional costs resulting from a wage increase to its employees.

When employers object to workers on strike receiving food stamps, they really want the Federal Government to penalize workers for engaging in lawful activity. Even worse, is the fact that this is an insidious attempt by employers to enmesh the families of strikers in the collective-bargaining process on the side of management, yes management, so that the decision to strike would not depend on the merits of the strikers' requests but rather on the ability of the

strikers' families to resist hunger and starvation.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in opposition to the Dickinson amendment to prohibit American workingmen and women from being eligible to receive food stamps during a strike. This amendment is an insult to the American worker who pays taxes to support the food stamp program. In addition to being unfair, it would be just plain cruel to enact legislation to deny needy workers the right to obtain food stamps to feed their children during a temporary time of need.

Every time this issue comes before Congress, we hear the same old arguments and they just do not hold up. For instance, we hear the argument that the striking worker has made a voluntary decision to put himself in economic need. This simply is not true. First of all, not every striking worker is voluntarily on strike. There are certainly many workers who voted against the strike who nevertheless are out of work during the duration of a strike for which a majority of the members of the union voted. Second, not every striking worker is in economic need. In fact, as you will see in a moment, it is only a small fraction of workers who can demonstrate the need to qualify for food stamps.

We hear the argument that the availability of food stamps will help prolong the strike by providing additional economic assistance to the workers. What the proponents of this amendment do not point out is that an overwhelming majority of the strikers do not benefit from food stamps because they are not eligible to receive them. According to the legislation passed by Congress and the regulations promulgated by the Federal and State governments, only strikers who can establish an actual need for food stamps for their families are eligible to obtain them, and only a very small portion of striking workers actually qualify. For instance, according to the Wall Street Journal, during the General Motors strike of 1970, only 12 percent of the 200,000 workers on strike qualified for food stamps. In other words, almost 90 percent of the workers in the major General Motors strike of 1970 did not qualify and therefore did not use food stamps.

Furthermore, we must keep in mind that, although a strike is a function of an economic relationship between the employer and the employee, there is little evidence that the intent of the employer is to starve the workers' children during the temporary period of disagreement between the employer and employee. To the contrary, there is at least some evidence which indicates that the employer recognizes that the strike is merely a legitimate weapon based upon the American collective bargaining system, and that the employer has a continued interest in the welfare of the striker's family during the temporary period of the strike. For instance, during the General Motors strike, General Motors voluntarily continued making payments on the workers' hospitalization premums. There has also been a quote attributed to Henry Ford II which indicates his belief that we ought to have full welfare benefits made available to the striking worker's family during the period of the strike in order to maintain the stability in a working community. This is very similar to the system now in effect in Great Britain.

Mr. Chairman, we also hear the continued argument that the availability of food stamps and other welfare benefits to strikers during the time of the strike is detrimental to our economy. I certainly cannot disagree with the proposition that the more people there are on welfare, the larger the drain on our Nation's resources will be. But let us not forget that when workers on strike go on welfare or receive food stamps, it is only about 10 percent of the relatively small portion of the American working force participating in the strike and it is only on a temporary basis. This is very miniscule compared to the disastrous welfare situation which has occurred since the Nixon administration took over the reins of our Nation's economy in 1969. Since that time, the rate of inflation has skyrocketed, the rate of unemployment has continued to hover between 5 and 6 percent, and the number of people on welfare has more than doubled. It is the disastrous economic policies and the inept leadership and management of the Nixon administration which have been so detrimental to our economy—not the temporary availability of food stamps to the families of needy workers.

Mr. Chairman, let us not forget the basic purpose of the food stamp program is to feed people during a time of need. The program is supported by the tax dollars paid by the American worker. If we adopt this amendment, we will be telling the American worker that he can pay for programs for the needy but he cannot participate in them during his time of need. I would hope that my colleagues on both sides of the aisle will not turn their backs on the American worker and will vote against the adoption of this amendment.

Mr. BURKE of Florida. Mr. Chairman, I rise in support of the amendment offered by my colleague Mr. WILLIAM L. DICKINSON of Alabama to prohibit food stamps for strikers.

I am opposed to this program because I feel that such practices severely hurt our economy and, in the long run, are detrimental to all U.S. citizens including the strikers and the company management, and particularly affects the collective bargaining since strikers are, in effect, encouraged to strike for longer periods than would be necessary by this subsidy.

This distortion of the collective bargaining process should concern all of us since the resultant cost-push inflationary pressures drive the costs of food, shelter and clothing sky-high. The present situation of the American dollar in European money markets, and the forced devaluation earlier, should cause us to pause and reflect on some of our Federal programs that have brought about this decline. In my opinion, food stamps for strikers contribute to our present economic problems and should be eliminated because such a policy was never intended or even contemplated originally.

While wage rates for the private nonunion sector for the years 1968 to 1970 reflected the economic slowdown by declining slightly—7.6, 7.3, 7.1 percents—during these years, the wages for the unionized sector moved in the opposite direction registering increases of—7.2, 8.0 and 10.0 percents—for the same years.

Our declining posture as the preeminent world trader has been brought about by our reluctance to face up to the fact that cheaper labor abroad, coupled with equal technological competence, has closed many U.S. businesses and threatens whole industries. How long can we keep blinders on by refusing to see the damage that programs such as the food stamps for strikers are doing to the cost of living for most of our citizens?

Strikes are a form of economic warfare, testing strength of employer against strength of employees. By permitting strikers to receive food stamp benefits, the Federal Government is subsidizing strikers in their contest with employers, and thereby upsetting the marketplace and the balance of power to benefit, often, just a sector of organized labor to the detriment of others.

Such subsidies are manifestly wrong for strikers, who are taking away from those truly in need. Unions normally have ample funds to assist needy strikers. For example, the Steelworkers Union admitted having approximately $74 million in funds which could be used to provide strike relief. Other unions also have large funds for such emergencies.

Strikers not only receive financial assistance from such funds, but they are also supported by donations from other local unions, individuals, and unaffiliated groups and organizations and have, in addition, other means of raising funds. Unions often also assist members in obtaining interim employment. Such sources of support are the proper means to assist those members when a union has called a strike. This form of assistance is not, however, available to others who are food stamp recipients.

Why then should the American taxpayer be burdened with a program that subsidizes and, in fact, encourages strikes? Particularly why, when such strikes are likely to result in settlements which generally cause inflation and reduce the purchasing power of the U.S. dollar for everyone.

Union resources are ample and have been used for more than 30 years to subsidize strike activity. There seems little reason to take money needed for the poor and for those who cannot work, and, thereby, spread our resources even more thinly for the purpose of giving this kind of governmental subsidies to strikers.

Let us pause to reflect that maybe labor is even pricing our workingman out of a job and perhaps even out of the market by demanding too much. I believe that if we are going to be fair to all of America's workers, union and nonunion, then we must vote in support of the Dickinson amendment.

Mr. KOCH. Mr. Chairman, I rise in opposition to the amendment which would bar food stamps for strikers and their families who would otherwise be eligible for food stamps based on their income and other resources. I have re-

ceived mail from some constituents who denounce the existing law which permits States to determine whether or not such benefits should be paid. Those writing to me take the position that for strikers to be eligible for food stamps gives them an unfair advantage over the businessmen in the conduct of the strike. Frankly, I do not believe that to be true. I do not believe that strikers will extend their strike simply because food stamps are available to them. And in any event it seems to me cruel to deprive children in a family where the parent is on strike to have to suffer malnutrition.

In response to these demands that I support the amendment which would prohibit food stamps for strikers I have posed the following question: Would you at the same time deny to the owners of the business involved in the strike the various governmental supports which that business and its owners receive through the year for the duration of the strike? A businessman continues during a strike to gain the benefits both of regular and accelerated depreciation allowances. He is able during a strike to continue to deduct as allowable expenses his business luncheons and first class flight fares on the airlines to cite a few examples of governmental support for the businessman which would continue, while under the proposed amendment, the striker and his family is to be denied minimum food assistance, for that is all that food stamps provide.

I would ask those who support this amendment, would they suggest—even if they did not agree with the arguments that I have given showing the inequity of this amendment—that a businessman who is being struck not be granted a tax deduction if he had a luncheon with one of the strikers? While the argument may seem absurd, it has the exact logic of the amendment. In any case, to be fair it is clear that Government, by providing food stamps to strikers, is no more extending the strike than it does when it continues to provide business expense deductions to businessmen during the same strike.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DICKINSON) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

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

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 213, noes 203, not voting 17, as follows:

[Roll No. 355]

AYES—213

Abdnor	Bray	Camp
Anderson, Ill.	Breckinridge	Carter
Andrews, N.C.	Brinkley	Cederberg
Andrews, N. Dak.	Broomfield	Chamberlain
Archer	Brotzman	Chappell
Arends	Brown, Mich.	Clancy
Armstrong	Brown, Ohio	Clausen,
Ashbrook	Broyhill, N.C.	Don H.
Bafalis	Broyhill, Va.	Clawson, Del
Baker	Buchanan	Cochran
Beard	Burgener	Cohen
Bennett	Burke, Fla.	Collier
Blackburn	Burleson, Tex.	Collins, Tex.
Bowen	Butler	Conable
	Byron	Conlan
Conte	Hudnut	Roncallo, N.Y.
Coughlin	Hunt	Rose
Crane	Hutchinson	Rousselot
Cronin	Ichord	Ruth
Daniel, Dan	Jarman	Ryan
Daniel, Robert W., Jr.	Johnson, Colo.	Sandman
Davis, S.C.	Johnson, Pa.	Sarasin
Davis, Wis.	Jones, N.C.	Satterfield
de la Garza	Jones, Tenn.	Saylor
Dennis	Keating	Scherle
Derwinski	Ketchum	Schneebeli
Devine	King	Sebelius
Dickinson	Kuykendall	Shoup
Dorn	Landrum	Shriver
Duncan	Latta	Shuster
du Pont	Lent	Sikes
Edwards, Ala.	Lujan	Skubitz
Erlenborn	McClory	Smith, N.Y.
Esch	McCollister	Snyder
Eshleman	Madigan	Spence
Evins, Tenn.	Mahon	Stanton,
Findley	Mallary	J. William
Flynt	Mann	Steelman
Ford, Gerald R.	Martin, Nebr.	Steiger, Ariz.
Forsythe	Martin, N.C.	Steiger, Wis.
Fountain	Mathias, Calif.	Stephens
Frelinghuysen	Mathis, Ga.	Stubblefield
Frenzel	Mayne	Stuckey
Frey	Michel	Symms
Froehlich	Milford	Taylor, Mo.
Fuqua	Miller	Taylor, N.C.
Gettys	Minshall, Ohio	Teague, Calif.
Gibbons	Mitchell, N.Y.	Teague, Tex.
Ginn	Mizell	Thomson, Wis.
Goldwater	Montgomery	Thone
Goodling	Moorhead,	Towell, Nev.
Green, Oreg.	Calif.	Vander Jagt
Gross	Myers	Veysey
Grover	Natcher	Waggonner
Gubser	Nelsen	Wampler
Gude	Nichols	Ware
Gunter	O'Brien	White
Guyer	Parris	Whitehurst
Haley	Pettis	Whitten
Hammer-schmidt	Poage	Widnall
Hanrahan	Powell, Ohio	Wiggins
Harsha	Preyer	Williams
Harvey	Price, Tex.	Wilson, Bob
Hastings	Pritchard	Winn
Hébert	Quie	Wydler
Henderson	Quillen	Wylie
Hinshaw	Rarick	Wyman
Hogan	Regula	Young, Alaska
Holt	Rhodes	Young, Fla.
Hosmer	Roberts	Young, Ill.
Huber	Robinson, Va.	Young, S.C.
	Robison, N.Y.	Zion
	Rogers	Zwach

NOES—203

Abzug	Denholm	Johnson, Calif.
Adams	Dent	Jones, Ala.
Addabbo	Diggs	Jones, Okla.
Alexander	Dingell	Jordan
Anderson, Calif.	Donohue	Karth
Annunzio	Drinan	Kastenmeier
Ashley	Dulski	Kazen
Aspin	Eckhardt	Kluczynski
Badillo	Edwards, Calif.	Koch
Barrett	Eilberg	Kyros
Bell	Evans, Colo.	Leggett
Bergland	Fascell	Lehman
Bevill	Fish	Litton
Biaggi	Flood	Long, La.
Biester	Flowers	Long, Md.
Bingham	Foley	McCloskey
Boggs	Ford,	McCormack
Boland	William D.	McDade
Bolling	Fraser	McFall
Brademas	Fulton	McKay
Brasco	Gaydos	McKinney
Breaux	Giaimo	McSpadden
Brooks	Gilman	Macdonald
Brown, Calif.	Gonzalez	Madden
Burke, Calif.	Grasso	Mailliard
Burke, Mass.	Green, Pa.	Maraziti
Burlison, Mo.	Griffiths	Matsunaga
Burton	Hamilton	Mazzoli
Carney, Ohio	Hanley	Meeds
Casey, Tex.	Hanna	Melcher
Chisholm	Hansen, Idaho	Metcalfe
Clark	Hansen, Wash.	Mezvinsky
Clay	Harrington	Minish
Cleveland	Hawkins	Mink
Collins, Ill.	Hays	Mitchell, Md.
Conyers	Hechler, W. Va.	Moakley
Corman	Heckler, Mass.	Mollohan
Cotter	Heinz	Moorhead, Pa.
Culver	Helstoski	Morgan
Daniels,	Hicks	Mosher
Dominick V.	Hillis	Moss
Davis, Ga.	Holifield	Murphy, Ill.
Delaney	Holtzman	Murphy, N.Y.
Dellenback	Horton	Nedzi
Dellums	Howard	Nix
	Hungate	Obey
O'Hara	Rostenkowski	Thompson, N.J.
O'Neill	Roush	Thornton
Passman	Roy	Tiernan
Patten	Roybal	Udall
Pepper	Runnels	Ullman
Perkins	Ruppe	Van Deerlin
Peyser	St Germain	Vanik
Pickle	Sarbanes	Vigorito
Pike	Schroeder	Waldie
Podell	Seiberling	Walsh
Price, Ill.	Shipley	Whalen
Railsback	Sisk	Wilson,
Randall	Slack	Charles H.,
Rangel	Smith, Iowa	Calif.
Rees	Staggers	Wilson,
Reid	Stanton,	Charles, Tex.
Reuss	James V.	Wolff
Riegle	Stark	Wright
Rinaldo	Steed	Wyatt
Rodino	Steele	Yates
Roe	Stratton	Yatron
Roncallo, Wyo.	Studds	Young, Ga.
Rooney, Pa.	Sullivan	Young, Tex.
Rosenthal	Symington	Zablocki

NOT VOTING—17

Blatnik	Kemp	Patman
Carey, N.Y.	Landgrebe	Rooney, N.Y.
Danielson	Lott	Stokes
Downing	McEwen	Talcott
Fisher	Mills, Ark.	Treen
Gray	Owens	

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ICHORD TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. ICHORD. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The Clerk read as follows:

Amendment offered by Mr. ICHORD to the amendment offered by Mr. FOLEY: amend the Foley amendment page 2, line 15 by striking the period and inserting the following: "*Provided*, that, the standards established by the Secretary shall take into account payments in kind received from an employer by members of a household, if such payments are in lieu of or supplemental to household income.

Mr. ICHORD. Mr. Chairman, this is not an earth-shaking amendment. It does not change the food stamp program very drastically. It is very simple, but at the same time I think it is important. It does not change the standards of eligibility for food stamps. It merely directs that the Secretary in setting the standards of eligibility shall take into consideration payment in kind from an employer.

I have discussed this amendment with the distinguished chairman of the committee and also the ranking minority member, the gentleman from California. Each of those gentlemen has no objection. I understand that the gentleman from Washington (Mr. FOLEY) at first did not have an objection but apparently he does at this time and he can explain his objections to the Members.

Theoretically this is the situation prevailing in the food stamp program. It is possible theoretically for an employee to receive up to $20,000 in real income and still be eligible for food stamps. In fact in my own district I had called to my attention a farm employee who was receiving $2,000 in real income over the maximum amount he could receive and still be eligible for food stamps, but still he qualified. The maximum amount in his case was in the neighborhood of $5,200. He was making $5,000 cash and at the same

time he was receiving at least $2,000 payments in kind in the form of a home provided, in the form of fuel, in the form of electricity, in the form of all his meat, as I remember, and all his milk, the payment in kind amounting to at least $2,000. The employee, therefore, was making at least $2,000 in excess of the maximum, but he still qualified because the Secretary does not take into account payments in kind.

As I stated previously, I submitted this amendment to the Member, the gentleman from Washington. He objected to the amendment on the ground it would get into the problem of other welfare supplements received by the applicant, but I have changed the amendment to apply only to payments in kind received from an employer.

As I stated before, this is not an earth-shaking amendment but it does strike at one of the many deficiencies in the food stamp program. It is a multitude of deficiencies similar to this that results in the welfare program being a big mess.

I agree with the gentlewoman from Michigan. If we do not start looking into these deficiencies and take steps to cure them, we are going to destroy the United States of America.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. Mr. Chairman, the gentleman from Missouri has discussed this amendment with me. As he said it is not earth shaking but it does cure a possible and probable bad situation which exists. I can speak only for myself and I will accept it and will support it.

Mr. ICHORD. I thank the gentleman and hope the committee cures the deficiency by adopting the amendment.

Mr. FOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the problem with this amendment is that it enters into the calculations of food stamp eligibility an enormously complicated subject. I can accept the gentleman's amendment if he substitutes for the word "shall" the word "may" and let the Secretary attempt to try to make some sense out of it in the administration of the program, I am concerned about the amendment in mandatory terms. Some companies provide transportation to and from the job site for their workers. Is that an in-kind payment?

In the absence of that, I suppose a worker would have to pay to go to the site and back home again.

I have always been amused, when occasionally the Congressional Quarterly or other sources print a list of the so-called benefits received by Members of Congress. The implication is that these benefits are supposed to be some kind of income to Members. The list includes one or more offices, we get heat, light and water; staff assistance equipment and supplies, telephone, telegraph, and travel allowances, et cetera.

We know these items are not income, but merely the tools of doing the job. Trying to distinguish what is a tool of doing the job and what is an in-kind income benefit is an enormously complicated and difficult matter when applied to hundreds of occupations. I am afraid that to try to impose this new standard on a program which now has 12½ million recipients is going to raise a good deal of administrative confusion and complexity.

I suggest that a better course is to leave appropriate regulations to the Secretary and accordingly reject this amendment.

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

Mr. FOLEY. I yield to the gentleman from Missouri (Mr. ICHORD).

Mr. ICHORD. The gentleman has stated that he would accept the amendment if it were permissive, that the Secretary "may" instead of "shall".

I would point out that I am not by this amendment directing the Secretary how to take into account, but stating positively that he shall take into account, and I think he should. Otherwise, as I stated before, it would be theoretically possible for an employee to receive $20,000, and I am sure some of them are doing it, and still be eligible for food stamps.

Mr. FOLEY. I have to respectfully disagree that anyone is making the misuse of it as the gentleman suggests. I would be glad, if we do not have this amendment accepted to consult with the Department so that they can consider the proposal and give us a report on it and we will try to see what could be done about it.

Mr. ICHORD. Let me say to the gentleman from Washington that I see no necessity of consulting with the Secretary. What is right is right, and what is wrong is wrong. I do not think we should set up a program permitting a person to receive up to $20,000 and still receive welfare.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. TEAGUE OF CALIFORNIA TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. TEAGUE of California. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE of California to the amendment offered by Mr. FOLEY: Page 4, line 18, insert the following:

(m) Section 5(b) of such Act is amended by inserting after the third sentence thereof the following: "No person who has reached his eighteenth birthday and who is a student at an institution of higher learning shall be eligible to participate in the food stamp program established pursuant to the provisions of this Act: *Provided*, That such ineligibility shall not apply to any member of a household that is otherwise eligible for or is participating in the food stamp program—nor shall it apply to married persons with one or more children and who are otherwise eligible."

Mr. TEAGUE of California. Mr. Chairman, this is a very simple amendment which would restore to the bill a section which was taken out by the gentleman from Washington (Mr. FOLEY) in his rather far-reaching amendment to the food stamp section. It has to do with students.

I want to make it very clear that the amendment does not bar food stamps for all students. It only provides first that no student who has reached his 18th birthday and who is a student at an institution of higher learning shall be furnished food stamps and second that such ineligibility shall not apply to any member of a household that is otherwise eligible for or is participating in the food stamp program, nor shall it apply to married persons with one or more children who are otherwise eligible.

I am sure we have all had reports of the cases where the young people from well-to-do homes go off to college or university and collect food stamps. The food stamp program is not intended as a Federal aid to education program.

That is all this amendment is designed to do. If they come from a household, from a family which is eligible, then they are eligible for their share. If they are married and have one or more children, and are otherwise eligible because of income limitations, they are still eligible and will not be disqualified.

This simply restores to the bill the section which was overwhelmingly adopted in the committee.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentlewoman from New York.

Ms. ABZUG. Could the gentleman tell me how this would affect the young woman who might be divorced, or separated, or not even married, and going to school? Would she under this amendment be eligible for food stamps?

Mr. TEAGUE of California. She is divorced?

Ms. ABZUG. Or separated, or perhaps not married.

Mr. TEAGUE of California. I would not construe this language as disqualifying her. Such ineligibility shall not apply to any member of a household that is otherwise eligible.

Ms. ABZUG. She is not married.

Mr. TEAGUE of California. But she would have a household. She does not have to be married to have a household, if she has children.

Ms. ABZUG. If she did not have a child she would be ineligible; is that correct?

Mr. TEAGUE of California. Not if she came from a family which wes eligible.

Ms. ABZUG. How would this affect the young veteran, the Vietnam war veteran, who was not married but who perhaps had earned a high school equivalency degree in the Armed Forces and now was attending school as a student? He would not be eligible? Even if he had other eligibility requirements, under this amendment he would not be eligible?

Mr. TEAGUE of California. I believe he would not be eligible in any event, because of the veterans' GI benefits to which he could be entitled.

Ms. ABZUG. I do not agree that he would not be eligible because of GI benefits. I just wanted the Members to get an idea as to how far an extent this amendment would go.

Mr. TEAGUE of California. Yes. It does not go very far.

Ms. ABZUG. There are a lot of women in this country who are not in households, who are eligible for food stamps, who might themselves on their own be eligible for food stamps.

Mr. TEAGUE of California. I believe they would not be disqualified.

Ms. ABZUG. The gentleman does not want those unmarried women or veterans to have that opportunity to study and become self-sufficient?

Mr. TEAGUE of California. If they are eligible because of income limitations they would not be disqualified here.

Let us make this a part of the legislative history. All I am trying to do here is to get after the problem of the situation where young people from wealthy or well-to-do families are collecting food stamps, which deprives those really in need of them of that portion of the overall program.

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

Mr. TEAGUE of California. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

I believe the amendment is a good one, because it does not prevent anyone, as I understand it, who is normally eligible from receiving food stamps. All it does is prevent those who normally would not get them from getting them.

Mr. TEAGUE of California. It is as simple as that.

Mr. ROUSSELOT. It certainly would cover the veteran which the gentlewoman from New York brought up, if otherwise eligible. It would allow the veteran who is otherwise eligible to receive food stamps, if he were properly qualified.

Mr. TEAGUE of California. Certainly, although I believe there would be very few such cases, because of the GI benefits.

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

(On request of Mr. VANIK, and by unanimous consent, Mr. TEAGUE of California was allowed to proceed for 2 additional minutes.)

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

Mr. TEAGUE of California. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I should like to inquire whether this amendment would deny foodstamps to a person who has reached his 18th birthday and who is either partially or totally disabled.

Mr. TEAGUE of California. Mr. Chairman, it does not specifically cover that situation.

Mr. VANIK. Well, as I read this language, it says no person who is over 18 is eligible. Thereby the partially or totally disabled person who is attending an institution of higher learning is considered to have attained a position of self-sufficiency.

Mr. TEAGUE of California. I would assume it would necessarily follow. It may well be that he comes from a household or a family which is eligible.

Mr. VANIK. Mr. Chairman, the gentleman's amendment locks him out regardless of what kind of family level he comes from.

Mr. TEAGUE of California. Well, it is not intended that way. I will point out that it does not follow as a part of the legislative history.

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

Mr. Chairman, the last colloquy between the distinguished gentleman from California (Mr. TEAGUE) the sponsor of this amendment to the amendment, and the gentleman from Ohio (Mr. VANIK) is illustrative of what happens when we attempt to use this sort of legislation as a means of punishing groups we do not currently like very much.

Now, it certainly was not the intention of the gentleman from California, he says, to eliminate the disabled or partially disabled. But the amendment does not say that. The amendment says that any persons attending an institution of higher learning, unless they are married with a child or children, and unless they were previously on foodstamps, are not going to get any foodstamps.

Let us say a student is disabled because he is a Vietnam veteran; he is disabled from combat. As a student without children, he has no eligibility. Now, of course, if he leaves college, he is eligible. What is the sense of such an amendment?

In the work requirements of the law which was passed in 1970, we said that an 18-year-old has to work unless he is caring for aged or infirm relatives or unless he is attending a school or training program. Why do we let him escape the work requirement if he is attending school or a training program? For the same reason we are providing Federal benefits for students and institutions. We want to encourage education. But this amendment discriminates against students and discourages education. It is clearly inconsistent with every education act passed by this Congress.

There are, of course, people who have children who are not married. That is an unfortunate circumstance, but it is a common circumstance. Many mothers on aid to dependent children are not married, but they have the children. We want to encourage them to go to college, if they are able to do so, to improve themselves and become self-supporting. They are not eligible under this amendment.

Mr. Chairman, this is another example of trying to attack an unpopular group, by legislative discrimination which is not only improper but usually misaimed as well.

In the first copy of this amendment offered in the Committee on Agriculture, the gentleman from California totally barred by the amendment all students in higher educational institutions. Then as a result of criticism he added "married with children." Now, I suggest the gentleman is about to change it and say, "If they are disabled."

The simplest process is to vote down the amendment and make students, whether they are students in higher education or not, whether they are married or not, whether they have children or not, meet exactly the same requirements for this program that anybody else must meet. No less and no more.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. TEAGUE) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The question was taken; and on a division (demanded by Mr. TEAGUE of California) there were—ayes 50, noes 81.

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. MIZELL TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. MIZELL. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The Clerk read as follows:

Amendment offered by Mr. MIZELL to the amendment offered by Mr. FOLEY: Page 4, line 18, at the end thereof insert the following:

(n) By striking the second sentence of section 5(b) and inserting in lieu thereof the following:

"The standards established by the Secretary, at a minimum, shall prescribe the amounts of household income and other financial resources, including both liquid and nonliquid assets to be used as a criteria of eligibility. The maximum allowable resources, including both liquid and the equity in nonliquid assets, of all members of each household shall not exceed $1,500 for each household, except, for households including two or more persons age sixty or over the resources shall not exceed $3,000: *Provided*, That the home, one automobile, household goods and clothing; the tools of a tradesman or the machinery of a farmer; total resources of a roomer or boarder, or of a member of the household (other than the head of the household or spouse) who has a commitment to contribute only a portion of his income to pay for services including food and lodging; and Indian lands held jointly with the tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs, shall be excluded in determining the value of the other financial resources."

(o) By adding at the end of section 6(a) the following new sentence: "Such certification shall be made prior to the issuance of any food stamps under this program: *Provided, however*, That in the event of a natural disaster some or all of the requirements for certification may be waived by the Secretary."

Mr. MIZELL. Mr. Chairman, I would direct the attention of the Members of the House to the committee bill on pages 56 and 57, which is where the language of my amendment is found.

This language was the Bergland language added in the committee and accepted by it and the Denholm language which was also offered and accepted in the committee.

It sets up the criteria and the requirements for those who are to receive food stamps. It further requires the Secretary to certify that potential recipients meet these criteria before they are able to receive the food stamps.

I think it is of the utmost importance that we take the necessary steps to set the criteria and in doing so to eliminate as many of the abuses of the food stamp program as we possible can.

I am one who has supported the food stamp program and I have supported it because it is one of only two programs that really puts food on the table for the needy in this country. That is exactly what the food stamp program does.

I think the Members of the House and the American people want to do what they can for those who are in need. I think unless we do set strict criteria there is a great possibility that the abuses in this program will ultimately bring about the elimination of what I think is a very worthwhile program.

These criteria were discussed and debated in the committee and were adopted. I would certainly urge my colleagues to reinstate them now in the Foley amendment which struck the language when it was offered.

Mr. FOLEY. Mr. Chairman, I rise in opposition to the amendment.

I would like to ask the gentleman from North Carolina a question. Does the amendment offered by the gentleman from North Carolina require life insurance to be considered as an asset?

Mr. MIZELL. It does not specify, it says liquid and nonliquid assets, and if that is it, then of course the interpretation would be up to the Secretary.

Mr. FOLEY. Mr. Chairman, it just seems to me that this is where we get into the problem of requiring applicants to almost impoverish themselves totally before they can be eligible, when citizens have sought to be frugal, and have attempted to save something to provide some support, for their later years we are wrong to demand that they spend every single dime that they might have, including the cash value of a life insurance policy before they can come into the program, while people who have not saved anything can come into the program immediately.

I think the regulations have worked fairly well in the past 2 years, and I believe that the amendment should be defeated.

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

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

Mr. MIZELL. Mr. Chairman, I have asked the gentleman from Washington to yield to me so that I might once again call the attention of the Members to the language of the criteria that is set forth. It is not nearly as rigid as my colleague, the gentleman from Washington, says it is. It provides that each household shall not exceed $1,500 for each household, except, for households including two or more persons age 60 or over, the resources shall not exceed $3,000. But mainly it is directed at those who have an automobile. And so that, at least, I think that these are areas that we should direct some attention to. And while we give this discretion to the Secretary I think we have the right to put it into the law and say that we require him to certify that they meet the standards in this amendment. If we do, then I think we shall have really done the food stamp program a very good service.

Mr. FOLEY. I repeat, Mr. Chairman, that the regulations have worked very well as the Secretary has administered them in the last 2 years, it will not do any good, or serve any purpose in this legislation, to attempt to put them into law and make them inflexible, irremovable, and unchangeable. I think the Secretary has the competence to handle the matter, and that the regulations should be left to the department.

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

Mr. Chairman, I would like to have the attention of my good friend, the gentleman from North Carolina (Mr. MIZELL) for a moment or two so that I might ask the gentleman some questions.

Mr. Chairman, of the last things a person should give of, particularly a person of low income, is their life insurance. I certainly do not believe that we, in Congress, could want to pass legislation that would force a person to surrender their life insurance in order to be eligible for food stamps. I take the floor on this measure because, as the Members know, I had been in the life insurance business for many years. One thing I learned is that when people—particularly low-income people—have worked to maintain a small policy for many, many years—and in many instances these policies would be used to try to educate their children or to provide something for their widow at the time of their death—it would be very disturbing to me if there was any indication that people would have to surrender their life insurance in order to qualify for food stamps, even though they qualified in all other ways.

I wonder what the interpretation of the gentleman is on this.

Mr. MIZELL. Mr. Chairman, if the gentleman from New York would yield to me, I would direct the attention of the gentleman to the language in the amendment that I am proposing, which was adopted in the committee, and which, I might point out, that my friend, the gentleman from Washington (Mr. FOLEY) if I remember correctly, enthusiastically supported this amendment in the committee when it was proposed——

Mr. FOLEY. Mr. Chairman, if the gentleman will yield, the gentleman from North Carolina is not correct on that. I hope the gentleman does not let the RECORD indicate that I supported this.

Mr. MIZELL. Mr. Chairman, I stand corrected by the gentleman from Washington that he did not support it.

But it says:

> The maximum allowable resources, including both liquid and the equity in nonliquid assets, of all members of each household shall not exceed $1,500 for each household, except, for households including two or more persons age sixty or over the resources shall not exceed $3,000.

So, Mr. Chairman, I think it would have to be an interpretation of whether the insurance policy the gentleman from New York describes would be covered.

Mr. PEYSER. I do not think the committee considered that cash values in life insurance are considered as an asset or a liquid asset. It is for this reason that I would certainly have to oppose anything that would bring about this type of action.

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

Mr. PEYSER. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

I want to make this clear to the Members. I think my distinguished colleague (Mr. MIZELL) will concede this, that the effect of his amendment is to limit it to $1,500, or to $3,000 in the case of a married couple over 60, except that certain things are removed from the definition of "liquid" and "nonliquid" assets: tools of the trade, and so on. The cash value of life insurance or the loan value of life insurance is nowhere mentioned in his amendment or in the language which is before us now, and Mr. PEYSER is precisely correct in his fear that this amendment, if adopted, will require life insurance policies maintained by a couple or an individual to be cashed in and to be considered part of the liquid assets. The gentleman knows very clearly that they are considered liquid assets, and, therefore, to adopt the Mizell amendment is to require people to cash in life insurance in order to be eligible.

Mr. PEYSER. I am sure that is not the intent of the gentleman from North Carolina, but I think if the language remains this way, I would have to oppose this amendment.

Mr. MIZELL. I think for large insurance policies what the gentleman is saying is absolutely true. We all know the value of that life insurance policy, unless collected, is based upon the cash value of that life insurance policy, which means you have to carry an insurance policy of pretty good size before developing a great deal of asset.

Mr. PEYSER. I would say to the gentleman that one could have a $5,000 straight life policy, and if one has that policy for 20 to 25 years, he would have sufficient equity in it to meet the amount of money the gentleman is talking about. If somebody had purchased a small endowment policy for a college education, say, a $2,000 or $3,000 policy, at the end of the 20-year period, he would have that cash equity, which means he would have to in effect surrender it and give it up. If this amendment were to pass, I feel that it would discourage many young from acquiring life insurance and would encourage many other people to surrender their life insurance.

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

Mr. Chairman, I shall not use anywhere near the 5 minutes, but I do want to take a minute of the committee's time to reiterate what the gentleman from Washington has so eloquently pointed out, that the Mizell amendment does not do anything about insurance. The insurance portion is included in the gentleman from Washington's amendment, and if it is adopted, the cash value of a life insurance policy will remain as part of the law as being exempt from consideration as part of the household assets for purposes of determining eligibility.

As the gentleman from New York has mentioned—and I believe he has experience in insurance matters—the cash value of these life insurance policies on the average is not very large. I have information supplied to me that they are relatively small. I am told that on the average the cash value is $500 to $750. If we do not adopt the Foley amendment here, I shall offer an amendment to the committee's bill to again exempt from figur-

ing the cash value of life insurance policies. I think it is a crucial blow and an unjust blow to take away the small pittance that an elderly couple might have, and force them to spend it before they would be eligible for food stamps.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. I thank the gentleman for yielding.

Mr. Chairman, I did not rise to discuss the merits of the pending amendment, but merely to point out that the language in the committee bill was offered by a member on the Democratic side of the House Committee on Agriculture as a substitute to my amendment proposing to ban food stamps for strikers.

It seemed like a great idea to the Democrats on the committee at that time, but it is obvious their attitude toward the restrictions has changed.

Mr. MELCHER. I thank the gentleman from California for his observation. I would hope that in a bipartisan spirit he feels like supporting the amendment of the gentleman from Washington, and if that fails I hope he will support my amendment which will be later offered to make sure the value of life insurance is not used as a prohibition of a household from receiving food stamps.

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

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

Mr. SISK. I appreciate the gentleman yielding. I appreciate the comments of my good friend, the gentleman from California (Mr. TEAGUE), and of course as he recognized there was a little matter of strategy in connection with the substitute which I offered to his amendment, which was to strike the amendment. I am sure my friend understands.

Mr. TEAGUE of California. Certainly. I thank the gentleman. I think it was a very good strategy at that time.

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

Mr. Chairman, I yield to the gentleman from North Carolina (Mr. MIZELL).

Mr. MIZELL. Mr. Chairman, I thank the distinguished minority leader of our committee for yielding.

Mr. Chairman, I asked the gentleman to yield at this time for the purpose of clearing up what seems to be a question as to what the language of the bill covers. Will cash assets in insurance be considered liquid assets.

Because of the apprehension that has been raised with regard to this amendment. I ask unanimous consent that my amendment be modified to read:

The maximum allowable resources, including both liquid and the equity in nonliquid assets, except insurance of all members of each household shall not exceed $1,500 for each household, except, for households including two or more persons age 60 or over the resources shall not exceed $3,000.

Mr. Chairman, I think this will clear up the question raised by my friend from New York. A person in a situation described would not have to cash in her insurance before she would be eligible for the food stamps.

Ms. ABZUG. Mr. Chairman, I reserve the right to object. What is the gentleman's request?

Mr. MIZELL. Mr. Chairman, because of the apprehension raised by my colleagues as to what would be considered as liquid assets, I have asked unanimous consent that the language of my amendment be modified to read:

The maximum allowable resources, including both liquid and the equity in nonliquid assets, except insurance of all members of each household shall not exceed $1,500 for each household, except, . . .

Mr. Chairman, certainly the intent of this language is not to persecute the widow or the widower or the couple who might have some equity built up in an insurance policy.

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

Ms. ABZUG. Mr. Chairman, reserving the right to object, will the gentleman please read the language of the amendment, please read the amendment as amended?

Mr. MIZELL. Mr. Chairman, I will be glad to accommodate the gentlewoman from New York. The language in the bill with my amendment will read:

The maximum allowable resources, including both liquid and the equity in nonliquid assets, except insurance of all members of each household shall not exceed $1,500 for each household, except, for households including two or more persons age sixty or over the resources shall not exceed $3,000.

Of course the language goes on to set other criteria, but the question was raised as to whether my amendment would apply to an insurance policy that an elderly couple or a widow, or a widower, might have where they had built up some equity. The question was asked whether they would have to cash in their insurance before qualifying for foodstamps. This is not the intention of the gentleman from North Carolina.

Ms. ABZUG. Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. MIZELL to the amendment offered by Mr. FOLEY, as modified: at the end thereof insert the following:

(n) By striking the second sentence of section 5(b) and inserting in lieu thereof the following:

"The standards established by the Secretary, at a minimum, shall prescribe the amounts of household income and other financial resources, including both liquid and nonliquid assets to be used as a criteria of eligibility. The maximum allowable resources, including both liquid and the equity in nonliquid assets, except insurance of all members of each household shall not exceed $1,500 for each household, except, for households including two or more persons age sixty or over the resources shall not exceed $3,000: *Provided*, That the home, one automobile, household goods and clothing; the tools of a tradesman or the machinery of a farmer; total resources of a roomer or boarder, or of a member of the household (other than the head of the household or spouse) who has a commitment to contribute only a portion of his income to pay for services including food and lodging; and Indian lands held jointly with the tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs, shall be excluded in determining the value of the other financial resources."

(o) By adding at the end of section 6(a) the following new sentence: "Such certification shall be made prior to the issuance of any food stamps under this program: *Provided, however*, That in the event of a natural disaster some or all of the requirements for certification may be waived by the Secretary."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. MIZELL), as modified, to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The question was taken; and on a division (demanded by Mr. MIZELL) there were—ayes 39; noes 66.

So the amendment, as modified, was rejected.

AMENDMENT OFFERED BY MR. PRICE OF TEXAS TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. PRICE of Texas. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. PRICE of Texas to the amendment offered by Mr. FOLEY:

Page 4, line 9, strike out all of subsection (j) and redesignate subsequent subsections accordingly.

Mr. PRICE of Texas. Mr. Chairman, I am sure that this was an oversight by the gentleman who is now handling this part of the bill, but the amendment offered by Mr. FOLEY of Washington removes from the present law the prohibition on using food stamps for purchasing imported meats.

I think this is another blow to the American cattlemen after the phase 4 announcement of yesterday, which keeps beef frozen at the present time. My amendment would strike from the Foley amendment the language which rewrites the definition of "food."

In other words, my amendment would leave present law alone, and it would retain the language in section 3(b), as I read the following:

The term "food" means any food or food product for human consumption except alcoholic beverages, tobacco, those foods which are identified on the package as being imported, and meat and meat products which are imported.

There is no problem with garden seeds, because the authority to use food stamps for garden seeds is contained in the Senate bill and will be before the conferees.

I notice further that the gentleman's amendment makes the escalator clause available in the food stamp section of this bill.

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

The gentleman from Texas (Mr. PRICE) is a distinguished member of the Committee on Agriculture and comes from an area which raises and feeds many cattle.

I have some livestock producers in my area, too.

The amendment that the gentleman would strike from my amendment is one which seeks to address itself to what is really now, I believe, a silly provision in

the existing law. The present law say now that a food stamp recipient cannot buy any product that is imported or contains imported meat. A great amount of the hamburger in this country is made with imported Australian and other imported meat, which is mixed with fat and used to make hamburger and imported meat is also used to make processed meats.

These are generally low-cost meat products. Does it make any sense in a program for low income families to prevent them from buying hamburger? I do not believe it makes very much sense. But that is the effect of the present law, and that is what the gentleman from Texas wants to retain.

I do not have any apology to make to the cattlemen of this country. The food stamp program has put $2 billion a year into the purchasing power of almost 13 million Americans who are receiving its benefits. That is a pretty healthy addition to the food budgets of those American families, and to the food manufacturing, processing and retailing elements of this country.

If a food stamp family spends about 25 to 30 percent of its income on meat, as most families do, we can figure it out. It comes out to about $500 to $600 million a year, out of the food stamp program that goes for meat products. I am pleased that this is so because it helps family nutrition and agriculture as well.

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

Mr. FOLEY. I yield to the gentleman from Texas.

Mr. PRICE of Texas. The gentleman makes an eloquent argument, but I am afraid he is incorrect, in that there are imported meats in weiners and sausages and also hamburger meat. The language presently in the law does not prevent food stamps from being used to purchase these products. That is commingled. There is nothing in the bill to prevent it in any way or form.

Mr. FOLEY. I am sorry, but the gentleman is not exactly correct. It has been in some cases ignored, but it has also been enforced in some cases where there have been elements of imported meat commingled with American meat products, such as hamburger.

Mr. PRICE of Texas. Can the gentleman cite any specific instance?

Mr. FOLEY. It has happened. I do not see any reason why we should get involved in barring imported meat at all. If somebody wants to buy Icelandic lamb with food stamps I see no reason why he should not be permited to do so with food stamps.

I think this is an old, archaic section of the law designed to appeal to cattlemen, and it has no justification and should be repealed.

Mr. FROEHLICH. Mr. Chairman, I rise in support of the amendment to the amendment.

Mr. Chairman and Members of the House, this amendment does not deal entirely with meat; it deals with all food products. Those of us who support the food stamp program must also answer the criticisms of the people who are against these programs, and part of the criticism comes from people who are paying taxes and who see their taxes go to buy foreign cheeses, foreign meats, other imported foods, or gourmet foods.

Those are the things that bring criticism in this type of a program. So if we are going to preserve the program, if we are going to improve the program, if we are going to have the program operate effectively, we are going to have to address ourselves to those things which constitute dire criticisms of the program.

If we adopt the Foley amendment without the amendment offered by the gentleman from Texas we will bring added criticism upon this body and this program.

Mr. Chairman, this is a very good amendment, and it should be adopted. The farmers and taxpayers of this Nation will then feel much better about the food stamp program.

Mr. FOLEY. Mr. Chairman, if the farmers of this country do not feel good about the food stamp program, they do not know what is in their own interest. If this program has any immediate economic impact outside of the recipients, it is on the farmer, the livestock raiser, the dairyman, and the grocery store owner, who receive the benefits of this additional $2 billion pumped into the system.

I think frankly that most of the people I hear criticizing food stamp purchases are more inclined to criticize the T-bone steaks which they think the food stamp recipient is buying, T-bone steaks which are raised in this country, than they are to criticize the purchase of a can of Norwegian sardines or Italian olives.

Mr. FROEHLICH. Mr. Chairman, they have not been able to get the question of the imported foods and the gourmet counter yet. Without this amendment, they will get to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PRICE) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The question was taken; and on a division (demanded by Mr. PRICE of Texas) there were—ayes 36, noes 51.

Mr. PRICE of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. CONLAN TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. CONLAN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONLAN to the amendment offered by Mr. FOLEY: Page 1, line 4, immediately after "(a)" insert "(1)", and on line 12, at the end thereof insert "; and" and immediately after line 12; insert the following new paragraph:

(2) by inserting at the end of subsection (e) of section 3 the following: *"Provided,* That the Secretary is authorized, by rule, to establish procedures, including a fair hearing, by which a claimant may obtain a waiver of the restrictions of this subsection if he can establish to the satisfaction of the Secretary or his delegate that mitigating circumstances exist which would justify such a waiver. Such mitigating circumstances would include those in which there is demonstrable proof that such claimant is, through no fault of his own, substantially unable to satisfy his reasonable needs, as defined by the applicable income standard established for otherwise eligible households, by living with members of his family or by otherwise availing himself of the support or assistance which such family would ordinarily be expected to provide."

And on page 4, insert as a new resolution the following:

(n)(1) Section 5(b) of the Food Stamp Act of 1964 is amended by inserting in the third sentence thereof after "who is" the first time it appears therein "properly", and by striking out the period at the end of such sentence and inserting in lieu thereof the following: ", except that the Secretary is authorized, by rule, to establish procedures, including a fair hearing, by which a claimant may obtain a waiver of the restrictions of this subsection if he can establish to the satisfaction of the Secretary or his delegate that mitigating circumstances exist which would justify such a waiver. Such mitigating circumstances would include those in which there is demonstrable proof that such claimant is, through no fault of his own, substantially unable to satisfy his reasonable needs, as defined by the applicable income standard established for otherwise eligible households, by living with members of his family or by otherwise availing himself of the support or assistance which such family would ordinarily be expected to provide."

Mr. CONLAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. CONLAN. Mr. Chairman, the amendment which I am proposing concerns provisions of the Food Stamp Act which were enacted by this House in 1971 in an effort to curb some of the abuses of the program which had become evident at that time.

What this amendment will do is to follow the guidelines of the Supreme Court in the Moreno and Murray cases decided on June 25 of this year, to correct what the Supreme Court felt were inadequacies in the drafting of the original amendments of 1971.

I am seeking to do nothing more than to reinsert the policy provisions closing some of the loopholes that you thought were leading to abuse and fraud at that time.

The Supreme Court found nothing of substance from the legislative history to indicate that this body wanted to make any mitigating exceptions.

If I might explain what these amendments do, in two of your 1971 amendments, which amended sections 3(e) and 5(b) of the act, they were clearly designed to prevent food stamps from going to persons who were voluntarily poor. The thinking of Congress must have been that while there is no objection to providing assistance to those who truly need it and have made every reasonable effort to take care of their own needs, Congress felt it has an obligation to the working taxpayers to prevent their generosity from being abused by those who consciously sought to siphon off their funds from others. Someone called it the anticommune or antihippie amendment.

Despite the fact that the legislative purpose of that amendment seemed practically self-evident to you and to me, the Supreme Court, in two closely split decisions, ruled that sections 3(e) and 5(b) of the act were violative of the due process clause of the Constitution.

The purpose of my amendment is to confirm the Congress' original substantive intent and to give effect to the 1971 amendments by acknowledging the Supreme Court's concern as to the legislative purpose of these sections and to meet their objections to the Congress drafting wherein the Congress failed to provide a hearing process which could authorize the Department of Agriculture to waive general rules in cases of mitigating circumstances. The amendment that I offer is to provide that hearing process.

The amendment attempts to address itself to the issue decided in the Court in the case of USDA against Mareno and in the companion case of USDA against Murry.

In the case of Mareno, the Court held that section 3(e) was unconstitutional on the ground that it violated the due process clause. That section defines the term "household" in such a manner as to render ineligible any households whose members are not all related to each other. You know what you were getting at at that time. However, the Court found that section created a distinction between those households which did and those which did not contain unrelated members and the distinction was not rationally related to any permissible legislative purpose, such as the prevention of abuse.

You have an error in drafting, and that is what this amendment is designed to correct.

The Court noted in some cases unrelated persons were living together in order to cut housekeeping expenses, which is not abusive in and of itself and would not be denied benefits if they lived alone. They were entitled to benefits if they lived alone, such as an elderly widow who was taken in by another family was eligible to receive benefits.

My amendment would offer the unrelated household member an opportunity to demonstrate in a second hearing he cannot reasonably obtain support from his family.

Mr. Justice Brennan, in his majority opinion, lamented the fact that "there is little legislative history to illuminate the purposes of the 1971 amendment of section 3(a)." He speculated, along with the Government in the district court, that the legislative purpose might have been "to foster morality," a purpose which would very likely raise serious first amendment questions. It was noted that the amendment seemed to be aimed primarily at "hippies," and the Court opined that if the constitutional conception of "equal protection" means anything, it must at the very least mean that a bare congressional desire to harm a politically unpopular group cannot constitute a legitimate governmental interest. There had to be some independent considerations in the public interest to justify the amendment.

And I agree with the Supreme Court's decision.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. CONLAN. So, Mr. Chairman, I should like to point out that we are not attempting here to legislate morality or legislate against anybody by the length of their hair or the unpopularity of their views. That is not my concern.

My sole concern is to prevent the unwarranted expenditure of public funds to provide for the support of persons, who have recourse to parents and other family members to provide the necessities of life but who, for reasons of their own, choose to impose the burden of their support upon the contributing members of society, namely, the taxpayers. I simply believe that the amendments of 1971 show that the majority of the colleagues in this body felt they had an obligation to the taxpayers, whose taxes make it possible to support humanitarian programs and purposes, to utilize traditional sources of personal support and to dip into the public Treasury only as a last resort.

All I am doing by this amendment is establishing a way to institute a hearing procedure for a person who can show mitigating circumstances, and thus meet the Supreme Court requirements, so that the amendment that was passed in 1971 to prevent abuse and fraud may be a part of the law once again.

I am just trying to reinstate the law by correcting the deficiency pointed out by the Court decision.

Mr. FOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Arizona (Mr. CONLAN).

Mr. Chairman, this is an attempt to get back into a dispute which has been resolved by the Supreme Court. The Court dealt recently with two of the least well-considered, and in my judgment, the least useful amendment in the 1970 act. We had decided in 1970 that we were going to get the hippies out of the food stamp bill. And we provided in 1970 that every member of the household except for certain exceptions had to be related to every other member. Aside from the fact that there are very legitimate situations in which families live together, particularly poor families who are trying to save on rent and other expenses, we created a requirement of mutual relationship aimed at communes. In the Supreme Court's opinion, this section of the 1970 statute had to be struck down as unconstitutional under the 15th amendment.

I urge my colleagues on the committee to let that section have a decent burial. It has been buried. It did not serve any useful purpose when alive. The Supreme Court has decided it is unconstitutional.

I would hope that we would not encourage the gentleman from Arizona (Mr. CONLAN) to tinker with the section. The result, I am sure, would only be more litigation all to no useful purpose.

We cannot properly or constitutionally punish hippies as a class of people. There has to be some rational legislative standard in the excluding individuals and groups from the benefits of this program. So I am afraid that the statement made by the gentleman from Arizona that they are not after people with long hair does not change the fact that there has never been any legislative history to establish justification for the 1970 amendment, except for that purpose.

I would also add that the gentleman from Arizona also complicates it by confusing an entirely different 1970 amendment. And the author of that amendment is in the Chamber, the gentleman from Iowa (Mr. MAYNE) and his amendment was designed and directed at something entirely different, it was designed to prevent a person who has been claimed as a dependent by a parent that is not himself eligible for food stamps, from receiving food stamps or being in a household receiving food stamps.

The Supreme Court declared that this particular 1970 act amendment was also unconstitutional.

The gentleman has offered this amendment which would give the Secretary authority to hold a hearing and give a waiver of these subsections, if one can find to the satisfaction of the Secretary's delegate that mitigating circumstances exist which would justify such a waiver. I suggest that is not a tight enough legislative standard to give any guidance to the Secretary about what such mitigating circumstances would be. Paragraph I suggests it serves no purpose to attempt to resurrect this ill-starred effort of the 1970 act.

Mr. CONLAN. The gentleman is in effect saying the Mayne amendment as a general policy that the Congress adopted was wrong, then, as far as he is concerned?

Mr. FOLEY. Yes; I was opposed to it.

Mr. CONLAN. We understand it. The Mayne amendment was concerning a man who was taking as a tax deduction a son and providing support to him, and that son was receiving support. The father was taking a full deduction. The son went off somewhere else, moved in with another household on a floating situation, which household put in for food stamps. I am just saying this is what it does, and the gentleman is saying that policy is wrong. This Congress adopted it.

Mr. FOLEY. I will tell the gentleman what else it does. Take the case of a woman who is married and has a child, and is later divorced, and remarried having several children by the second marriage and perhaps she then is deserted or divorced by her second husband. Under the Mayne amendment she and her family are ineligible if the first husband claims a deduction for the eldest child on the basis of either support for that child or only claimed support. Note that all the household is ineligible even though support only reaches the child of the first marriage. This did not have anything to do with the practical effect of cutting of students alone. It hit all kinds of families that have been separated and divorced.

What the Mayne amendment attempted to do was to say that no house-

hold shall be eligible for food stamps that contains in that household a dependent who is being claimed as an income tax deduction by a person, a taxpayer not himself a member of an eligible household for the year in which the deduction is claimed and for a year thereafter. I am sure that is very clear to everybody here and that they understand perfectly exactly what I said. That is the kind of tortuous language that was used in an attempt to exclude university students.

Unfortunately it has reached more than the students. The Supreme Court has let its judgment stand.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. CONLAN) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. STEELE TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. STEELE. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The Clerk read as follows:

Amendment offered by Mr. STEELE to the amendment offered by Mr. FOLEY: by adding the following new section at the end thereof:

(1) by inserting at the end of section 3(e) of the Food Stamp Act of 1964 the following new sentence: "Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), or section 236 of the National Housing Act (12 U.S.C. 1715z–1) shall not be considered residents of an institution or boarding house for purposes of eligibility for food stamps under this Act."

Mr. STEELE. Mr. Chairman, my amendment would correct an inequity that now exists for some residents of section 202 and 236 federally subsidized housing for the elderly. Under the present standards promulgated by the Department of Agriculture, residents of some of these buildings are denied food stamps because they receive six meals per week as part of their monthly rent.

In one such building in Connecticut, all of the residents are required to pay for an evening meal 6 days each week but are denied food stamps for their other meals. This situation exists because the Department of Agriculture has ruled that their housing is classified as a boarding house or institution. Since these residents must prepare their own meals twice each day and three times on Sunday, I believe that the Department of Agriculture has shown an unbelievable lack of sensitivity in its ruling.

In the case I am citing, a tenant cannot pay for or receive more than six dinner meals each week. The tenant must prepare breakfast and lunch each day and all his meals on Sunday in his own apartment, in his own kitchen, with his own money. These residents are not institutionalized.

Patients in institutions or residents of boarding houses do not have to buy their own food nor do they have to prepare it in their own apartments. Many section 202 and 236 residents would qualify for food stamps under the existing requirements, but the Department of Agriculture has denied certification to their households because of an arbitrary ruling. My amendment would erase the only barrier to the eligibility of these persons.

The mandatory meal requirement in some section 202 and 236 elderly housing is a substantial part of the specialized dietary needs of the residents. Additionally, the required dinner meals help to overcome two o. the major problems of old age—malnutrition and isolation. In Connecticut, the Department of Agriculture stated that the mandatory nature of the meals was blocking food stamp eligibility. I believe that the residents both need congregate meals and deserve the same access to food stamps we have provided for other older Americans.

I cannot believe that Congress intended to exclude these older Americans from the benefits of the food stamp program. They deserve—and it is our ob'igation—to provide them with the benefits of programs designed to help all needy Americans.

If accepted this amendment would correct a serious situation that exists for some of the residents of section 202 and 236 housing for the elderly. The cost of the amendment, according to Deputy Assistant Secretary of Agriculture James H. Lake, would be too small to accurately estimate. The benefits to the residents and the common sense of the idea, however, are overwhelming.

Mr. FOLEY. Mr. Chairman, if the gentleman will yield, perhaps to shorten the debate, I think the amendment is worthwhile and reasonable and will be acceptable on this side.

Mr. TEAGUE of California. Mr. Chairman, if the gentleman will yield, we do not have any objections on this side to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. STEELE) to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. FROEHLICH TO THE AMENDMENT OFFERED BY MR. FOLEY

Mr. FROEHLICH. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FROEHLICH to the amendment offered by Mr. FOLEY: On page 4 of the Foley amendment line 11 after "alcoholic beverage" insert: ", those foods which are identified on the package as being imported, such food and food products as may be determined by the Secretary to be of low or insignificant nutritional value,".

Mr. FROEHLICH. Mr. Chairman, the effect of this section of the Foley amendment is to remove all barriers in the Food Stamp Act to the purchase of foreign food imports. In other words, if this amendment were adopted, the Government would be taxing citizens, including farmers, in order to raise money to purchase foreign food products that are in direct competition with American food.

I can't imagine a greater insult to American farmers, nor can I imagine anything that is more likely to undermine the strength of American agriculture.

It is well known, Mr. Chairman, that American farmers are required to meet higher standards of production than farmers in many countries across the globe. I have been particularly concerned about the unsanitary conditions under which a good deal of imported cheese is produced.

Now, there is a serious effort to use American tax dollars to buy foreign cheese and other products produced under these substandard conditions.

This, of course, comes at a time when the United States is suffering a serious balance-of-payments deficit.

Mr. Chairman, my amendment amends the Foley amendment to correct this problem.

Second, my amendment picks up the wording of the committee proposal which says that food cannot be purchased that the Secretary determines is of low or insignificant food value.

These two portions of the amendment in my opinion are offered to alleviate some of the criticism of those who are opposing the program. I think it is necessary to make these corrections to soften the criticism in this area.

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

Mr. Chairman, I think if the gentleman from Wisconsin had offered the second part of his amendment alone it would clearly have been subject to a point of order. We have already considered and rejected the Price amendment which was designed to restore the imported food ban and now the gentleman from Wisconsin (Mr. FROEHLICH) wants to go over it once again.

He is adding another section, and wants to go back and pick up the language which says the Secretary shall determine what is nutritious and what is nonnutritious. Again, I hope the committee, for the sake not of food stamp recipients, but for the sake of the people who are not food stamp recipients and who have to stand at check-out counters, will not open this Pandora's box.

If we adopt this amendment clerks at the check-out counter will be saying, "Well, sorry, you cannot buy this diet food because that is not nutritious," or, "You cannot buy this product because it is not on the nutritious list." The whole concept of the food stamp program, when it came into existence, was to help the families in need of nutrition assistance through food purchased in the normal channels of trade rather than food distributed from surplus commodities. We allowed people to buy stamps depending on their income level and go to the supermarket just as any other person does.

Now, we want to set up a whole new standard in non-nutritious food. I think that is asking for much difficulty and inconvenience for everyone in order to ban candy bars and pop. It is going to complicate the food stores' operations immensely. The Department is opposed. The retail food industry is opposed.

Mr. Chairman, I urge the defeat of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. FROEHLICH)

to the amendment offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment was rejected.

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

The CHAIRMAN. The Chair will count.

One hundred thirty-two Members are present, a quorum.

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

Mr. Chairman, this is going to be a short speech, which I am sure the Members will be glad to hear. I think, unfortunately, that the effort that was made originally on my substitute amendment has now been largely vitiated by the amendments which have been added to it.

I hope that anyone who would have voted for my substitute in its original form will now vote against it. I, as the sponsor of the amendment, because of the amendments which have been attached to it, ask that the committee now reject the Foley substitute amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. FOLEY), as amended.

The question was taken; and on a division, demanded by Mr. TEAGUE of California) there were—ayes 57, noes 66.

RECORDED VOTE

Mr. TEAGUE of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 210, noes 207, not voting 16, as follows:

[Roll No. 356]

AYES—210

Abdnor	Davis, Wis.	Hutchinson
Anderson, Ill.	Dennis	Ichord
Archer	Derwinski	Jarman
Arends	Devine	Johnson, Colo.
Armstrong	Dickinson	Johnson, Pa.
Ashbrook	Dorn	Jones, N.C.
Bafalis	Duncan	Jones, Tenn.
Baker	du Pont	Keating
Beard	Edwards, Ala.	Ketchum
Bennett	Erlenborn	Kuykendall
Blackburn	Esch	Landrum
Bowen	Eshleman	Latta
Bray	Findley	Lent
Breckinridge	Flynt	Lott
Brinkley	Ford, Gerald R.	Lujan
Broomfield	Forsythe	McClory
Brotzman	Fountain	McCloskey
Brown, Mich.	Frelinghuysen	McCollister
Brown, Ohio	Frenzel	McEwen
Broyhill, N.C.	Frey	McKinney
Broyhill, Va.	Gettys	Madigan
Buchanan	Gibbons	Mahon
Burgener	Ginn	Mailliard
Burke, Fla.	Goldwater	Mallary
Burleson, Tex.	Goodling	Mann
Butler	Green, Oreg.	Maraziti
Byron	Gross	Martin, Nebr.
Camp	Grover	Martin, N.C.
Carter	Gubser	Mathias, Calif.
Cederberg	Gunter	Mathis, Ga.
Chamberlain	Guyer	Mayne
Chappell	Haley	Michel
Clancy	Hammer-schmidt	Milford
Clausen, Don H.	Hanrahan	Miller
Clawson, Del	Hansen, Idaho	Minshall, Ohio
Cochran	Harvey	Mitchell, N.Y.
Cohen	Hastings	Mizell
Collins, Tex.	Hébert	Montgomery
Collier	Heinz	Moorhead, Calif.
Conable	Henderson	Myers
Conlan	Hinshaw	Natcher
Conte	Hogan	Nelsen
Coughlin	Holt	Nichols
Crane	Horton	O'Brien
Cronin	Hosmer	Parris
Daniel, Dan	Huber	Pettis
Daniel, Robert W., Jr.	Hudnut	Powell, Ohio
	Hunt	Preyer
Price, Tex.	Sebelius	Towell, Nev.
Pritchard	Shoup	Treen
Quie	Shriver	Vander Jagt
Quillen	Shuster	Veysey
Rarick	Sikes	Wampler
Regula	Skubitz	Ware
Rhodes	Smith, N.Y.	Whitehurst
Rinaldo	Snyder	Whitten
Roberts	Spence	Widnall
Robinson, Va.	Stanton, J. William	Wiggins
Robison, N.Y.	Steelman	Williams
Rogers	Steiger, Ariz.	Wilson, Bob
Roncallo, N.Y.	Steiger, Wis.	Winn
Rose	Stephens	Wydler
Rousselot	Stubblefield	Wylie
Runnels	Stuckey	Wyman
Ruth	Symms	Young, Alaska
Sandman	Taylor, Mo.	Young, Fla.
Sarasin	Taylor, N.C.	Young, Ill.
Satterfield	Teague, Calif.	Young, S.C.
Saylor	Thomson, Wis.	Zion
Scherle	Thone	Zwach
Schneebeli		

NOES—207

Abzug	Froehlich	Patten
Adams	Fulton	Pepper
Addabbo	Gaydos	Perkins
Alexander	Giaimo	Peyser
Anderson, Calif.	Gilman	Pickle
	Gonzalez	Pike
Andrews, N.C.	Grasso	Poage
Andrews, N. Dak.	Gray	Podell
	Green, Pa.	Price, Ill.
Annunzio	Griffiths	Railsback
Ashley	Gude	Randall
Aspin	Hamilton	Rangel
Badillo	Hanley	Rees
Barrett	Hanna	Reid
Bell	Hansen, Wash.	Reuss
Bergland	Harrington	Riegle
Bevill	Harsha	Rodino
Biaggi	Hawkins	Roe
Biester	Hays	Roncalio, Wyo.
Bingham	Hechler, W. Va.	Rooney, N.Y.
Boggs	Heckler, Mass.	Rooney, Pa.
Boland	Helstoski	Rosenthal
Bolling	Hicks	Rostenkowski
Brademas	Hillis	Roush
Brasco	Holifield	Roy
Breaux	Holtzman	Ryan
Brooks	Howard	St Germain
Brown, Calif.	Hungate	Sarbanes
Burke, Calif.	Johnson, Calif.	Schroeder
Burke, Mass.	Jones, Ala.	Seiberling
Burlison, Mo.	Jones, Okla.	Shipley
Burton	Jordan	Sisk
Carey, N.Y.	Karth	Slack
Carney, Ohio	Kastenmeier	Smith, Iowa
Casey, Tex.	Kazen	Staggers
Chisholm	Kluczynski	Stanton, James V.
Clark	Koch	
Clay	Kyros	Stark
Cleveland	Leggett	Steed
Collins, Ill.	Lehman	Steele
Conyers	Litton	Stratton
Corman	Long, La.	Studds
Cotter	Long, Md.	Sullivan
Culver	McCormack	Symington
Daniels, Dominick V.	McDade	Teague, Tex.
	McFall	Thompson, N.J.
Davis, Ga.	McKay	Thornton
Davis, S.C.	McSpadden	Tiernan
de la Garza	Macdonald	Udall
Delaney	Madden	Ullman
Dellenback	Matsunaga	Van Deerlin
Dellums	Mazzoli	Vanik
Denholm	Meeds	Vigorito
Dent	Melcher	Waggonner
Diggs	Metcalfe	Waldie
Dingell	Mezvinsky	Walsh
Donohue	Minish	Whalen
Drinan	Mink	White
Dulski	Mitchell, Md.	Wilson, Charles H., Calif.
Eckhardt	Moakley	
Edwards, Calif.	Moorhead, Pa.	
Eilberg	Morgan	Wilson, Charles, Tex.
Evans, Colo.	Mosher	
Evins, Tenn.	Moss	Wolff
Fascell	Murphy, Ill.	Wright
Fish	Murphy, N.Y.	Wyatt
Flood	Nedzi	Yates
Flowers	Nix	Yatron
Foley	Obey	Young, Ga.
Ford, William D.	O'Hara	Young, Tex.
	O'Neill	Zablocki
Fraser	Passman	

NOT VOTING—16

Blatnik	King	Roybal
Danielson	Landgrebe	Ruppe
Downing	Mills, Ark.	Stokes
Fisher	Mollohan	Talcott
Fuqua	Owens	
Kemp	Patman	

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT AMENDMENTS

SEC. 5. The Consolidated Farm and Rural Development Act is amended as follows:

(a) Section 306(a) of such Act is amended by adding at the end thereof the following:

"(13)(A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

"(B) For the purposes of this subsection, the term 'eligible volunteer fire department' means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thouand but greater than two hundred, as reasonably determined by the Secretary."

(b) Section 310B(d) of subtitle A of such Act is amended by adding at the end thereof the following:

"(4) No grant or loan authorized to be made under this section, section 304, or section 312 shall require or be subject to the prior approval of any officer, employee, or agency of any State."

AMENDMENT OFFERED BY MR. PRICE OF TEXAS

Mr. PRICE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRICE of Texas: Page 60, line 14, strike out the quotation marks and insert the following:

"(5) No certificates issued by the Secretary or any private entity evidencing beneficial ownership in a block of notes insured or guaranteed under this title shall be subject to laws administered by the Securities and Exchange Commission: *Provided*, That the Secretary shall require any private entity offering such certificates to place the insured or guaranteed notes in the custody of an institution chartered by a Federal or State agency to act as trustee and shall require periodic reports as to the sale of such certificates: *Provided further*, That any sale by the Secretary of such certificates shall be treated as a sale of assets for the purpose of the Budget and Accounting Act of 1921."

Mr. PRICE of Texas. Mr. Chairman, I will be very brief. This should be a noncontroversial amendment which I hope the distinguished manager of the bill will accept.

During that committee's consideration of this legislation, certain amendments to the Rural Development Act of 1972 were included because of the need that had become evident since passage of the act last August.

One additional shortcoming has been brought to my attention since the Committee on Agriculture reported the bill now before us. As my colleagues will recall, one of the major thrusts of the Rural Development Act was to create new credit in rural America for business expansion through a system of Government guarantees of loans—and I say again loans—made by private financial institutions.

The President of the Independent

Bankers Association, an organization composed of most rural bankers in the Nation, has indicated that a secondary market for guaranteed loans must be found if there is to be a continuing flow of capital to rural areas for business and industrial development. It is my understanding that if the individual guaranteed notes are sold to investors, they are exempt from Securities and Exchange Commission regulations. However, if these guaranteed notes are pooled and certificates of beneficial ownership are sold in the pool, they would not be exempt from SEC regulation.

My amendment would merely extend this exemption to certificates evidencing ownership in a pool or block of notes guaranteed by the Secretary of Agriculture through the Farmers Home Administration which has indicated their support of this amendment. I would add that the rights of investors would be safeguarded with the requirement that any private entity offering such certificates would be required to place the guaranteed notes in the custody of a trustee approved by the Secretary.

Mr. Chairman, I hope this amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PRICE).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read:

The Clerk read as follows:

RURAL DEVELOPMENT ACT AMENDMENTS

SEC. 6. The Rural Development Act of 1972 is amended as follows:

(a) Section 401 of such Act is amended by substituting the words "fire" and "fires" for the words "wildfire" and "wildfires", respectively, wherever such words appear.

(b) Section 404 of such Act is amended to read as follows:

"SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obligated by the Secretary of Agriculture carrying out this title."

AMENDMENT OFFERED BY MR. O'HARA

Mr. O'HARA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA: Page 61, line 3, after the period, insert:

GENERAL PROVISIONS

"SEC. 7. No payment shall be made, directly or indirectly, to any producer of agricultural commodities by any agency or instrumentality of the United States with respect to any crop which was planted, cultivated, or harvested during a labor dispute involving such producer and persons who have been in his employ."

And redesignate the succeeding section.

Mr. O'HARA. Mr. Chairman, this is a simple conforming amendment. The House earlier this afternoon made it clear that it did not want to be in the position, at least not in this bill, of subsidizing either side of a labor dispute, and pursuant to that expressed intention we voted not to permit the families of strikers to receive food stamps. What this amendment does is simply make that an evenhanded proposition. It says that no payment shall be given to any agricultural producer with respect to any crop that was planted, cultivated, or harvested while a labor dispute between that agricultural producer and persons who have been employed by him was in progress.

That seems to me to be simple equity. If the House does not want to take one side or the other in these labor disputes, so be it. I did not think that was a wise decision, but now I think we ought to make this decision an equitable one. I ask for adoption of the amendment.

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

Mr. O'HARA. I yield to the gentleman from California.

Mr. SISK. Mr. Chairman, of course I myself am on the same side as the gentleman from Michigan in connection with the strikers, and as the gentleman knows I voted against the Dickinson amendment.

Let me say I do not know of any other area outside of California where his amendment could possibly be an item since I do not know of any other labor problems going on. I am not entirely sure what the application would be but on the other hand I agree with my colleague from Michigan that we should be evenhanded and I therefore support his amendment.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, I think the gentleman explained his amendment very clearly although we do not have a copy of it at the table.

Mr. O'HARA. I apologize to the gentleman from California. I scribbled the amendment, after the adoption of the Dickinson amendment, on this amendment form. My only copy is on the back of this report. If the gentleman has any questions I will be happy to respond.

Mr. TEAGUE of California. No, but I have a statement. I think the gentleman must be offering this as a joke. My district fortunately for me and for them is not involved in these programs so it would not affect me personally at all but I think any Members who do come from districts that are receiving farm subsidies cannot support the O'Hara amendment.

Mr. O'HARA. I do not offer it as a joke. I opposed the Dickinson amendment, but now that we have gone into that area I think we must be even-handed about it.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to my colleague from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Chairman, I am inclined to think the gentleman has gone a bit further than he has stated, because the amendment covers planting, cultivating, or harvesting of crops, which is the full calendar year. I presume what we should do in the food stamp area if we are to be even handed as the gentleman suggests is that no one shall be eligible for food stamps if they have ever participated in a strike.

Mr. O'HARA. Mr. Chairman, I think the gentleman is splitting hairs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. O'HARA).

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

RECORDED VOTE

Mr. O'HARA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 85, noes 326, not voting 22, as follows:

[Roll No. 357]

AYES—85

Abzug	Eilberg	Pepper
Adams	Fascell	Podell
Addabbo	Flood	Rangel
Anderson, Calif.	Ford, William D.	Rees
Badillo	Fraser	Reuss
Barrett	Gaydos	Roncalio, Wyo.
Bennett	Gude	Rooney, N.Y.
Biaggi	Hansen, Wash.	Rooney, Pa.
Bingham	Harrington	Rosenthal
Bolling	Hawkins	Roybal
Brademas	Hicks	Ryan
Brasco	Holifield	St Germain
Brown, Calif.	Holtzman	Sarbanes
Burke, Calif.	Howard	Saylor
Burke, Mass.	Karth	Schroeder
Burton	Kluczynski	Seiberling
Carey, N.Y.	Koch	Sisk
Carney, Ohio	Kyros	Stark
Chisholm	Long, Md.	Thompson, N.J.
Clay	Madden	Tiernan
Conte	Meeds	Udall
Conyers	Metcalfe	Vanik
Corman	Mink	Waldie
Cronin	Mitchell, Md.	White
Dellums	Moorhead, Pa.	Wilson, Charles H., Calif.
Diggs	Morgan	Wolff
Dingell	Moss	Wyatt
Drinan	Nix	
Edwards, Calif.	O'Hara	

NOES—326

Abdnor	Collier	Gonzalez
Alexander	Collins, Ill.	Goodling
Anderson, Ill.	Collins, Tex.	Grasso
Andrews, N.C.	Conable	Gray
Andrews, N. Dak.	Conlan	Green, Oreg.
Annunzio	Cotter	Green, Pa.
Archer	Coughlin	Gross
Arends	Crane	Grover
Armstrong	Culver	Gubser
Ashbrook	Daniel, Dan	Gunter
Ashley	Daniel, Robert W., Jr.	Guyer
Aspin	Daniels, Dominick V.	Haley
Bafalis	Davis, Ga.	Hamilton
Baker	Davis, S.C.	Hammer-schmidt
Beard	Davis, Wis.	Hanley
Bell	de la Garza	Hanrahan
Bergland	Delaney	Hansen, Idaho
Bevill	Dellenback	Harsha
Biester	Denholm	Harvey
Blackburn	Dennis	Hastings
Boggs	Dent	Hays
Boland	Derwinski	Hechler, W. Va.
Bowen	Devine	Heckler, Mass.
Bray	Dickinson	Heinz
Breaux	Donohue	Henderson
Breckinridge	Dorn	Hillis
Brinkley	Dulski	Hinshaw
Brooks	Duncan	Hogan
Broomfield	du Pont	Holt
Brotzman	Eckhardt	Horton
Brown, Mich.	Edwards, Ala.	Hosmer
Brown, Ohio	Erlenborn	Huber
Broyhill, N.C.	Esch	Hudnut
Broyhill, Va.	Eshleman	Hungate
Buchanan	Evans, Colo.	Hunt
Burgener	Evins, Tenn.	Hutchinson
Burke, Fla.	Findley	Ichord
Burleson, Tex.	Fish	Jarman
Burlison, Mo.	Flowers	Johnson, Calif.
Butler	Flynt	Johnson, Colo.
Byron	Foley	Johnson, Pa.
Camp	Ford, Gerald R.	Jones, Ala.
Carter	Forsythe	Jones, N.C.
Casey, Tex.	Fountain	Jones, Okla.
Cederberg	Frelinghuysen	Jones, Tenn.
Chamberlain	Frenzel	Jordan
Chappell	Frey	Kastenmeier
Clancy	Froehlich	Kazen
Clark	Fulton	Keating
Clausen, Don H.	Gettys	Ketchum
Clawson, Del	Giaimo	Kuykendall
Cleveland	Gilman	Landrum
Cochran	Ginn	Latta
Cohen	Goldwater	Leggett
		Lehman

Litton	Pettis	Steele
Long, La.	Peyser	Steelman
Lott	Pickle	Steiger, Ariz.
Lujan	Pike	Steiger, Wis.
McClory	Poage	Stephens
McCloskey	Powell, Ohio	Stratton
McCollister	Preyer	Stubblefield
McCormack	Price, Ill.	Stuckey
McDade	Pritchard	Studds
McEwen	Quie	Sullivan
McFall	Quillen	Symington
McKay	Railsback	Symms
McKinney	Randall	Taylor, Mo.
McSpadden	Rarick	Taylor, N.C.
Macdonald	Regula	Teague, Calif.
Madigan	Rhodes	Teague, Tex.
Mahon	Riegle	Thomson, Wis.
Mailliard	Rinaldo	Thone
Mallary	Roberts	Thornton
Mann	Robinson, Va.	Towell, Nev.
Maraziti	Robison, N.Y.	Treen
Martin, Nebr.	Rodino	Ullman
Martin, N.C.	Roe	Van Deerlin
Mathias, Calif.	Rogers	Vander Jagt
Mathis, Ga.	Roncallo, N.Y.	Veysey
Matsunaga	Rose	Vigorito
Mayne	Rostenkowski	Waggonner
Mazzoli	Roush	Walsh
Melcher	Rousselot	Wampler
Mezvinsky	Roy	Ware
Michel	Runnels	Whalen
Milford	Ruppe	Whitehurst
Miller	Ruth	Whitten
Minish	Sandman	Widnall
Minshall, Ohio	Sarasin	Wiggins
Mitchell, N.Y.	Satterfield	Williams
Mizell	Scherle	Wilson, Bob
Moakley	Schneebeli	Wilson,
Montgomery	Sebelius	Charles, Tex.
Moorhead,	Shipley	Winn
Calif.	Shoup	Wright
Mosher	Shriver	Wydler
Murphy, Ill.	Shuster	Wylie
Murphy, N.Y.	Sikes	Wyman
Myers	Skubitz	Yates
Natcher	Slack	Yatron
Nedzi	Smith, Iowa	Young, Alaska
Nelsen	Smith, N.Y.	Young, Fla.
Nichols	Snyder	Young, Ga.
Obey	Spence	Young, Ill.
O'Brien	Staggers	Young, S.C.
O'Neill	Stanton,	Young, Tex.
Parris	J. William	Zablocki
Passman	Stanton,	Zion
Patten	James V.	Zwach
Perkins	Steed	

NOT VOTING—22

Blatnik	Hébert	Owens
Danielson	Helstoski	Patman
Downing	Kemp	Price, Tex.
Fisher	King	Reid
Fuqua	Landgrebe	Stokes
Gibbons	Lent	Talcott
Griffiths	Mills, Ark.	
Hanna	Mollohan	

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ARMSTRONG

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

The Clerk read as follows:

Amendment offered by Mr. ARMSTRONG: Page 61, immediately after line 3, insert the following new section:

"SEC. 7. The authority to issue and enforce orders and regulations under the Economic Stabilization Act of 1970 to stabilize products expires on the date of enactment of this Act."

Page 61, line 4, strike out "SEC. 7." and insert in lieu thereof "SEC. 8.".

Mr. FOLEY. Mr. Chairman, I suggest a point of order would lie against this amendment. I believe we have gone past this section of the bill, and I reserve a point of order.

Mr. ARMSTRONG. Mr. Chairman, I will ask the gentleman to restate his point of order. I believe he misunderstands the intent of the amendment before us.

The CHAIRMAN. The Chair would like to advise the gentleman from Washington that we have not passed the section.

The gentleman from Colorado is recognized for 5 minutes.

Mr. ARMSTRONG. Mr. Chairman, the purpose of this amendment is simple; it is to exempt from price controls all raw and processed agricultural products.

Clearly the futility of such controls has been amply demonstrated during the last several months. Any homemaker can tell you prices have not been controlled at the supermarket level. But while the controls have failed in their intended purpose, they have nonetheless succeeded conspicuously in creating shortages, causing product quality deterioration as well as other distortions in the agricultural and consumer market economy.

It is clear, I am sure, to all of us that still worse shortages, rationing, black markets, and further product quality deterioration will be ahead as well as the potential of permanent damage to the agricultural base of this country unless these trends are reversed.

There is a very real danger of food shortages in this country if we persist in the present economic policies.

Even at this late date I am sure there are those among us who find it hard to think of food shortages in this land of plenty. But, may I cite for a moment the grim statistics to indicate what is ahead.

Beef production in the United States is down sharply. Total production is off 4 percent from January to May. In the most recent statistics available, which are only for the federally inspected portion of the beef production, show an even more ominous trend: Production is off 7.5 percent for the 5 weeks ending July 7 as compared with a similar period last year.

As a result, meat packing plants are curtailing production. Since the price freeze plants have closed in Alabama, Arkansas, Colorado, Connecticut, Florida, Kansas, Kentucky, Iowa, Maryland, Michigan, Missouri, Nebraska, and Oklahoma, according to a partial list furnished to me recently.

In addition, plants have curtailed production in several other States including Illinois, Indiana, Texas, Virginia, and Wisconsin.

All over the country feedlots are in trouble. Caught in the crunch between rising costs and frozen prices, it is no wonder that the number of cattle being put into our feedlots is dropping.

Hog slaughter is also down 9 percent according to the latest USDA figures for the first 5 months of the year.

Per capita meat consumption of red meat—beef, pork, veal, lamb and mutton—is expected to drop by 7 pounds per person this year, bringing us to the lowest level in 6 years, one of the sharpest year-to-year drops ever recorded. Total beef production in 1973 will be about 5.5 percent less than what was expected, according to the American Meat Institute.

Nor is it simply meat that is suffering. Dairymen are cutting back on their herds. USDA figures show there are 152,000 fewer dairy animals in production today than on January 1.

Mr. Chairman, in summary, let me say this: Clearly we are violating basic economic laws, and the longer we delay in returning to a responsible economic policy the worse the consequences will become.

Mr. Chairman, when I left this amendment at the desk 3 days ago, I did not know what action would be taken by the Cost of Living Council. I had no way to know that the price freeze on agricultural products would be partially suspended by the time we reached this point in the bill. But let me say this; the partial relief which we have received in no way lessens the necessity for Congress to declare itself, and act to protect the American consumer from these shortages, and to give a square deal to the people in agriculture for their production.

Administrative remedy is insufficient to meet this problem. This is a problem for which Congress will bear the responsibility if we do not act now.

Mr. Chairman, I ask that my amendment be adopted.

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

Mr. ARMSTRONG. I yield to the gentleman from Georgia.

Mr. BLACKBURN. Mr. Chairman, I appreciate the gentleman from Colorado yielding to me.

Mr. Chairman, I congratulate the gentleman from Colorado on offering his amendment. I think he has done the House a genuine service by bringing his amendment before us today.

It appears to me that what we are trying to do in this country is insulate ourselves from the inclement world markets, and in order to do that we need to have what the gentleman is suggesting that will give us an opportunity to free up our incentives to produce on the farm.

So again, Mr. Chairman, I congratulate the gentleman from Colorado on offering his amendment, and I urge my colleagues to support the amendment.

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

The CHAIRMAN. The Chair would ask the gentleman from Washington (Mr. FOLEY) whether the gentleman insists upon his point of order?

Mr. FOLEY. Mr. Chairman, I do.

POINT OF ORDER

The CHAIRMAN. The gentleman will state his point of order.

Mr. FOLEY. Mr. Chairman, I must insist upon my point of order, because the amendment offered by the gentleman from Colorado is not germane to the bill.

H.R. 8860 is an agriculture and farm program and deals only with a program specified under the jurisdiction of the Department of Agriculture. This amendment offered by the gentleman from Colorado, which amends the Economic Stabilization Act, was not before the Committee on Agriculture for its consideration and jurisdiction. Accordingly I suggest the amendment is not germane to the bill.

The CHAIRMAN. Does the gentleman from Colorado desire to be heard on the point of order?

Mr. ARMSTRONG. Mr. Chairman, I do. I would respectfully point out that this is not the point of order which the gentleman from Washington earlier reserved, and I would, therefore, inquire of

the Chair at this point if such a point of order is timely.

The CHAIRMAN. The Chair would like to advise the gentleman from Colorado that the gentleman from Washington was heard on a point of order, and at that time he did not have to state the basis for his reservation. His point of order is now in order.

Mr. SAYLOR. Mr. Chairman, I think if the Chair will read the RECORD, he will find that the gentleman from Washington raised a point of order, and it was said it was out of order, because we had not come to that point in the RECORD.

Mr. FOLEY. Mr. Chairman, I reserved a point of order.

The CHAIRMAN. The Chair would like to advise the gentleman from Pennsylvania (Mr. SAYLOR) and the gentleman from Colorado (Mr. ARMSTRONG) and the committee that the gentleman from Washington reserved a point of order. Do the gentlemen desire to be heard further on the point of order?

Mr. ARMSTRONG. Yes, Mr. Chairman, I do. I call the attention of the Chair and of the Members of the body to the purpose of the bill which is expressed in the title:

To extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

The elements of this bill are supply and price, and, indeed, these are the matters which are addressed in, I believe, a very meaningful and important way by the amendment which I have offered. I think this amendment clearly is germane.

The CHAIRMAN (Mr. NATCHER). The Chair is ready to rule.

The amendment offered by the gentleman from Colorado (Mr. ARMSTRONG) pertains to the Economic Stabilization Act of 1970. This amendment goes to the authority of the President of the United States under the Economic Stabilization Act as reported to the House by the Committee on Banking and Currency and is not germane to this bill. The Chair, therefore, sustains the point of order.

Are there further amendments to section 6?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 7. This Act may be cited as the "Agriculture and Consumer Protection Act of 1973".

Mr. FOLEY. Mr. Chairman, I ask unanimous consent that all debate on any amendments and the bill conclude at 6 o'clock.

Mr. PRICE of Texas. Mr. Chairman, I object.

MOTION OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I move that all debate on the bill and all amendments thereto conclude at 6 o'clock.

The CHAIRMAN. The question is on the motion offered by the gentleman from Washington.

The motion was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. FOLEY: Strike out all after the enacting clause and substitute the following:

That the Agricultural Act of 1970 is amended as follows:

Payment Limitation

(1) Section 101 is amended by—

(A) amending subsection (1), effective beginning with the 1974 crop, to read as follows:

"(1) The total amount of payments which a person shall be entitled to receive under each of the annual programs established by titles IV and V, of this Act for the 1974 through 1977 crops of the commodities shall not exceed $20,000."

(B) amending subsection (2) effective beginning with the 1974 crop, to read as follows:

"(2) The term 'payments' as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation."

DAIRY PROGRAM

Milk Marketing Orders

(2) Section 201 is amended by—

(A) amending section 201(e) by striking out "1973" and inserting "1977", and by striking out "1976" and inserting "1980", and

(B) adding at the end thereof the following:

"(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:

"(1) striking the period at the end of subsection 8c(17) and adding in lieu thereof the following: ': *Provided further*, That if one-third or more of the producers as defined in a milk order apply in writing for a hearing on a proposed amendment of such order, the Secretary shall call such a hearing if the proposed amendment is one that may legally be made to such order Subsection (12) of this section shall not be construed to permit any cooperative to act for its members in an application for a hearing under the foregoing proviso and nothing in such proviso shall be construed to preclude the Secretary from calling an amendment hearing as provided in subsection (3) of this section. The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within ninety days after the date on which the Secretary has announced his decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same.'

"(2) inserting after the phrase 'pure and wholesome milk' in section 8c(18) the phrase 'to meet current needs and further to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs'."

Milk Price Support, Butterfat Price Support Suspension

(3) Section 202 is amended by—

(A) striking the introductory clause which precedes subsection (a);

(B) effective April 1, 1974, inserting in subsection (b) before the period at the end of the first sentence in the quotation the following: "of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs"; and

(C) inserting in subsection (b) in the first sentence "80 per centum" in lieu of "75 per centum".

Veterans Hospitals

(4) Section 203 is amended by striking out "1973" and inserting "1977".

Dairy Indemnity Program

(5) Section 204 is amended by—

(A) striking out "1973" and inserting "1977"; and

(B) striking subsection (b) and substituting therefor the following:

"(b) Section 1 of said Act is amended to read as follows:

" 'SECTION 1. The Secretary of Agriculture is authorized to make indemnity payments for milk or cows producing such milk at a fair market value, to dairy farmers who have been directed since January 1, 1964 (but only since the date of enactment of the Agriculture Act of 1973 in the case of indemnity payments not authorized prior to such date of enactment), to remove their milk, and to make indemnity payments for dairy products at fair market value to manufacturers of dairy products who have been directed since the date of enactment of the Agricultural Act of 1970 to remove their dairy products from commercial markets because of residues of chemicals registered and approved for use by the Federal Government at the time of such use. Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets.' "

(6) Title II is amended by adding at the end thereof the following:

"Dairy Import Licenses

"SEC. 205. Section 22 of the Agricultural Adjustment Act (7 U.S.C. 624) is amended by adding at the end thereof the following:

" '(g) The President is authorized to provide that dairy products may be imported only by or for the account of a person or firm to whom a license has been issued by the Secretary of Agriculture. In issuing a license for dairy products not currently being imported but sought to be imported under this section during any period after the enactment of the Agriculture Act of 1973, the Secretary shall make licenses available for a thirty-day period before issuing licenses to other applicants to domestic producers and processors who agree to import such dairy products: *Provided, however*, That such licenses shall not be sold, transferred or assigned. For purposes of this subsection, dairy products include (1) all forms of milk and dairy products, butterfat, milk solids-not-fat, and any combination or mixture thereof; (2) any article, compound, or mixture containing 5 per centum or more of butterfat, or milk solids-not-fat, or any combinations of the two; and (3) lactose, and other derivatives of milk, butterfat, or milk solids-not-fat, if imported commercially for any food use. Dairy products do not include (1) casein, caseinates, industrial casein, industrial caseinates, or any other industrial products, not to be used in any form for any food use, or an ingredient of food; or (2) articles not normally considered to be dairy products, such as candy, bakery goods, and other similar articles: *Provided*, That dairy products in any form, in any such article are not commercially extractable or capable of being used commercially as a replacement or substitute for such ingredients in the manufacture of any food product.'

"PRODUCER HANDLERS

"SEC. 206. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendments made by the Agriculture Act of 1973 as it was prior thereto."

WOOL PROGRAM

(7) Section 301 is amended by—

(A) striking out "1973" each place it occurs and inserting "1977", and by striking out the word "three" each place it occurs; and

(B) adding at the end thereof the following:

"(6) Strike out the first sentence of section 708 and insert the following: 'The Secretary of Agriculture is authorized to enter into agreements with, or to approve agreements entered into between, marketing cooperatives, trade associations, or others engaged or whose members are engaged in the handling of wool, mohair, sheep, or goats or the products thereof for the purpose of developing and conducting on a national, State, or regional basis advertising and sales promotion programs and programs for the development and dissemination of information on product quality, production management, and marketing improvement, for wool, mohair, sheep, or goats or the products thereof. Advertising and sales promotion programs may be conducted outside of the United States for the purpose of maintaining and expanding foreign markets and uses for mohair or goats or the products thereof produced in the United States.'."

WHEAT PROGRAM

Wheat Production Incentives

(8) Effective beginning with the 1974 crop section 401 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977" and section 107 of the Agricultural Act of 1949, as it appears therein, is amended by—

(A) amending section 107(a) to read as follows:

"(a) Loans and purchases on each crop of wheat shall be made available at such level as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains: *Provided,* That in no event shall such level be in excess of the parity price for wheat or less than $1.49 per bushel."

(B) substituting the word "payments" for the word "certificates" in section 107(b);

(C) striking the quotation mark at the end of section 107(b); and

(D) adding at the end of the section the following:

"(c) Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (i) the amount by which the higher of—

"(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $2.05 per bushel, adjusted for each of the 1975 through 1977 crops to reflect any changes in the index of prices paid by farmers for production items, interest, taxes, and wage rates, times (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield: *Provided,* That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of wheat for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of wheat for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers are prevented from planting, or if planted, prevented from harvesting any portion of the farm average allotment to wheat or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis."

Termination of Wheat Certificate Program, Farm Acreage Allotments

(9) Section 402 is amended by inserting "(a)" after the section designation and adding the following at the end of the section:

"(b)(A) Section 379b of the Agricultural Adjustment Act of 1938 (which provides for a wheat marketing certificate program) shall not be applicable to the 1974 through 1977 crops of wheat, except as provided in paragraphs (B) and (C) of this subsection.

"(B) Section 379b(c) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section (which provides for a set-aside program), shall be effective with respect to the 1974 through 1977 crops of wheat with the following changes:

"(i) The phrase 'payments authorized by section 107(c) of the Agricultural Act of 1949' shall be substituted for the word 'certificates' and the phrases 'certificates authorized in subsection (b)' and 'marketing certificates' each place they occur.

"(ii) The word 'domestic' shall be stricken each place it occurs.

"(iii) The second sentence of section 379b (c) (1) is amended to read as follows: 'If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments authorized by section 107(c) of the Agricultural Act of 1949, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the wheat allotment for the farm as may be specified by the Secretary and will be estimated by the Secretary to result in a set-aside not in excess of thirteen and three-tenths million acres in the case of the 1971 crop; plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary.'

"(iv) The third sentence in 379b(c) (1) is amended to read as follows: 'The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to wheat on the farm to a percentage of the acreage allotment.'

"(v) '1971 through 1977' shall be substituted for '1971, 1972, and 1973' each place it occurs other than in the third sentence of section 379b(c)(1).

"(vi) After the second sentence of section 379b(c) (3) the following shall be inserted: 'The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences.'

"(C) Sections 379b (d), (e), (g), and (i) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section, shall be effective for the 1974 through 1977 crops amended to read as follows:

"'(d) The Secretary shall provide for the sharing of payments made under this section for any farm among producers on the farm on a fair and equitable basis.

"'(e) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as he determines to be equitable in relation to the seriousness of the default.

"'(g) The Secretary is authorized to issue such regulations as he determines necessary to carry out the provisions of this title.

"'(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.'

"(D) Section 379c of the Agricultural Adjustment Act of 1938, effective only with respect to the 1974 through 1977 crops of wheat, is amended to read as follows:

"'SEC. 379c. (a)(1) The farm acreage allotment for each crop of wheat shall be determined as provided in this section. The Secretary shall proclaim the national acreage allotment not later than April 15 of each calendar year for the crop harvested in the next succeeding calendar year. Such national allotment shall be the number of acres he determines on the basis of the estimated national average yield for the crop for which the determination is being made will produce the quantity (less imports) that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. The national acreage allotment for any crop of wheat shall be apportioned by the Secretary among the States on the basis of the apportionment to each State of the national acreage allotment for the preceding crop (1973 national domestic allotment in the case of apportionment of the 1974 national acreage allotment) adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State, taking into consideration established crop rotation practices, the estimated decrease in farm acreage allotments, and other relevant factors.

"'(2) The State acreage allotment for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the counties in the State, on the basis of the apportionment to each such county of the wheat allotment for the preceding crop, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county taking into consideration established crop-rotation practices, the estimated decrease in farm allotments, and other relevant factors.

"'(3) The farm allotment for each crop of wheat shall be determined by apportioning the county wheat allotment among farms in the county which had a wheat allotment for the preceding crop on the basis of such allotment, adjusted to reflect established crop-rotation practices and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable allotment. Notwithstanding any other provision of this subsection, the farm allotment shall be adjusted downward to the extent required by subsection (b).

"'(4) Not to exceed 1 per centum of the State allotment for any crop may be apportioned to farms for which there was no allotment for the preceding crop on the basis of the following factors: suitability of the land for production of wheat, the past experience of the farm operator in the production of wheat, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of wheat on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm allotments. No part of such reserve shall be apportioned to a farm to reflect new cropland brought into production after the date of enactment of the set-aside program for wheat.

"'(5) The planting on a farm of wheat or any crop for which no farm allotment was established shall not make the farm eligible for an allotment under subsection (a)(3) nor shall such farm by reason of such planting be considered ineligible for an allotment under subsection (a)(4).

"'(6) The Secretary may make such adjustments in acreage under this Act as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, types of soil, soil and water conservation measures, and topography, and in addition, in the case of conserving use acreages, to such other factors as he deems necessary in order to establish a fair and equitable covering use acreage for the farm.

"'(b)(1) If for any crop the total acreage of wheat planted on a farm is less than the farm allotment, the farm allotment used as a base for the succeeding crop shall be reduced by the percentage by which such planted acreage was less than such farm allotment, but such reduction shall not exceed 20 per centum of the farm allotment for the preceding crop. If no acreage has been planted to wheat for three consecutive crop years on any farm which has an allotment, such farm shall lose its allotment. Producers on any farm who have planted to wheat not less than 90 per centum of the allotment for the farm shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to wheat because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of wheat planted for harvest. For the purpose of this subsection, the Secretary may permit producers of wheat to have acreage devoted to soybeans, feed grains for which there is a set-aside program in effect, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate considered as devoted to the production of wheat to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.

"'(2) Notwithstanding the provisions of subsection (b)(1), no farm allotment shall be reduced or lost through failure to plant the farm allotment, if the producer elects not to receive payments for the portion of the farm allotment not planted, to which he would otherwise be entitled under the provisions of section 107(c) of the Agricultural Act of 1949.'"

Repeal of Processor Certificate Requirement

(10) Section 403 is amended by inserting "(a)" after the section designation and by inserting at the end thereof the following:

"(b) Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processed or exported during the period July 1, 1973 through June 30, 1978; and section 379g is amended by adding the following new subsection (c):

"(c) The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the certificate program provided for under section 379d to a program under which no certificates are required. Notwithstanding any other provision of law, such authority shall include, but shall not be limited to the authority to exempt all or a portion of wheat or food products made therefrom in the channels of trade on July 1, 1973, from the marketing restrictions in subsection (b) of section 379d, or to sell certificates to persons owning such wheat or food products made therefrom at such price and under such terms and conditions as the Secretary may determine. Any such certificate shall be issued by the Commodity Credit Corporation. Nothing herein shall authorize the Secretary to require certificates on wheat processed after June 30, 1973.'."

Suspension of Wheat Marketing Quotas

(11) Section 404 is amended by striking "1971, 1972, and 1973" wherever it appears and inserting "1971 through 1977", and by striking "1972 and 1973" and inserting "1972 through 1977".

State Agency Allotments, Yield Calculations

(12)(a) Section 405 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977"; and by repealing paragraph (2) effective with the 1974 crop; by inserting "(a)" after the section designation; by changing the period and quotation mark at the end of the section to a semicolon; and by adding at the end of the section the following:

"(b) Effective with respect to the 1974 through 1977 crops section 301(b)(13)(K) of the Agricultural Adjustment Act of 1938 is amended by adding after 'three calendar years' the following: '(five calendar years in the case of wheat)', and section 708 of Public Law 89-321 is amended by inserting in the second sentence after 'determining the projected yield' the following '(except that in the case of wheat, if the yield is abnormally low in any one of the calendar years of the base period because of drought, flood, or other natural disaster, the Secretary shall take into account the actual yield proved by the producer in the other four years of such base period)'."

Suspension of Quota Provisions

(13) Section 406 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Reduction in Wheat Stored To Avoid Penalty

(14) Section 407 of the Agricultural Act of 1970 is amended by adding at the end thereof the following: "Notwithstanding the foregoing, the Secretary may authorize release of wheat stored by a producer under section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, prior to the 1971 crop, whenever he determines such release will not significantly affect market prices for wheat. As a condition of release, the Secretary may require a refund of such portion of the value of certificates received in the crop year the excess wheat was produced as he deems appropriate considering the period of time the excess wheat has been in storage and the need to provide fair and equitable treatment among all wheat program participants.".

Application of the Agricultural Act of 1949

(15) Section 408 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Commodity Credit Corporation Sales Price Restrictions

(16) Section 409 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Set-Aside on Summer Fallow Farms

(17) Section 410 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

FEED GRAIN PROGRAM

(18) Effective only with respect to the 1974 through 1977 crops of feed grains, section 501 is amended by—

(A) striking out that portion through the first colon and section 105(a) of the Agricultural Act of 1949, as it appears therein, and inserting the following:

"SEC. 501. (a) Effective only with respect to the 1971 through 1977 crops of feed grains, section 105(a) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'SEC. 105. Notwithstanding any other provision of law—

"'(a)(1) The Secretary shall make available to producers loans and purchases on each crop of corn at such level, not less than $1.19 per bushel nor in excess of 90 per centum of the parity price therefor, as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains in the United States.

"'(2) The Secretary shall make available to producers loans and purchases on each crop of barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value of such commodity in relation to corn and the other factors specified in section 401(b), and on each crop of grain sorghums at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value and average transportation costs to market of grain sorghums in relation to corn.'."

(B) adding at the end thereof the following:

"(b) Effective only with respect to the 1974 through 1977 crops of feed grains, section 105(b) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'(b)(1) In addition, the Secretary shall make available to producers payments for each crop of corn, grain sorghums, and, if designated by the Secretary, barley, computed by multiplying (1) the payment rate, times (2) the allotment for the farm for such crop, times (3) the yield established for the farm for the preceding crop with such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The payment rate for corn shall be the amount by which the higher of—

"'(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"'(2) the loan level determined under subsection (a) for such crop

is less than the established price of $1.38 per bushel, adjusted for each of the 1975 through 1977 crops to reflect any changes in the index of prices paid by farmers for production items, interest, taxes, and wage rates: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of feed grains for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of feed grains for the three calendar years preceding the year previous to the one for which the determination is made. The payment rate for grain sorghums and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. If the Secretary determines that the producers on a farm are prevented from planting or if planted, prevented from harvesting any portion of the farm acreage allotment to feed grains or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price.

"'(2) The Secretary shall, prior to January 1 of each calendar year, determine and proclaim for the crop produced in such calendar year a national acreage allotment for feed grains, which shall be the number of acres he determines on the basis of the estimated national average yield of the feed grains

included in the program for the crop for which the determination is being made will produce the quantity (less imports) of such feed grains that he estimates will be utilized domestically and for export during that marketing year for such crop. If the Secretary determines that carryover stocks of any of the feed gains are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the feed grain allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. State, county, and farm feed grain allotments shall be established on the basis of the feed grain allotments established for the preceding crop (for 1974 on the basis of the feed grain bases established for 1973), adjusted to the extent deemed necessary to establish a fair and equitable apportionment base for each State, county, and farm. Not to exceed 1 per centum of the State feed grain allotment may be reserved for apportionment to new feed grain farms on the basis of the following factors: suitability of the land for production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable feed grain allotments.

"'(3) If for any crop the total acreage on a farm planted to feed grains included in the program formulated under this subsection is less than the feed grain allotment for the farm, the feed grain allotment for the farm for the succeeding crops shall be reduced by the percentage by which the planted acreage is less than the feed grain allotment for the farm, but such reduction shall not exceed 20 per centum of the feed grain allotment. If no acreage has been planted to such feed grains for three consecutive crop years on any farm which has a feed grain allotment, such farm shall lose its feed grain allotment: *Provided*, That no farm feed grain allotment shall be reduced or lost through failure to plant, if the producer elects not to receive payment for such portion of the farm feed grain allotment not planted, to which he would otherwise be entitled under the provisions of this Act. Any such acres eliminated from any farm shall be assigned to a national pool for the adjustment of feed grain allotments as provided for in subsection (e)(2). Producers on any farm who have planted to such feed grains not less than 90 per centum of the feed grain allotment shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to such feed grains because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of feed grains planted for harvest. For the purpose of this paragraph, the Secretary may permit producers of feed grains to have acreage devoted to soybeans, wheat, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate, considered as devoted to the production of such feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the feed grain or soybean program.'."

(C) striking out "1971, 1972, 1973" where it appears in that part which amends section 105(c)(1) of the Agricultural Act of 1949 and inserting "1971 through 1977", and by amending the second sentence of section 105 (c)(1) to read as follows: "If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments on corn, grain sorghums, and, if designated by the Secretary, barley, respectively, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the feed grain allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(D) amending the third sentence of section 105(c)(1) to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to feed grains on the farm to a percentage of the farm acreage allotment.",

(E) striking out paragraphs (1) and (3) of subsection (e) and striking out all of subsection (g),

(F) inserting after the second sentence of section 105(c)(3) the following: "The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

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(26) Title VII is amended—

(A) by striking out "1973" and inserting "1977" in section 701; and

(B) by adding a new section 703 as follows:

"SEC. 703. Title IV of such Act is amended by adding at the end thereof the following:

"SEC. 411. No agricultural commodities shall be sold under title I or title III or donated under title II of this Act to North Vietnam, unless by an Act of Congress enacted subsequent to July 1, 1973, assistance to North Vietnam is specifically authorized."

MISCELLANEOUS PROVISIONS

(27) Title VIII is amended as follows:

Beekeeper Indemnities

(A) Section 804 is amended by striking out "December 31, 1973" and inserting "December 31, 1977".

Export Sales Reporting

(B) By adding the following new sections:

"SEC. 807. All exporters of wheat and wheat flour, feed grains, oil seeds, cotton and products thereof, and other commodities the Secretary may designate produced in the United States shall report to the Secretary of Agriculture, on a weekly basis, the following information regarding any contract for export sales entered into or subsequently modified in any manner during the reporting period: (a) type, class, and quantity of the commodity sought to be exported, (b) the marketing year of shipment, (c) destination, if known. Individual reports shall remain confidential but shall be compiled by the Secretary and published in compilation form each week following the week of reporting. All exporters of agricultural commodities produced in the United States shall upon request of the Secretary of Agriculture immediately report to the Secretary any information with respect to export sales of agricultural commodities and at such times as he may request. Any person (or corporation) who knowingly fails to report export sales pursuant to the requirements of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both. The Secretary may suspend the requirement for publishing data with respect to any commodity or type or class thereof during any period in which he determines that there is a domestic supply of such commodity substantially in excess of the quantity needed to meet domestic requirements, and that total supplies of such commodity in the exporting countries are estimated to be in surplus, and that anticipated exports will not result in excessive drain on domestic supplies, and that to require the reports to be made will unduly hamper export sales. Such suspension shall not remain in effect for more than sixty days unless extended by the Secretary. Extensions of such suspension, if any, shall also be limited to sixty days each and shall only be promulgated if the Secretary determines that the circumstances at the time of the commencement of any extension meet the conditions described herein.

"Wheat and feed grains research

"SEC. 808. In order to reduce fertilizer and herbicide usage in excess of production needs, to develop wheat and feed grain varieties more susceptible to complete fertilizer utilization, to improve the resistance of wheat and feed grain plants to disease and to enhance their conservation and environmental qualities, the Secretary of Agriculture is authorized and directed to carry out regional and national research programs.

"In carrying out such research, the Secretary shall utilize the technical and related services of the appropriate Federal, State, and private agencies.

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $1,000,000 in any fiscal year."

"Emergency reserve

"SEC. 809. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall under the provisions of this Act establish, maintain, and dispose of a separate reserve of inventories of wheat, feed grains, and soybeans for the purpose of alleviating distress caused by a natural disaster.

"Such reserve inventories shall include such quantities of grain that the Secretary deems needed to provide for the alleviation of distress as the result of a natural disaster.

"(b) The Secretary shall acquire such commodities through the price support program.

"(c) Except when a state of emergency has been proclaimed by the President or by concurrent resolution of Congress declaring that such reserves should be disposed of, the Secretary shall not offer any commodity in the reserve for sale or disposition.

"(d) The Secretary is also authorized to dispose of such commodities only for (1) use in relieving distress (a) in any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands and (b) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855 et seq.), or (2) for use in connection with a state of civil defense emergency as proclaimed by the President or by concurrent resolution of the Congress in accordance with the provisions of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251–2297).

"(e) The Secretary may sell at an equivalent price, allowing for the customary location and grade price differentials, substantially equivalent quantities in different locations or warehouses to the extent needed to properly handle, rotate, distribute, and locate such reserve.

"(f) The Secretary may use the Commodity Credit Corporation to the extent feasible to fulfill the purposes of this section; and to the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"(g) The Secretary may issue such rules and regulations as may be necessary to carry out the provisions of this section.

"(h) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"Imported Commodities

"SEC. 810. Notwithstanding any other provisions of this Act, the Secretary shall encourage the production of any crop of which the United States is a net importer and for

which a price support program is not in effect by permitting the planting of such crop on set-aside acreage and with no reduction in the rate of payment for the commodity."

"Emergency Supply of Agriculture Products

"SEC. 811(a) Notwithstanding any other provision of law, the Secretary of Agriculture shall, under the provisions of this Act, assist farmers, processors, and distributors in obtaining such prices for agricultural products that an orderly, adequate and steady supply of such products will exist for the consumers of this nation.

"(b) The President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973) or any subsequent Executive Order for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of the freeze or subsequent modification thereof and that alternative means for increasing the supply are not available.

"(c) Under this section, the term 'agricultural products' shall include meat, poultry, vegetables, fruits and all other agriculture commodities."

(28) By adding the following new title X:

"TITLE X—RURAL ENVIRONMENTAL CONSERVATION

"SEC. 1001. Notwithstanding any other provision of law, the Secretary shall carry out the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended section 16(b) of such Act, and in the Water Bank Act (16 U.S.C. 1301 et seq.) by entering into contracts of three, five, ten, or twenty-five years with and at the option of, eligible owners and operators of land as determined by the Secretary and having such control as the Secretary determines to be needed on the farms, ranches, wetlands, forests, or other lands covered thereby. In addition, the Secretary is hereby authorized to purchase perpetual easements to promote said purposes of this title, including the sound use and management of flood plains, shore lands, and aquatic areas of the Nation. Such contracts shall be designed to assist farm, ranch, wetland, and nonindustrial private forest owners and operators, or other owners or operators, to make, in orderly progression over a period of years, such changes, if any, as are needed to effectuate any of the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended; section 16(b) of such Act; the Water Bank Act (16 U.S.C. 1301 et. seq.); in enlarging fish and wildlife and recreation sources; improving the level of management of nonindustrial private forest lands; and in providing long-term wildlife and upland game cover. In carrying out the provisions of this title, due regard shall be given to the maintenance of a continuing and stable supply of agricultural commodities and forest products adequate to meet consumer demand at prices fair to both producers and consumers.

"SEC. 1002. Eligible landowners and operators for contracts under this title shall furnish to the Secretary a plan of farming operations or land use which incorporates such practices and principles as may be determined by him to be practicable and which outlines a schedule of proposed changes, if any, in cropping systems or land use and of the conservation measures which are to be carried out on the farm, ranch, wetland, forests, or other land during the contract period to protect the farm, ranch, wetland, forests or other land and surrounding areas, its wildlife, and nearby populace and communities from erosion, deterioration, pollution by natural and manmade causes or to insure an adequate supply of timber and related forest products. Said plans may also, in important migratory waterfowl nesting and breeding areas which are identified in a conservation plan developed in cooperation with a soil and water conservation district in which the lands are located, and under such rules and regulations as the Secretary may provide, include a schedule of proposed changes, if any, to conserve surface waters and preserve and improve habitat for migratory waterfowl and other wildlife resources and improve subsurface moisture, including subject to the provisions of section 1001 of this title, the reduction of areas of new land coming into production, the enhancement of the natural beauty of the landscape, and the promotion of comprehensive and total water management study.

"SEC. 1003. (a) Approved conservation plans of eligible landowners and operators developed in cooperation with the soil and water conservation district or the State forester or other appropriate State official in which their lands are situated shall form a basis for contracts under this title. Under the contract the landowner or operator shall agree—

"(1) to effectuate the plan for his farm, ranch, forest, wetland, or other land substantially in accordance with the schedule outlined therein;

"(2) to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the Soil and Water Conservation District Board, or the State forester or other appropriate official in a contract entered into under the provisions of section 1009 of this title, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of the contract;

"(3) upon transfer of his right and interest, the farm, ranch, forest wetland, or other land during the contract period to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder unless the transferee of any such land agrees with the Secretary to assume all obligations of the contract;

"(4) not to adopt any practice specified by the Secretary in the contract as a practice which would tend to defeat the purposes of the contract;

"(5) to comply with all applicable Federal, State, or local laws, and regulations, including those governing environmental protection and noxious weed abatement; and

"(6) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of the program or to facilitate the practical administration of the program: *Provided*, That all contracts entered into to effectuate the purposes of the Water Bank Act for wetlands shall contain the further agreement of the owner or operator that he shall not drain, burn, fill, or otherwise destroy the wetland character of such areas, nor use such areas for agricultural purposes: *And provided further*, That contracts entered into for the protection of wetlands to effectuate the purposes of the Water bank Act may include wetlands covered by Federal or State government easement which permits agricultural use, together with such adjacent areas as determined desirable by the Secretary.

"(b) In return for such agreement by the landowner or operator the Secretary shall agree to make payments in appropriate circumstances for the use of land maintained for conservation purposes as set forth in this title, and share the cost of carrying out those conservation practices and measures set forth in the contract for which he determines that cost-sharing is appropriate and in the public interest. The portion of such cost (including labor) to be shared shall be that part which the Secretary determines is necessary and appropriate to effectuate the physical installation of the conservation practices and measures under the contract, but, in the case of a contract not entered into under and advertising and bid procedure under the provisions of section 1009(d) of this title, not less than 50 per centum or more than 75 per centum of the actual costs incurred by the owner or operator.

"(c) The Secretary may terminate any contract with a landowner or operator by mutual agreement with the owner or operator if the Secretary determines that such termination would be in the public interest, and may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of the program or facilitate the practical administration thereof or to accomplish equitable treatment with respect to other similar conservation, land use, or commodity programs administered by the Secretary.

"SEC. 1004. The Secretary is authorized to make available to eligible owners and operators conservation materials including seeds, seed inoculants, soil conditioning materials, trees, plants, and, if he determines it is appropriate to the purposes of this title, fertilizer and liming materials.

"SEC. 1005. (a) Notwithstanding the provisions of any other title, the Secretary may establish multiyear set-aside contracts for a period not to extend beyond the 1977 crop. Producers agreeing to a multiyear set-aside agreement shall be required to devote this acreage to vegitative cover capable of maintaining itself throughout such period to provide soil protection, water quality enhancement, wildlife production, and natural beauty. Grazing of livestock under this section shall be prohibited. Producers entering into agreements under this section shall also agree to comply with all applicable State and local law and regulation governing noxious weed control.

"(b) The Secretary shall provide cost- sharing incentives to farm operators for such cover establishment, whenever a multiyear contract is entered into on all or a portion of the set-aside acreage.

"SEC. 1006. The Secretary shall issue such regulations as he determines necessary to carry out the provisions of this title. The total acreage placed under agreements which result in their retirement from production in any county or local community shall in addition to the limitations elsewhere in this title be limited to a percentage of the total eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community. In determining such percentage the Secretary shall give appropriate consideration to the productivity of the acreage being retired, if any, as compared to the average productivity of eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community.

"SEC. 1007. (a) The Secretary of Agriculture shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved to effectuate the purposes of this title. The Secretary shall appoint at least six individuals to the advisory boards of each State who are especially qualified by reason of education, training, and experience in the fields of agricul-

ture, soil, water, wildlife, fish, and forest management. Said appointed members shall include, but not be limited to, the State soil conservationist, the State forester, the State administrator of the water quality programs, and the State wildlife administrator or their designees: *Provided*, That such board shall limit its advice to the State committees to the types of conservation measures that should be approved affecting the water bank program; the authorization to purchase perpetual easements to promote the purposes of this title, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"(b) The Secretary of Agriculture, through the establishment of a national advisory board to be named in consultation with the Secretary of the Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the programs under this title, especially in developing guidelines for (1) providing technical assistance for wildlife habitat improvement practices, (2) evaluating effects on surrounding areas, (3) considering aesthetic values, (4) checking compliance by cooperators, and (5) carrying out programs of wildlife management authorized under this title: *Provided*, That such board shall limit its advice to subjects which cover the types of conservation measures that should be approved regarding the water bank program; the authorization to purchase perpetual easements to promote the purposes of this Act, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"SEC. 1008. In carrying out the programs authorized under sections 1001 through 1006 of this title, the Secretary shall, in addition to appropriate coordination with other interested Federal, State, and local agencies, utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended. The Secretary is also authorized to utilize the facilities and services of the Commodity Credit Corporation in discharging his functions and responsibilities under this program. The Secretary shall also utilize the technical services of the Soil Conservation Service, the Forest Service, State forestry organizations, soil and water conservation districts, and other State, and Federal agencies, as appropriate, in development and installation of approved conservation plans under this title.

"SEC. 1009. (a) In furtherance of the purposes of this title, the Secretary of Agriculture is authorized and directed to develop and carry out a pilot forestry incentives program to encourage the development, management, and protection of nonindustrial private forest lands. The purposes of such a program shall be to encourage landowners to apply practices which will provide for the afforestation of suitable open lands and reforestation of cutover and other nonstocked and understocked forest lands and intensive multiple-purpose management and protection of forest resources so as to provide for production of timber and related benefits.

"(b) For the purposes of this section, the term 'non-industrial private forest lands' means lands capable of producing crops of industrial wood and owned by any private individual, group, association, corporation, or other legal entity. Such term does not include private entities which regularly engage in the business of manufacturing forest products or providing public utilities services of any type, or the subsidiaries of such entities.

"(c) The Secretary shall consult with the State forester or other appropriate official of the respective States in the conduct of the forestry incentives program under this section, and Federal assistance shall be extended in accordance with section 1003(b) of this title. The Secretary shall for the purposes of this section distribute funds available for cost sharing among and within the States only after assessing the public benefit incident thereto, and after giving appropriate consideration to the number and acreage of commercial forest lands, number of eligible ownerships in the State, and counties to be served by such cost sharing; the potential productivity of such lands; and the need for reforestation, timber stand improvement, or other forestry investments on such land. No forest incentives contract shall be approved under this section on a tract greater than five hundred acres, unless the Secretary finds that significant public benefit will be incident to such approval.

"(d) The Secretary may, if he determines that such action will contribute to the effective and equitable administration of the program established by this section, use an advertising and bid procedure in determining the lands in any area to be covered by agreements.

"(e) In implementing the program under this section, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms, and individuals furnishing services and materials needed in the application of practices included in the forestry incentives improvement program. The Secretary shall periodically report to the appropriate congressional committees of the progress and conduct of the program established under this section.

"SEC. 1010. There are hereby authorized to be appropriated annually such sums as may be necessary to carry out the provisions of this title. The programs, contracts, and authority authorized under this title shall be in addition to, and not in substitution of, other programs in such areas authorized by this or any other title or Act, and shall not expire with the termination of any other title or Act: *Provided*, That not more than $25,000,000 annually shall be authorized to be appropriated for the programs authorized under section 1009 of this Act."

SEC. 2 Section 301 of the Act of August 14, 1946 (Public Law 79–733), as amended (7 U.S.C. 1628), is hereby repealed.

CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT AMENDMENTS

SEC. 3. The Consolidated Farm and Rural Development Act is amended as follows:

(a) Section 306(a) of such Act is amended by adding at the end thereof the following:

"(13)(A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

"(B) For the purposes of this subsection, the term 'eligible volunteer fire department' means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thousand but greater than two hundred, as reasonably determined by the Secretary."

(b) Section 310B(d) of subtitle A of such Act is amended by adding at the end thereof the following:

"(4) No grant or loan authorized to be made under this section, section 304, or section 312 shall require or be subject to the prior approval of any officer, employee, or agency of any State.

"(5) No certificates issued by the Secretary or any private entity evidencing beneficial ownership in a block of notes insured or guaranteed under this title shall be subject to laws administered by the Securities and Exchange Commission: *Provided*, That the Secretary shall require any private entity offering such certificates to place the insured or guaranteed notes in the custody of an institution chartered by a Federal or State agency to act as trustee and shall require periodic reports as to the sale of such certificates: *Provided further*, That any sale by the Secretary of such certificates shall be treated as a sale of assets for the purpose of the Budget and Accounting Act of 1921."

RURAL DEVELOPMENT ACT AMENDMENTS

SEC. 4. The Rural Development Act of 1972 is amended as follows:

(a) Section 401 of such act is amended by substituting the words "fire" and "fires" for the words "wildfire" and "wildfires", respectively, wherever such words appear.

(b) Section 404 of such act is amended to read as follows:

"SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obligated by the Secretary of Agriculture carrying out this title."

SEC. 5. The Secretary shall, within sixty (60) days from the enactment of this act, submit to the Congress a detailed report indicating what steps are being taken to implement the recommendations of the Controller General of the United States in his Report to the Congress dated July 9, 1973, entitled "Russian Wheat Sales and Weaknesses In Agriculture's Management of Wheat Export Subsidy Program (B 176943)."

SEC. 6. This Act may be cited as the "Agriculture Act of 1973".

Mr. FOLEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

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

PARLIAMENTARY INQUIRY

Mr. TEAGUE of California. Mr. Chairman, reserving the right to object, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TEAGUE of California. Mr. Chairman, is not the offering of this amendment premature at this time? As I understand, the gentleman from Washington has offered an entirely new bill. Perhaps I misunderstood him. As I understand, he offered a substitute for the present bill.

The question is, is it not premature and should not we wait until section 7 has been read?

The CHAIRMAN. The Chair would like to advise the gentleman from California that the Clerk has read the final section of the bill, section 7. The amendment offered by the gentleman from Washington is in order.

Mr. TEAGUE of California. Mr. Chairman, I withdraw my reservation of objection.

PARLIAMENTARY INQUIRY

Mr. MYERS. Mr. Chairman, has there not been a limitation of time and is there not a limitation of time? Has that been announced?

The CHAIRMAN. The limitation of time will be announced following the

reading of the amendment. The gentleman is correct.

PARLIAMENTARY INQUIRY

Mrs. SULLIVAN. Mr. Chairman, a parliamentary inquiry. In the original bill there was an amendment that carried or passed deleting the words "and consumer protection." Now, is this affected by the offering of the amendment of a new bill?

The CHAIRMAN. The Chair would like to advise the gentlewoman from Missouri that it depends upon the contents of the amendment which is now being reported.

Mr. WYDLER. Mr. Chairman, reserving the right to object, may we have some explanation of what this substitute is going to be? I would like to have it before we have the reading of it.

Mr. FOLEY. Mr. Chairman, if the gentleman will yield I will say to the gentleman that the purpose of this is to offer a substitute for the entire bill incorporating all of the changes adopted by the House with two major exceptions. The bill would eliminate all amendments to and the sections dealing with cotton and food stamps.

Mr. WYDLER. Mr. Chairman, I withdraw my reservation of objection.

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

Mr. GERALD R. FORD. Mr. Chairman, further reserving the right to object, will the gentleman from Washington repeat what he said?

Mr. FOLEY. The substitute bill is the language of the original bill with those changes adopted by the House in the Committee of the Whole with two exceptions. The substitute does not have a section on cotton nor any amendments adopted to the cotton section and it does not have a food stamp section nor any amendments adopted to the food stamp section.

Mr. GERALD R. FORD. One further question. When the gentleman says no food stamp section, does that mean he knocked out the committee food stamp section?

Mr. FOLEY. Yes.

Mr. GERALD R. FORD. And the Foley food stamp section?

Mr. FOLEY. Yes.

Mr. GERALD R. FORD. As the gentleman offered it and as the committee approved it?

Mr. FOLEY. Yes.

Mr. GERALD R. FORD. There is no food stamp section?

Mr. FOLEY. The bill would be absent any reference to the food stamp section.

Mr. GERALD R. FORD. Mr. Chairman, I withdraw my reservation of objection.

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

Mr. ROUSSELOT. Mr. Chairman, reserving the right to object, if I might I would ask the gentleman from Washington does that mean there is no food stamp program?

Mr. FOLEY. That would mean as far as this bill is concerned there would be no food stamp program in this bill.

Mr. ROUSSELOT. Could the conference committee put it in?

Mr. FOLEY. Yes.

Mr. ROUSSELOT. I withdraw my reservation of objection.

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

Mr. MAYNE. Mr. Chairman, reserving the right to object, I would like to ask the gentleman from Washington, is the effect of his amendment to nullify the Dickinson amendment which omits food stamps for strikers?

Mr. FOLEY. It would remove from the bill, as I just stated to the gentleman, all references to food stamps, so all limitations would be removed as well.

Mr. MAYNE. Including the Dickinson amendment?

Mr. FOLEY. Yes.

Mr. MAYNE. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington that the amendment be considered as read?

There was no objection.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 1 minute each.

The Chair recognizes the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Chairman, the purpose of offering this substitute is to attempt to bring some orderly conclusion to the very long and difficult consideration of this bill. I do not think I can recall a more difficult bill than this—at least not recently.

The substitute eliminates from the bill, at least for the action of this body at this time, the two sections upon which there is the most disagreement. Much agreement exists on this bill. Many of us, I think, are in agreement that we need a viable agricultural program, particularly in times when there is a need, as never before, for increased production of food and fiber.

Most of us are concerned that we have a food stamp program. The food stamp program has already expired. If this bill does not pass, we will not have a program and 12.5 million citizens will be disadvantaged. I ask the Members to support the substitute bill as the best means to move a bill to conference.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I originally had an amendment at the desk relating to section 8 of the bill. Given the parliamentary situation as it presently stands, I will withdraw that and try to get something through the conference.

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

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

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Chairman, we could ask the gentleman from Washington this question: If there is no legislation, does that mean the food stamp program expires September 30?

Mr. FOLEY. Mr. Chairman, if the gentleman will yield to me, if there is no legislation and no further continuing resolution under the appropriations act, the food stamp program will expire on September 30. The gentleman is correct.

Mr. ROUSSELOT. So, if we were to pass this bill and nothing happened in the conference, which I suppose is at least a possibility, there would be no food stamp program after September 30?

Mr. FOLEY. Correct.

Mr. ROUSSELOT. Then, the gentleman evidently is willing to jeopardize that program with his motion?

Mr. FOLEY. I think the gentleman knows that I am a very strong supporter of the food stamp program. I personally cannot imagine this Congress failing to act and thus killing the food stamp program on September 30. But we are not going to have a food stamp program if we cannot agree to some form of this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, this country needs a farm bill. We have a surplus in our trading posture only in the area of agriculture. We have got to improve even that position. Now, it has come time to be practical or impractical.

If the Members want a farm bill, regardless of what their opinions are on cotton, regardless of what their opinions are on food stamps, and we have all stated them today on every side of the fence, then let us vote for this substitute and let us send this bill to conference and let us write a farm bill and see whether or not we like it and then we can vote it up or down. There are no provisions in the substitute bill pertaining to either cotton or food stamps. Do not amend the substitute. Do not add cotton or food stamps.

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

Mr. WAGGONNER. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Chairman, is the gentleman saying that we should beat the Foley substitute?

Mr. WAGGONNER. No, I am saying we should vote for the Foley substitute without amendment.

The CHAIRMAN. The gentleman from Massachusetts (Mr. CONTE) is recognized.

Mr. CONTE. Mr. Chairman, I hope that the Foley substitute is not adopted. I have worked very hard with Mr. Foley on food stamps, and I am 100 percent in favor of them, but I certainly resent the fact that his substitute deletes the cotton section.

Everything we did here last week, the $20,000 limitation, plugging the loopholes, is down the drain. The $10 million we cut out of here for that cotton slush fund in New York City is down the drain. Everything will be put back in over in the Senate, so I hope the Foley substitute will be defeated. Then, when we get back into the House, I will ask for a separate vote on the Bergland amendment which knocks out the cotton section, without the $10 million for Cotton, Inc., and send the bill over to the Senate in that fashion.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

(By unanimous consent, Mr. ROUSSELOT yielded his time to Mr. MAYNE).

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. MAYNE).

Mr. MAYNE. Mr. Chairman, I should like to associate myself with the remarks of the gentleman from Massachusetts (Mr. CONTE) and to remind the Members of the House it is not too late to put back into the bill the $20,000 per person payment limitations on Big Cotton and other progressive measures eliminating the sale and lease of cotton allotments and the $10 million payment to Cotton, Inc., which were stricken by the Bergland amendment on Monday of this week. The House can still put some effective limitations on the big cotton interests, although on last Monday where by a parliamentary maneuver which came up very unexpectedly placed in a position where we temporarily lost all the good work done last week. We have an opportunity to retrieve it now. Let us again pass the $20,000 per person limitation, plug up the loopholes of leasing and selling allotments and stop the $10 million subsidy to Cotton, Inc. By defeating the Foley amendment we can win back what we lost earlier this week.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PRICE).

(By unanimous consent, Mr. PRICE of Texas yielded his time to Mr. DICKINSON.)

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. DICKINSON).

AMENDMENT OFFERED BY MR. DICKINSON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. DICKINSON. Mr. Chairman, I offer an amendment to the Foley substitute amendment.

Mr. Chairman, very simply stated, this is putting us back where we were.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON to the amendment in the nature of a substitute offered by Mr. FOLEY: At page 54, line 7, insert the following:

SEC. 4. (a) The Food Stamp Act of 1964, as amended is amended by inserting in Section 5 thereof the following:

"(e) Notwithstanding any other provision of law, a household shall not participate in the food stamp program while its principal wage-earner is, on account of a labor dispute to which he is a party or to which a labor organization of which he is a member is a party, on strike: *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further*, That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout."

(b) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(o) The term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or condition of work.

"(p) The term 'strike' includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement)."

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. FOLEY. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Washington reserves a point of order.

Mr. DICKINSON. Mr. Chairman, we have been up this hill twice this afternoon. I believe we all understand what is involved. The House has spoken twice.

What we are faced with now is an end run, it seems, rather than a frontal assault.

I believe my amendment is a good amendment. It simply restores us to where we were, eliminating the food stamps for those who are on strike, unless they are already qualified, and not for the people who are locked out.

I urge support of the amendment and ask that every Member vote "aye."

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Washington insist on his point of order?

Mr. FOLEY. Mr. Chairman, I do.

The amendment deals with the food stamp program, and amends a bill which does not contain any section referring to the food stamp program and which does not authorize any food stamp program. The amendment is in the nature of a limitation on the authority which is not authorized or described in the substitute amendment.

Mr. GERALD R. FORD. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. GERALD R. FORD. Mr. Chairman, the bill which came from the committee had a food stamp section. The gentleman from Washington seeks to strike from the committee bill the food stamp section. The attempt of the gentleman from Alabama is to provide a provision in the committee bill. Therefore, in my opinion the gentleman's point of order does not lie.

The CHAIRMAN (Mr. NATCHER). The Chair is ready to rule.

In the opinion of the Chair, the point of order must be overruled. The amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY) would amend a number of agricultural acts within the jurisdiction of the Committee on Agriculture, including agricultural programs under the Agricultural Act of 1970.

In the opinion of the Chair, the amendment in the nature of a substitute is broad enough in its scope to permit the offering of the amendment at this time, and it is germane.

The Chair, therefore, overrules the point of order.

The question is on the amendment offered by the gentleman from Alabama (Mr. DICKINSON) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The question was taken; and the Chairman announced that the Chair was in doubt.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 208, noes 207, not voting 19, as follows:

[Roll No. 358]

AYES—208

Abdnor	Froehlich	Preyer
Anderson, Ill.	Gettys	Price, Tex.
Andrews, N.C.	Gibbons	Pritchard
Andrews, N. Dak.	Ginn	Quie
Archer	Goldwater	Quillen
Arends	Goodling	Regula
Armstrong	Green, Oreg.	Rhodes
Ashbrook	Gross	Roberts
Bafalis	Grover	Robinson, Va.
Baker	Gubser	Robison, N.Y.
Beard	Gude	Rogers
Bennett	Gunter	Roncallo, N.Y.
Blackburn	Guyer	Rose
Bowen	Haley	Rousselot
Bray	Hammer-schmidt	Runnels
Breckinridge	Hanrahan	Ruth
Brinkley	Harsha	Sandman
Broomfield	Harvey	Sarasin
Brotzman	Hastings	Satterfield
Brown, Mich.	Hébert	Saylor
Brown, Ohio	Henderson	Scherle
Broyhill, N.C.	Hinshaw	Schneebeli
Broyhill, Va.	Hogan	Sebelius
Buchanan	Holt	Shipley
Burgener	Hosmer	Shoup
Burke, Fla.	Huber	Shriver
Burleson, Tex.	Hudnut	Shuster
Butler	Hunt	Sikes
Byron	Hutchinson	Skubitz
Camp	Ichord	Smith, N.Y.
Carter	Jarman	Snyder
Cederberg	Johnson, Colo.	Spence
Chamberlain	Johnson, Pa.	Stanton, J. William
Chappell	Jones, N.C.	Steelman
Clancy	Jones, Tenn.	Steiger, Ariz.
Clausen, Don H.	Keating	Steiger, Wis.
Clawson, Del	Ketchum	Stephens
Cochran	Kuykendall	Stubblefield
Cohen	Landrum	Stuckey
Collier	Latta	Symms
Collins, Tex.	Lott	Taylor, Mo.
Conable	Lujan	Taylor, N.C.
Conlan	McClory	Teague, Calif.
Conte	McCollister	Teague, Tex.
Coughlin	McEwen	Thomson, Wis.
Crane	Madigan	Thone
Cronin	Mahon	Towell, Nev.
Daniel, Dan	Mallary	Treen
Daniel, Robert W., Jr.	Mann	Vander Jagt
Davis, Wis.	Martin, Nebr.	Veysey
Dennis	Martin, N.C.	Wampler
Derwinski	Mathias, Calif.	Ware
Devine	Mathis, Ga.	White
Dickinson	Mayne	Whitehurst
Dorn	Michel	Whitten
Duncan	Milford	Widnall
du Pont	Miller	Wiggins
Edwards, Ala.	Mitchell, N.Y.	Williams
Erlenborn	Mizell	Wilson, Bob
Esch	Montgomery	Winn
Eshleman	Moorhead, Calif.	Wydler
Findley	Myers	Wylie
Flynt	Natcher	Wyman
Ford, Gerald R.	Nelsen	Young, Alaska
Forsythe	Nichols	Young, Fla.
Fountain	O'Brien	Young, Ill.
Frelinghuysen	Parris	Young, S.C.
Frenzel	Pettis	Zion
Frey	Poage	Zwach
	Powell, Ohio	

NOES—207

Abzug	Badillo	Bolling
Adams	Barrett	Brademas
Addabbo	Bell	Brasco
Albert	Bergland	Breaux
Alexander	Bevill	Brooks
Anderson, Calif.	Biaggi	Brown, Calif.
Annunzio	Biester	Burke, Calif.
Ashley	Bingham	Burke, Mass.
Aspin	Boggs	Burlison, Mo.
	Boland	Burton

Carey, N.Y.	Holtzman	Rangel
Carney, Ohio	Horton	Rarick
Casey, Tex.	Howard	Rees
Chisholm	Hungate	Reuss
Clark	Johnson, Calif.	Riegle
Clay	Jones, Ala.	Rinaldo
Cleveland	Jones, Okla.	Rodino
Collins, Ill.	Jordan	Roe
Conyers	Karth	Roncalio, Wyo.
Corman	Kastenmeier	Rooney, N.Y.
Cotter	Kazen	Rooney, Pa.
Culver	Kluczynski	Rosenthal
Daniels, Dominick V.	Koch	Rostenkowski
	Kyros	Roush
Davis, Ga.	Leggett	Roy
Davis, S.C.	Lehman	Roybal
de la Garza	Litton	Ruppe
Delaney	Long, La.	Ryan
Dellenback	Long, Md.	St Germain
Dellums	McCloskey	Sarbanes
Denholm	McCormack	Schroeder
Dent	McDade	Seiberling
Dingell	McFall	Sisk
Donohue	McKay	Slack
Drinan	McKinney	Smith, Iowa
Dulski	McSpadden	Staggers
Eckhardt	Macdonald	Stanton, James V.
Edwards, Calif.	Madden	
Ellberg	Mailliard	Stark
Evans, Colo.	Maraziti	Steed
Evins, Tenn.	Matsunaga	Steele
Fascell	Mazzoli	Stratton
Fish	Meeds	Studds
Flood	Melcher	Sullivan
Flowers	Metcalfe	Symington
Foley	Mezvinsky	Thompson, N.J.
Ford, William D.	Minish	Thornton
	Mink	Tiernan
Fraser	Mitchell, Md.	Udall
Fulton	Moakley	Ullman
Gaydos	Moorhead, Pa.	Van Deerlin
Giaimo	Morgan	Vanik
Gilman	Mosher	Vigorito
Gonzalez	Moss	Waggonner
Grasso	Murphy, Ill.	Waldie
Gray	Murphy, N.Y.	Walsh
Green, Pa.	Nedzi	Whalen
Hamilton	Nix	Wilson, Charles H., Calif.
Hanley	Obey	
Hanna	O'Hara	
Hansen, Idaho	O'Neill	Wilson, Charles, Tex.
Hansen, Wash.	Passman	
Harrington	Patten	Wolff
Hawkins	Pepper	Wright
Hays	Perkins	Wyatt
Hechler, W. Va.	Peyser	Yates
Heckler, Mass.	Pickle	Yatron
Heinz	Pike	Young, Ga.
Helstoski	Podell	Young, Tex.
Hicks	Price, Ill.	Zablocki
Hillis	Railsback	
Holifield	Randall	

NOT VOTING—19

Blatnik	Kemp	Owens
Danielson	King	Patman
Diggs	Landgrebe	Reid
Downing	Lent	Stokes
Fisher	Mills, Ark.	Talcott
Fuqua	Minshall, Ohio	
Griffiths	Mollohan	

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BURKE OF MASSACHUSETTS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. BURKE of Massachusetts. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Washington.

The Clerk read as follows:

Amendment offered by Mr. BURKE of Massachusetts to the amendment in the nature of a substitute offered by Mr. FOLEY: Page 61, after line 5, add the following new section:

"SEC. 8. Notwithstanding any other provision of law, the Secretary of Agriculture is hereby authorized to distribute, upon request and without cost, under such conditions as the Secretary determines to be appropriated, seeds and plants for use in home gardens to produce food for the personal consumption of the household. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section."

The CHAIRMAN. All time has expired on the amendment and on the bill.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. BURKE) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The question was taken; and on a division (demanded by Mr. BURKE of Massachusetts) there were—ayes 132, noes 151.

So the amendment to the amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. ROSENTHAL TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. ROSENTHAL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The Clerk read as follows:

Amendment offered by Mr. ROSENTHAL to the amendment in the nature of a substitute offered by Mr. FOLEY: in title I of the Foley amendment strike out paragraph 811 dealing with the Emergency Supply of Agricultural Products.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ROSENTHAL) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

Mr. ROSENTHAL. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

PARLIAMENTARY INQUIRY

Mr. SCHERLE. Mr. Chairman, a parliamentary inquiry. Did not the gentleman from Washington move that all amendments to the bill and all amendments to the amendments be shut off at 6 o'clock?

The CHAIRMAN. The Chair would like to inform the distinguished gentleman from Iowa that all time on the bill has expired. All debate on the bill and on the amendments thereto has expired. Amendments are in order to be voted upon with no time given.

PARLIAMENTARY INQUIRY

Mr. ICHORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ICHORD. Mr. Chairman, I understand that the gentleman from Washington has offered a substitute amendment and that he stated that all amendments are included that were accepted on this bill except the Dickinson amendment, and amendments except that were incorporated into the substitute. I would like to inquire of the Chair whether my amendment adopted to the Foley amendment is in the substitute.

The CHAIRMAN. The Chair would like to suggest that that inquiry be directed to the gentleman from Washington (Mr. FOLEY) but all time has expired. The gentleman will have to do that privately.

Mr. ICHORD. I thank the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ROSENTHAL) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. CONTE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. CONTE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The Clerk read as follows:

Amendment offered by Mr. CONTE to the amendment in the nature of a substitute offered by Mr. FOLEY: On page 27, line 5, insert the following:

COTTON PROGRAM

Suspension of Marketing Quotas for Cotton, Minimum Base Acreage Allotment

(19) Section 601 is amended by—

(A) striking out "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977",

(B) striking "1970, 1971, and 1972" from paragraph (2) and inserting "1970 through 1976",

(C) effective beginning with the 1974 crop, striking out the following from section 344a (a) in section 601 "for which a farm base acreage allotment is established (other than pursuant to section 350(e)(1)(A))",

(D) striking "1974" from paragraph (3) (1) and inserting "1978", and by striking "1972 and 1973" from paragraph (4) and inserting "1972 through 1977",

(E) effective beginning with the 1974 crop, adding at the end of section 350(a) in paragraph (4) of section 601 the following: "The national base acreage allotment for the 1974 through 1977 crops shall not be less than eleven million acres.",

(F) effective beginning with the 1974 crop, striking "soybeans, wheat or feed grains" from the last sentence of section 350(e)(2) in paragraph (4) of section 601 and inserting "soybeans, wheat, feed grains, guar, castor beans, or such other crops as the Secretary may deem appropriate".

(G) effective beginning with the 1974 crop, striking the words "an adjoining" in the first sentence of section 350(h) as found in paragraph (4) of section 601, and inserting in lieu thereof "any other nearby",

(H) effective beginning with the 1974 crop, striking subsection 350(g) in paragraph (4) of section 601 and redesignating subsection (h) as subsection (g).

Cotton Production Incentives

(20) Section 602 is amended by—

(A) striking "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977", by striking "the 1972 or 1973 crop" where it appears in that part amending section 103(e)(1) of the Agricultural Act of 1949 and inserting "any of the 1972 through 1977 crops", and by striking out "acreage world price" in that part amending section 103(e)(1) of the Agricultural Act of 1949, and substituting "average price of American cotton in world markets";

(B) in that part amending section 103(e)(1) of the Agricultural Act of 1949 striking out "two-year period" whenever it appears therein and substituting "three-year period"; and by striking out that part beginning with "except that" in the first sentence and substituting "except that if the loan rate so calculated is higher than the then current level of average world prices for American cotton of such quality, the Secretary is authorized to adjust the current calculated loan rate for cotton to 90 per centum of the then current average world price.";

(C) effective, beginning with the 1974 crop, amending section 103(e)(2) of the Agricul-

tural Act of 1949, as it appears in such section 602 to read as follows:

"(2) Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which the higher of—

"(1) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under paragraph (1) for such crop

is less than the established price of 38 cents per pound adjusted for each of the 1975 through 1977 crops to reflect any changes in the index of prices paid by farmers for production items, interests, taxes, and wage rates: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (1) the national average yield per acre of cotton for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of cotton for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers on a farm are prevented from planting, or if planted, prevented from harvesting any portion of the allotment to cotton, because of drought, flood, or other natural disaster, or condition beyond the control of the producer, the rate of payment for such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The payment rate with respect to the producer who (i) is on a small farm (that is, a farm on which the base acreage allotment is ten acres or less, or on which the yield used in making payments times the farm base acreage allotment is five thousand pounds or less, and for which the base acreage allotment has not been reduced under section 350(a)), (ii) resides on such farm, and (iii) derives his principal income from cotton produced on such farm, shall be increased by 30 per centum; but, notwithstanding paragraph (3), such increase shall be made only with respect to his share of cotton actually harvested on such farm within the quantity specified in paragraph (3)."

(D) effective beginning with the 1974 crop, section 103(e)(3) of the Agriculture Act of 1949 is amended (A) by srtiking out all of the first sentence after the word "multiplying" and substituting "the farm base acreage allotment for the farm for the crop by the average yield established for the farmer." and (b) by striking out the second sentence,

(E) the fourth sentence of section 103(e)(4)(A) of the Agricultural Act of 1949 as found in section 602 is amended to read as follows: "The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(F) inserting after the second sentence of section 103(e)(5) of the Agricultural Act of 1949 as it appears in such section 602 the following: "The Secretary may in the case of programs for the 1974 through 1975 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

Commodity Credit Corporation sales price restrictions for cotton

(21) Section 603 is amended by striking out "1974" and inserting "1978", and by deleting "110 per centum" and inserting in lieu thereof "115 per centum".

Miscellaneous cotton provisions

(22) Sections 604, 605, 606, and 607 are each amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Cotton insect eradication

(23) Title VI is amended by adding at the end thereof the following:

"SEC. 611. Section 104 of the Agricultural Act of 1949, as amended, is amended by adding a new subsection (d) as follows:

"'(d) In order to reduce cotton production costs, to prevent the movement of certain cotton plant insects to areas not now infected, and to enhance the quality of the environment, the Secretary is authorized and directed to carry out programs to destroy and eliminate cotton boll weevils in infested areas of the United States as provided herein and to carry out similar programs with respect to pink bollworms or any other major cotton insect if the Secretary determines that methods and systems have been developed to the point that success in eradication of such insects is assured. The Secretary shall carry out the eradication programs authorized by this subsection through the Commodity Credit Corporation. In carrying out insect eradication projects, the Secretary shall utilize the technical and related services of appropriate Federal, State, private agencies, and cotton organizations. Producers and landowners in an eradication zone, as established by the Secretary, and who are receiving benefits from any program administered by the United States Department of Agriculture, shall, as a condition of receiving or continuing any such benefits, participate in and cooperate with the eradication project, as specified in regulations of the Secretary.

"'The Secretary may issue such regulations as he deems necessary to enforce the provisions of this section with respect to achieving the compliance of producers and landowners who are not receiving benefits from any program administered by the United States Department of Agriculture. Any person who knowingly violates any such regulation promulgated by the Secretary under this subsection may be assessed a civil penalty of not to exceed $5,000 for each offense. No civil penalty shall be assessed unless the person shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Secretary shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation. Where special measures deemed essential to achievement of the eradication objective are taken by the project and result in a loss of production and income to the producer, the Secretary shall provide reasonable and equitable indemnification from funds available for the project, and also provide for appropriate protection of the allotment, acreage history, and average yield for the farm. The cost of the program in each eradication zone shall be determined, and cotton producers in the zone shall be required to pay up to one-half thereof, with the exact share in each zone area to be specified by the Secretary upon his finding that such share is reasonable and equitable based on population levels of the target insect and the degree of control measures normally required. Each producer's pro rata share shall be deducted from his cotton payment under this Act or otherwise collected, as provided in regulations of the Secretary. Insofar as practicable, cotton producers and other persons engaged in cotton production in the eradication zone shall be employed to participate in the work of the project in such zone. Funding of the program shall be terminated at such time as the Secretary determines and reports to the Congress that complete eradication of the insects for which programs are undertaken pursuant to this subsection has been accomplished. Funds in custody of agencies carrying out the program shall, upon termination of such program, be accounted for to the Secretary for appropriate disposition.

"'The Secretary is authorized to cooperate with the Government of Mexico in carrying out operations or measures in Mexico which he deems necessary and feasible to prevent the movement into the United States from Mexico of any insects eradicated under the provisions of this subsection. The measure and character of cooperation carried out under this subsection on the part of the United States and on the part of the Government of Mexico, including the expenditure or use of funds made available by the Secretary under this subsection, shall be such as may be prescribed by the Secretary. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State. There are hereby authorized to be appropriated to the Commodity Credit Corporation such sums as the Congress may from time to time determine to be necessary to carry out the purposes of this subsection.'."

(24) Section 374(a) of the Agriculture Adjustment Act of 1938, as amended, is hereby amended by adding the following new sentence: "Where cotton is planted in skip-row patterns, the same rules that were in effect for the 1971 through 1973 crops for classifying the acreage planted to cotton and the area skipped shall also apply to the 1974 through 1977 crops."

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

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

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 250, noes 165, not voting 18, as follows:

[Roll No. 359]

AYES—250

Abzug	Bell	Burke, Calif.
Adams	Bennett	Burke, Fla.
Addabbo	Bergland	Burke, Mass.
Anderson, Calif.	Biaggi	Burleson, Tex.
	Biester	Carey, N.Y.
Anderson, Ill.	Bingham	Carney, Ohio
Annunzio	Boland	Cederberg
Archer	Brademas	Chamberlain
Armstrong	Brasco	Chisholm
Ashbrook	Bray	Clancy
Ashley	Broomfield	Clark
Aspin	Brotzman	Clausen, Don H.
Badillo	Brown, Mich.	
Bafalis	Buchanan	Clawson, Del
Barrett	Burgener	Clay

Cleveland	Helstoski	Robison, N.Y.
Cohen	Hinshaw	Rodino
Collins, Ill.	Holt	Roe
Conable	Holtzman	Rogers
Conte	Horton	Roncalio, N.Y.
Conyers	Hosmer	Rooney, N.Y.
Corman	Howard	Rooney, Pa.
Cotter	Huber	Rosenthal
Coughlin	Hudnut	Rostenkowski
Crane	Hutchinson	Roush
Cronin	Johnson, Colo.	Roy
Culver	Johnson, Pa.	Ruppe
Daniel, Robert W., Jr.	Karth	Ryan
	Keating	St Germain
Daniels, Dominick V.	Kluczynski	Sarasin
	Koch	Sarbanes
Davis, Wis.	Kyros	Scherle
Delaney	Latta	Schneebeli
Dellenback	Lehman	Schroeder
Dellums	Long, Md.	Seiberling
Dennis	Lujan	Shipley
Derwinski	McClory	Shuster
Dingell	McCloskey	Smith, Iowa
Donohue	McCollister	Smith, N.Y.
Drinan	McDade	Snyder
Dulski	McEwen	Stanton,
du Pont	McKay	J. William
Edwards, Calif.	McKinney	Stanton,
Eilberg	Macdonald	James V.
Erlenborn	Madden	Steele
Esch	Mailliard	Steelman
Eshleman	Mallary	Steiger, Wis.
Evans, Colo.	Maraziti	Stratton
Fascell	Martin, N.C.	Stuckey
Findley	Mayne	Studds
Fish	Mazzoli	Sullivan
Ford, William D.	Metcalfe	Symington
	Mezvinsky	Symms
Forsythe	Michel	Taylor, Mo.
Fraser	Miller	Teague, Calif.
Frelinghuysen	Minish	Thompson, N.J.
Frenzel	Mitchell, Md.	Thomson, Wis.
Frey	Mitchell, N.Y.	Thone
Froehlich	Moakley	Tiernan
Fulton	Moorhead, Calif.	Van Deerlin
Gaydos		Vander Jagt
Giaimo	Moorhead, Pa.	Vanik
Gibbons	Morgan	Waldie
Gilman	Mosher	Walsh
Goodling	Moss	Wampler
Grasso	Murphy, Ill.	Ware
Gray	Nedzi	Whalen
Green, Oreg.	Nix	Widnall
Green, Pa.	Obey	Williams
Gross	O'Brien	Wilson, Bob
Grover	O'Hara	Wilson,
Gubser	Patten	Charles H.,
Gude	Pepper	Calif.
Gunter	Pettis	Wolff
Guyer	Peyser	Wyatt
Hamilton	Pike	Wydler
Hanley	Podell	Wylie
Hanrahan	Powell, Ohio	Wyman
Hansen, Idaho	Price, Ill.	Yates
Harrington	Pritchard	Yatron
Harsha	Railsback	Young, Alaska
Harvey	Rangel	Young, Fla.
Hastings	Rees	Young, Ga.
Hawkins	Regula	Young, Ill.
Hechler, W. Va.	Reuss	Zablocki
Heckler, Mass.	Riegle	Zion
Heinz	Rinaldo	

NOES—165

Abdnor	Chappell	Gonzalez
Alexander	Cochran	Haley
Andrews, N.C.	Collier	Hammer-schmidt
Andrews, N. Dak.	Collins, Tex.	
	Conlan	Hanna
Arends	Daniel, Dan	Hansen, Wash.
Baker	Davis, Ga.	Hays
Beard	Davis, S.C.	Hébert
Bevill	de la Garza	Henderson
Blackburn	Denholm	Hicks
Boggs	Dent	Hillis
Boling	Devine	Hogan
Bowen	Dickinson	Holifield
Breaux	Dorn	Hungate
Breckinridge	Downing	Hunt
Brinkley	Duncan	Ichord
Brooks	Eckhardt	Jarman
Brown, Calif.	Edwards, Ala.	Johnson, Calif.
Brown, Ohio	Evins, Tenn.	Jones, Ala.
Broyhill, N.C.	Flood	Jones, N.C.
Broyhill, Va.	Flowers	Jones, Okla.
Burlison, Mo.	Flynt	Jones, Tenn.
Burton	Foley	Jordan
Butler	Ford, Gerald R.	Kastenmeier
Byron	Fountain	Kazen
Camp	Gettys	Ketchum
Carter	Ginn	Kuykendall
Casey, Tex.	Goldwater	Landrum
Leggett	Perkins	Spence
Litton	Pickle	Staggers
Long, La.	Poage	Stark
Lott	Preyer	Steed
McCormack	Price, Tex.	Steiger, Ariz.
McFall	Quie	Stephens
McSpadden	Quillen	Stubblefield
Madigan	Randall	Taylor, N.C.
Mahon	Rarick	Teague, Tex.
Mann	Rhodes	Thornton
Martin, Nebr.	Roberts	Towell, Nev.
Mathias, Calif.	Robinson, Va.	Treen
Mathis, Ga.	Roncalio, Wyo.	Udall
Matsunaga	Rose	Ullman
Meeds	Rousselot	Veysey
Melcher	Roybal	Vigorito
Milford	Runnels	Waggonner
Mink	Ruth	White
Mizell	Sandman	Whitehurst
Montgomery	Satterfield	Whitten
Murphy, N.Y.	Saylor	Wiggins
Myers	Sebelius	Wilson, Charles, Tex.
Natcher	Shoup	
Nelsen	Shriver	Winn
Nichols	Sikes	Wright
O'Neill	Sisk	Young, S.C.
Parris	Skubitz	Young, Tex.
Passman	Slack	Zwach

NOT VOTING—18

Blatnik	Kemp	Mollohan
Danielson	King	Owens
Diggs	Landgrebe	Patman
Fisher	Lent	Reid
Fuqua	Mills, Ark.	Stokes
Griffiths	Minshall, Ohio	Talcott

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. FINDLEY. Mr. Chairman, a parliamentary inquiry. I would like to determine, if I can, if the payment limitation language of the Foley substitute is exactly the same as the payment limitation language approved by this committee in this Chamber last week.

POINT OF ORDER

Mr. ALBERT. Mr. Chairman, I make the point of order that that is not a proper inquiry. That is within the language of the legislation as passed.

The CHAIRMAN. The Chair will advise the gentleman from Illinois that the first part of the Foley amendment was read. The Chair is not in a position to advise the gentleman as to his question.

PREFERENTIAL MOTION OFFERED BY MR. GERALD R. FORD

Mr. GERALD R. FORD. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. GERALD R. FORD moves that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The question is on the motion offered by the gentleman from Michigan.

PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry. On a preferential motion, Mr. Chairman, do not I get 5 minutes?

The CHAIRMAN. The Chair would like to inform the distinguished minority leader that all of the time has expired on the bill and amendments. There is no time left, and the Chair will put the question on the motion.

RECORDED VOTE

Mr. HOSMER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 73, noes 338, not voting 22, as follows:

[Roll No. 360]

AYES—73

Abzug	Eshleman	Pike
Adams	Findley	Rangel
Addabbo	Gaydos	Riegle
Anderson, Calif.	Giaimo	Rinaldo
	Grasso	Roe
Archer	Grover	Rosenthal
Ashley	Hanley	St Germain
Badillo	Harrington	Sandman
Bingham	Hébert	Schneebeli
Buchanan	Heckler, Mass.	Snyder
Burke, Mass.	Helstoski	Steele
Carey, N.Y.	Holtzman	Steiger, Wis.
Chisholm	Hosmer	Studds
Clark	Howard	Teague, Calif.
Clay	Karth	Tiernan
Cleveland	Koch	Veysey
Conable	Kyros	Waldie
Conlan	Long, Md.	Whalen
Conyers	McKinney	Wiggins
Cotter	Macdonald	Wolff
Dellums	Mailliard	Wyatt
Derwinski	Mazzoli	Wylie
Downing	Minish	Yates
du Pont	Moakley	Zion
Eckhardt	Pettis	

NOES—338

Abdnor	Crane	Hansen, Idaho
Alexander	Cronin	Hansen, Wash.
Anderson, Ill.	Culver	Harsha
Andrews, N.C.	Daniel, Dan	Harvey
Andrews, N. Dak.	Daniel, Robert W., Jr.	Hastings
		Hawkins
Annunzio	Davis, Ga.	Hays
Arends	Davis, S.C.	Hechler, W. Va.
Armstrong	Davis, Wis.	Heinz
Ashbrook	de la Garza	Henderson
Aspin	Delaney	Hicks
Bafalis	Dellenback	Hillis
Baker	Denholm	Hinshaw
Barrett	Dennis	Hogan
Beard	Dent	Holifield
Bell	Devine	Holt
Bennett	Dickinson	Horton
Bergland	Dingell	Huber
Bevill	Donohue	Hudnut
Biaggi	Dorn	Hungate
Biester	Drinan	Hunt
Blackburn	Dulski	Hutchinson
Boggs	Duncan	Ichord
Boland	Edwards, Ala.	Jarman
Bolling	Edwards, Calif.	Johnson, Calif.
Bowen	Eilberg	Johnson, Colo.
Brademas	Erlenborn	Johnson, Pa.
Brasco	Esch	Jones, Ala.
Bray	Evans, Colo.	Jones, N.C.
Breaux	Evins, Tenn.	Jones, Okla.
Breckinridge	Fascell	Jones, Tenn.
Brinkley	Fish	Jordan
Brooks	Flood	Kastenmeier
Broomfield	Flowers	Kazen
Brotzman	Flynt	Keating
Brown, Calif.	Foley	Ketchum
Brown, Mich.	Ford, Gerald R.	Kluczynski
Brown, Ohio	Ford, William D.	Kuykendall
Broyhill, N.C.		Landrum
Broyhill, Va.	Forsythe	Latta
Burgener	Fountain	Leggett
Burke, Calif.	Fraser	Lehman
Burke, Fla.	Frelinghuysen	Litton
Burleson, Tex.	Frenzel	Long, La.
Burlison, Mo.	Frey	Lott
Burton	Froehlich	Lujan
Butler	Fulton	McClory
Byron	Gettys	McCloskey
Camp	Gibbons	McCollister
Carney, Ohio	Gilman	McCormack
Carter	Ginn	McDade
Casey, Tex.	Goldwater	McEwen
Cederberg	Gonzalez	McFall
Chamberlain	Goodling	McKay
Chappell	Gray	McSpadden
Clancy	Green, Oreg.	Madden
Clausen, Don H.	Green, Pa.	Madigan
	Gross	Mahon
Clawson, Del	Gubser	Mallary
Cochran	Gude	Mann
Cohen	Gunter	Maraziti
Collier	Guyer	Martin, Nebr.
Collins, Ill.	Haley	Martin, N.C.
Collins, Tex.	Hamilton	Mathias, Calif.
Conte	Hammer-schmidt	Mathis, Ga.
Corman		Matsunaga
Coughlin	Hanrahan	Mayne

Meeds	Reuss	Stephens
Melcher	Rhodes	Stratton
Metcalfe	Roberts	Stubblefield
Mezvinsky	Robinson, Va.	Stuckey
Michel	Robison, N.Y.	Sullivan
Milford	Rodino	Symington
Miller	Rogers	Symms
Mink	Roncalio, Wyo.	Taylor, Mo.
Mitchell, Md.	Roncalio, N.Y.	Taylor, N.C.
Mitchell, N.Y.	Rooney, N.Y.	Teague, Tex.
Mizell	Rooney, Pa.	Thompson, N.J.
Montgomery	Rose	Thomson, Wis.
Moorhead, Pa.	Rostenkowski	Thone
Morgan	Roush	Thornton
Mosher	Rousselot	Towell, Nev.
Moss	Roy	Treen
Murphy, Ill.	Roybal	Udall
Murphy, N.Y.	Runnels	Ullman
Myers	Ruppe	Van Deerlin
Natcher	Ruth	Vander Jagt
Nedzi	Ryan	Vanik
Nelsen	Sarasin	Vigorito
Nichols	Sarbanes	Waggonner
Nix	Satterfield	Walsh
Obey	Saylor	Wampler
O'Brien	Scherle	Ware
O'Hara	Schroeder	White
O'Neill	Sebelius	Whitehurst
Parris	Seiberling	Whitten
Passman	Shipley	Widnall
Patten	Shoup	Williams
Pepper	Shriver	Wilson, Bob
Perkins	Shuster	Wilson, Charles H., Calif.
Peyser	Sikes	
Pickle	Sisk	
Poage	Skubitz	Wilson, Charles, Tex.
Podell	Slack	
Powell, Ohio	Smith, Iowa	Winn
Preyer	Smith, N.Y.	Wydler
Price, Ill.	Spence	Wyman
Price, Tex.	Staggers	Yatron
Pritchard	Stanton, J. William	Young, Alaska
Quie		Young, Fla.
Quillen	Stanton, James V.	Young, Ga.
Railsback		Young, Ill.
Randall	Stark	Young, S.C.
Rarick	Steed	Young, Tex.
Rees	Steelman	Zablocki
Regula	Steiger, Ariz.	Zwach

NOT VOTING—22

Blatnik	Hanna	Moorhead, Calif.
Daniels, Dominick V.	Kemp	
	King	Owens
Danielson	Landgrebe	Patman
Diggs	Lent	Reid
Fisher	Mills, Ark.	Stokes
Fuqua	Minshall, Ohio	Talcott
Griffiths	Mollohan	Wright

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. FINDLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FINDLEY. Mr. Chairman, under the rules of the House, is there a way that I can secure the reading from the record of the words of the gentleman from Washington (Mr. FOLEY), in regard to the nature of the limitation language in his substitute?

The CHAIRMAN. The Chair would advise the gentleman from Illinois that he may do so by a unanimous-consent request.

If the words are available, such a request is in order.

Mr. FINDLEY. Mr. Chairman, I ask unanimous consent that the words of the gentleman from Washington (Mr. FOLEY) be reread to the House; the words which give explanation as to the effect of his substitute.

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

Mr. KUYKENDALL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. FINDLEY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Findley to the amendment in the nature of a substitute offered by Mr. Foley:

Title I is amended to read as follows:

"TITLE I—PAYMENT LIMITATION

"SEC. 101. Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1978 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section includes all price support payments, set-aside payments, diversion payments, and resource adjustment payments but does not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4)(a) In any case in which the owner or operator of a farm leases any portion of the farm to one or more persons, the payment limitation applicable to such person as prescribed by this section, shall be reduced in the same proportion as the allotment remaining on the farm bears to the total allotment prior to such lease: *Provided*, That the payment limitation shall also be reduced on the leased portion of the farm in proportion to the allotment accredited to such portion if the lessee is a member of the lessor's family or is a corporation in which the lessor or member of his family is a stockholder, or a partnership in which the lessor or a member of his family is a partner.

"(b) In any case in which the owner or operator of a farm sells or leases any portion of the acreage allotment for the farm to one or more persons, the payment limitation prescribed by this section shall apply in the same manner as if the lessor or seller had not leased or sold the acreage allotment.

"(5) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure an effective and economical application of such limitation: *Provided*, That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. FINDLEY) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. ICHORD TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. ICHORD. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. ICHORD to the amendment in the nature of a substitute offered by Mr. FOLEY: Page 54, line 7, insert the following:

Section 5B of the Food Stamps Act of 1964 (7 U.S.C. 2014) is amended by inserting immediately following the second sentence thereof the following: "The standards established by the Secretary shall take into account payments in kind received from an employer by members of a household, if such payments are in lieu of or supplemental to household income."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. MIZELL TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. MIZELL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. MIZELL to the amendment in the nature of a substitute offered by Mr. FOLEY: On page 53, line 3, insert the following:

SEC. 2. (a) Notwithstanding section 6(c) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 654(c)) or any other provision of law, the Secretary of Agriculture shall provide, without regard to the requirements of chapter 5, title 5, United States Code, for an emergency temporary standard prohibiting agricultural workers from entering areas where crops are produced or grown (such emergency standard to take immediate effect upon publication in the Federal Register) if he determines (1) that such agricultural workers are exposed to grave danger from exposure to pesticide chemicals, as defined in section 201(q) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321(q)), and (2) that such emergency standard is necessary to protect such agricultural workers from such danger.

(b) Such temporary standard shall be effective until superseded by a standard prescribed by the Secretary of Agriculture by rule, no later than six months after publication of such temporary standard.

(c) As of the date of enactment of the Agriculture and Consumer Protection Act of 1973, the regulations issued by the Secretary of Labor under section 6(c) of the Occupational Safety and Health Act of 1970, which appear on pages 10715–10717 of number 83 of volume 38 of the Federal Register of May 1, 1973, shall be null and void with respect to agricultural workers.

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, I raise a point of order against the amendment in that it is not germane because it would have the effect of amending the Occupational Safety and Health Act which is under the jurisdiction of the Education and Labor Committee.

The CHAIRMAN. Does the gentleman from North Carolina, (Mr. MIZELL) desire to be heard on the point of order?

Mr. MIZELL. Mr. Chairman, I submit that the gentleman from Texas raises his point of order too late.

The CHAIRMAN. The Chair advises

the gentleman that the point of order was in time.

Does the gentleman from North Carolina desire to be heard on the point of order?

Mr. MIZELL. Mr. Chairman, this language was in the committee bill that was reported to the House, and the Foley substitute eliminated this section of the bill, and so for that reason, I offer the amendment at this time, and I think it is germane to the bill since this bill does cover a number of subjects.

Mr. STEIGER of Wisconsin. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. STEIGER of Wisconsin. Mr. Chairman, the rule under which this legislation came to us precluded a point of order being raised against the Mizell amendment, the one that was contained in the original Agriculture Committee bill since this bill was a clean bill reported by the Committee on Agriculture.

What we are now dealing with is a situation in which this is an amendment to a substitute.

The subject matter covered by the amendment is clearly not germane to the jurisdiction of the Committee on Agriculture, since it is covered by the Committee on Education and Labor, and thus I believe the point of order ought to be sustained by the Chair.

Mr. MIZELL. Mr. Chairman, may I be heard further on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MIZELL. Mr. Chairman, I believe the rule which we were operating under still applied to this amendment, and if that is the case, then I believe this amendment would clearly be in order to this substitute.

The CHAIRMAN (Mr. NATCHER). The Chair is ready to rule.

The Chair advises the gentleman from North Carolina (Mr. MIZELL) that as far as the rule is concerned, it has no relevance concerning the point of order at this time. It is true that the content is the amendment as offered by the gentleman from North Carolina (Mr. MIZELL) on the original bill, but the amendment before the House at this time is in the nature of a substitute.

Therefore, the Chair rules that the point of order must be sustained.

AMENDMENT OFFERED BY MR. STEELE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FOLEY

Mr. STEELE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. STEELE to the amendment in the nature of a substitute offered by Mr. FOLEY: Page 54, line 7, insert the following:

(c) Insert at the end of section 3(e) of the Food Stamp Act of 1964 the following new sentence: "Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), or section 236 of the National Housing Act (12 U.S.C. 1715z-1) shall not be considered residents of an institution or boarding house for purposes of eligibility for food stamps under this Act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. STEELE) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY).

The amendment to the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. FOLEY) as amended.

The amendment in the nature of a substitute, as amended, was rejected.

Mr. ANDERSON of California. Mr. Chairman, the Agriculture Act of 1973, H.R. 8860, is going to cost the public enormous sums—either as consumers or as taxpayers.

This proposal establishes record guaranteed prices which, if not received by the farmer in the marketplace, will be paid by the taxpayer.

As a result, the public will be faced with either an enormous grocery bill, or an outrageous tax bill.

How does this work?

First, under the bill, milk producers are guaranteed $5.61 per hundredweight of milk. Currently, they are guaranteed $5.29 per hundredweight, and the market price—what the processor is willing to pay—was $5.49 per hundredweight as late as April 15, 1973.

Thus, to insure that the dairy farmer receives $5.61 for his milk, the taxpayer will have to pay the difference. And since approximately 120 billion pounds of milk are produced annually, we are talking about huge subsidies.

Wheat, another staple in a nutritious diet, is also controlled under this proposal, and a price of $2.05 per bushel is guaranteed wheat producers—a 24-percent increase over 1972, when the average annual price received by farmers was $1.67 per bushel.

While the Agriculture Department predicts that wheat prices in the market will remain high—at $2.15 per bushel—if they are wrong and prices drop, the taxpayer will pay $15 million for every drop in price of a penny below $2.05.

Under this bill, corn producers are guaranteed $1.38 per bushel. The present price in the marketplace is $1.43 per bushel, but only last year the average price was $1.29 per bushel. And in 1971, it was $1.08 per bushel.

Thus, if the price of corn drops below the guarantee—down to $1.37 per bushel—the taxpayer will make up the difference, to the tune of a penny a bushel on each of the 6 billion bushels of corn, or $60 million.

To summarize, the American people will be forced to pay. The only question is, out of which pocket—the grocery pocket or the tax pocket?

According to the Department of Agriculture, under the committee recommendation, the taxpayer will pay in 1974, $812 million to wheat growers; $520 million to corn and feed grain producers; and $166 million to the dairy farmers.

Surely there is a better way to encourage farmers to produce food and fiber, allowing for a reasonable profit, and at prices that Americans can afford to pay.

The place to start is by eliminating the "set aside" requirements which keep valuable land out of production. This practice, which is required for eligibility under several of the subsidy programs, permitted the Agriculture Department to pay farmers to idle a chunk of real estate nearly the size of the State of Colorado last year.

Requiring farmers to idle land can only result in a limited supply of food for the table, and cloth for the mills. This is unconscionable, especially at a time when people in our country are denied adequate nourishment, when grocery prices are sky high, and when a hungry world is vying to buy all we can produce.

Second, the one ray of hope in this proposal is the provision which we adopted prohibiting any farm operator from collecting more than $20,000 in Government subsidies. Last year, 18,585 operations received subsidies totaling $655.8 million in excess of $20,000. And for what? According to Secretary of Agriculture Earl Butz—

The payment is almost entirely, if not entirely, an income supplement because you get it without really doing anything to earn it.

However, that ray of hope grows much dimmer when we examine the "cotton loophole" which is big enough to drive a combine through. The bill before us today eliminates the subsidy limitation affecting the cotton growers. The 1970 law which limited Government payments to $55,000 per person does not even apply. In fact, there would be no limitation whatever.

In other words, agribusinesses, such as the California firm which collected $4.4 million in cotton subsidies in 1970, would be permitted to return to their old practice of collecting huge Government subsidies.

In addition, this proposal establishes a minimum Government loan rate of 41.5 cents per pound of cotton. In 1972, market prices were not even close to that—the producers received less than 27 cents a pound. In effect, if that price remained, the taxpayer would chip in 14.5 cents for every pound of cotton produced.

Since expected production for 1973–74 is almost 12,000,000 bales—at 480 pounds per bale—simple arithmetic shows that the cotton program could cost the taxpayer an estimated $826.5 million annually if prices leveled at the 1972 prices.

According to the Department of Agriculture, in 1972 it cost a cotton producer approximately 28 cents to produce 1 pound of cotton. Thus, he may be assured of a 13-cent-a-pound profit on every pound of cotton grown. That amounts to a $62 profit per bale of cotton.

At these rates, why grow corn, or why raise cattle? For that matter, why drive a cab or work in a factory?

Mr. Chairman, the small farmer works hard and receives little monetary reward for his efforts. He should be encouraged to stay on the land and continue to work the fields. But, this program really benefits the rich and allows them to grab up even more land and, thus, drive the marginal farmer off the land.

This kind of welfare for the rich must be ended.

Mr. Chairman, the taxpayer is tired of paying his hard earned dollars to the Government to use in an easy-come easy-go manner.

The consumers do not mind paying a fair price for a good product but they do mind paying artificially inflated prices caused by Government stupidity.

Let us defeat this proposal, end the waste of tax dollars, and come back with an agriculture bill that allows the farmer to produce, and receive a fair profit for his efforts, and at the same time, keeps the small farmer in business.

Mr. BEARD. Mr. Chairman, as a cosponsor of the pending amendment, I want to take just a moment to commend the gentleman from Alabama (Mr. DICKINSON) and others who have worked so hard to promote the adoption of this measure prohibiting issuance of food stamps for strikers.

To those who say there is another side to this coin—that say in some cases there is some justification to providing food stamps to voluntary strikers, I would agree. There are two sides to every coin. However, there are no two sides to the argument that if this amendment is not adopted, an estimated $240 million dollars will go to finance food stamps to individuals who could be working. This is $240 million dollars that will not go to aid the involuntary poor—mothers with dependent children, welfare families, the aged, the blind, and the disabled.

We are being given a choice today. Do we continue a system which has been misdirected to divert aid to those who have temporarily given up their earning power for the promise of greater future returns or do we seek reform of that system to aid those who really need its assistance?

I urge that we make this reform.

Mr. MAHON. Mr. Chairman, before the final vote is taken on the pending farm bill I want to place in the RECORD some views in regard to agriculture which I consider to be of importance to the Nation and which I feel should be included in the debate on the bill today.

NEED FOR BETTER FARM LEGISLATION

Mr. Chairman, last week and early this week the Poage bill providing for a new farm program was before the House. Today we resume consideration of this vitally important measure. Out of the lengthy debate that we have heard, one clear point should have emerged. This nation totally depends on a strong and healthy agricultural base, and indeed has an evergrowing need for a greater abundance of all agricultural products. Indeed, the President on yesterday stated:

> The stability of the American economy in the months and years ahead demands maximum farm output. I call upon the American farmer to produce as much as he can.

Our best hope for saving the dollar, our best hope for fighting world hunger, our best hope for keeping our Nation economically strong and physically healthy is American agriculture. This is a broad statement but it is positively correct.

There is nothing that we, as Americans, do better than grow food and fiber—and regretfully there is nothing that Americans generally seem to understand less.

IMPORTANCE OF AGRICULTURE TO UNITED STATES

When one lives in certain nonagriculture sections of the Nation it is understandable that he would not have a thorough appreciation of what is involved in getting breakfast to the table or clothes on the back and the tremendously positive effect that agriculture has on our Nation's economy.

And one of the real dangers this Congress faces is to act precipitously on amendments, as the House did last week and as the House has done today that substantively destroy basic farm programs on which our Nation depends.

We need to stand back and gain some perspective about the role and problems of agriculture in our country.

Farming in America is a big business—the biggest, in fact—and like it or not, it is based on incentives. Farm production costs go up year after year, and sooner or later farm prices also must inevitably rise. There is no other way the farmer can continue to pump billions into our economy, providing such a substantial chunk of the paycheck of American factory workers.

Through farm programs we have, in the past, cushioned consumers against and even protected them completely from the brunt of cost increases. But farm programs have gotten a black eye because they have been inaccurately seen solely as a means of withholding production. There has been widespread distortion and misunderstanding of the facts.

This Nation has long been the leading agricultural nation of the world. Today, more than ever before, the United States is called on to help feed and clothe a large proportion of the entire world. Indeed, if we fail, millions throughout the world will suffer and perhaps even perish. In fact, if the United States fails there is absolutely no other nation that has the capability to feed and clothe a large portion of the entire world.

AGRICULTURE'S IMPACT ON THE ECONOMY

Today in the United States, 3 jobs out of every 10 are directly or indirectly related to agriculture. Besides this direct contribution, the farmer is also one of the best customers that American industry has—from basic industries like steel, chemicals, to machinery, trucks, petroleum, and fertilizer—for a total of 20 percent of basic industry products.

The report of the 1974 agriculture appropriation bill clearly shows the magnitude of the impact of agriculture on our economy and hence its importance to us all—

> Farmers' investment in land and equipment necessary to farm totals over $355 billion, equal to roughly one-half of the market value of all corporate stocks on the New York Stock Exchange; or to about three-fifths of the value of the capital assets of all corporations in the United States. Every time the farmer plants a crop, he risks all these assets accumulated through many years. His return on his equity was only about 2.8 percent in 1971.

$12 BILLION CONTRIBUTION TO BALANCE OF TRADE

Americans have in the past few months become painfully aware of the problems of the dollar around the world. In 1972 we had a trade deficit of $6.8 billion, the first since the industrial revolution evolved. Another damaging trade deficit is anticipated in 1973.

But imagine how our problems would have been magnified if we had not exported some $12 billion of U.S. agricultural products in the fiscal year that just ended.

Without a doubt, agricultural products offer the brightest promise to save the dollar. Many people think it will be possible to export $20 billion of our agricultural products in 1974, if we can produce enough. This is the only thing that can make a major contribution toward balancing the enormous cost of oil that we will have to import and the net trade drain on manufacturing products that is likely to occur. Mr. Chairman, it may be hard for some Members to realize, but agriculture is now the only part of the American economy that offers the hope of correcting our intolerable international trade imbalance. The situation has deteriorated to the point that agriculture is the only hope, Mr. Chairman.

DANGEROUS AMENDMENTS TO THE FARM BILL

Thus, rather than adopting amendments which make it more difficult for the farmer to operate and produce and for research to be conducted on food and natural fibers, we should be adopting amendments which do just the opposite.

OPPOSITION TO PAYMENT LIMITATION

In fact, Mr. Chairman, it seems to me that the amendment the House adopted which drastically limits farm payments is a movement totally in the wrong direction. I would hope that the Congress would have the wisdom to correct this mistake. This amendment, in my opinion, is confiscatory and totally disruptive to the great cotton industry and the feed grain industry of our Nation. I thoroughly deplore it and will continue working against it, although I realize that many Members are totally committed to it.

Agriculture—more than any other industry—is singled out as an example of one that is heavily subsidized and frequently as one that is subsidized without merit. The word subsidy has become so ingrained in the typical nonfarmer's view of agriculture that rational discussion of the issue has become almost impossible. Sweeping statements—and indictments—are uttered with breathtaking ease, and counterarguments find all too few who will listen.

The idea that because the Government does provide farm programs many farmers are getting rich from farm programs simply does not hold up. Why are not more people going into farming? Why are these charges almost without exception unspecific and generally stated? Are those who make these charges adequately informed on the subject? I really believe they are not.

Even so, farm payments—worse, those who receive them—are singled out for increasing criticism and abuse. The fa-

miliar theme, expressed over and over again, is that farm payments are handouts, something-for-nothing, a means of getting rich at taxpayer expense. This is an unacceptable distortion. When the farmer adds up his income receipts he finds that he has a dollar return to investment that is lower than any major industry would tolerate.

Existing law provides for a $55,000 payment limitation. There should be no further discrimination against larger farmers simply because they are large, discrimination which takes away from small farmers the opportunity to get larger and become more efficient and be more meaningful contributors to the agricultural engine of the Nation.

Has anyone ever suggested placing a limit on the size of defense contracts?

Should we put an arbitrary limit on the size of subsidies to the maritime industry?

What about the railroads and airlines? If the principle applies well in agriculture, then why should it not be applied to others who receive subsidies from the Federal Government?

It is a sad commentary that the performance of American agriculture is coveted all over the world, and yet too often is discounted as virtually insignificant here at home.

Agriculture and the farmer remain as the cornerstone of our economy.

Farm efficiency has freed and will continue to free millions from the farm to work in factories and churn out thousands of consumer goods that make the living in America easier than anywhere else in the world. Yet, agriculture, it seems, has become the whipping boy.

IMPORTANCE OF COTTON

Mr. Chairman, I would now like to speak about the importance of cotton to the United States and to the entire world. Last week, it seemed some Members were trying to make it national anti-cotton week in the House.

Hurtful amendments relating to farm subsidy payments and Cotton Incorporated should not have been adopted. It is urgently necessary that these amendments be sharply modified or abandoned.

Let me briefly list some of the vast contributions that cotton makes to the American people.

Last year, cotton produced 1.6 billion pounds of protein for a protein-starved world and 1.4 billion pounds of cottonseed oil were also produced which greatly added to the diets of people throughout the world. In fact, next month in Lubbock, Tex., a plant will begin producing a high-protein food concentrate from cottonseed. This development holds great promise as an important new source of low-cost protein to help meet the world's critical food needs.

Last year, cottonseed provided 3.6 billion pounds of feed for livestock, which was 15 percent of all protein concentrates fed to livestock.

Over 10 billion square yards of textile materials were produced from cotton. Cotton textile fibers accounted for 35 percent of the apparel market, 32 percent of the home furnishings, and 26 percent of the industrial fabrics market.

In past years cotton exports totaled $400 to $500 million. This year these exports may reach or exceed $750 million. The contribution of this to our balance of trade is enormous.

In addition, Mr. Chairman, cotton accounts for direct employment of more than 5.2 million persons and for another 12.8 million employees and dependents who are tied closely to the cotton industry. These jobs are scattered throughout the Nation and not just in the cotton producing areas themselves.

COTTON HELPS MODIFY ENERGY CRISIS

There is another very important point that all Members should be aware of. Cotton and other natural agricultural products, unlike synthetic fibers and food supplements, do not require the use of irreplaceable energy resources, such as petroleum products, for their development. Water and sunlight are the basic energy sources for cotton and are not irreplaceable like the energy sources used in synthetic fibers. This is tremendously significant in view of our critical energy needs.

Mr. Chairman, in view of these impressive facts and the current food needs of the world, it just does not make sense for Congress to pass amendments that will make it more difficult for the farmer to grow his crops.

CONTRIBUTIONS OF COTTON, INC.

As indicated, the House adopted an amendment last week which removes Government funds from Cotton, Inc. This was a mistake.

Cotton, Inc., has been making a vital contribution in research on cotton fiber and textile and cotton food products which are so essential to a protein-hungry world. To attempt to hinder this research makes no sense, in my judgment.

I hope, Mr. Chairman, that greater wisdom will prevail in the House and Senate and that the final version of the new farm bill will be made more acceptable.

I take note of a recent column in the New York Times by the well-known economist, Eliot Janeway, which very accurately sums up the importance of American agriculture. It states:

> Agriculture has long been the perennial orphan of the American economy. But as the world economy is structured today, no country can manage, no government can survive, no economy can stabilize itself without continuous access to American agricultural products—especially American feed crops.

Mr. Chairman, it must be agreed that this Congress should develop a strong farm program. The urgency is very great. I am stating these views with the hope that they may be helpful toward the solution of our problems.

The bill before us contains many unacceptable amendments and provisions. But, if we are to have a farm bill, it seems appropriate to send this measure to conference between the House and Senate and strive for modifications and changes. We must find a way to achieve a reasonably adequate program.

Mr. ALEXANDER. Mr. Chairman, I rise at this time to make some remarks in support of one of the provisions of this bill before us today which I believe is of major importance to all our citizens. The provision to which I refer is title X and the programs authorized under it to encourage and promote improved fish and wildlife enhancement and conservation practices among our Nation's private, agricultural landowners.

As members of the Committee on Agriculture, we worked closely with many wildlife conservationists in formulating these provisions. Why do I favor such a program? Residents of the countryside live daily with the game and fish and know the wonders of the animal kingdom. They have a natural interest in seeing that the game and fish populations prosper. Many of them have expressed concern to me and others of my colleagues about the need for encouraging the expansion of fish and wildlife populations.

The problems they face are the same as many others face in attempting to work for the general interest of our Nation—a shortage of the cash with which to carry on their efforts. What title X does, is make it possible for the Secretary of Agriculture to carry on a realistic, practical and workable program involving our farm families in expanding their activities on behalf of fish and wildlife.

This program provides the Secretary with the authority to enter into long range contracts—up to 25 years—with eligible landowners and operators to engage in a cost sharing and grant assistance program to carry-out programs to increase our supplies of deer, squirrels, doves, turkeys, bass, trout, and other such wildlife and fish.

The resources and management capabilities of our public agencies are geared to working with the big picture and the big tract of land. The services that they perform are vital to our efforts in this field. But, they can do only so much with the limited resources at their hand.

It is very easy to see that the programs which are authorized under title X can have a dramatic effect on the future of our efforts in fish and wildlife enhancement.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H.R. 8860) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices, pursuant to House Resolution 478, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

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

Is a separate vote demanded on any amendment?

Mr. ROSENTHAL. Mr. Speaker, I demand a separate vote on the so-called Froehlich amendment, dealing with page 41, line 10.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. MIZELL. Mr. Speaker, I demand a separate vote on the Bergland amend-

ment, which struck section 2 of the bill, the emergency standards.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. CONTE. Mr. Speaker, I demand a separate vote on the Bergland amendment, dealing with page 27, line 4 through page 36, line 15.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment appearing in the bill on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 27, line 4, strike out on page 27 all of line 4 and the remainder through page 36 line 15 and renumber the succeeding paragraphs of section 1 of the bill accordingly.

The amendment was rejected.

The SPEAKER. The Clerk will report the next amendment appearing in the bill on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 41 after line 10, insert the following:

EMERGENCY SUPPLY OF AGRICULTURE PRODUCTS

SEC 811(a) Notwithstanding any other provision of law, the Secretary of Agriculture shall, under the provisions of this Act, assist farmers, processors, and distributors in obtaining such prices for agricultural products that an orderly, adequate and steady supply of such products will exist for the consumers of this nation.

(b) The President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973) or any subsequent Executive Order for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of the freeze or subsequent modification thereof and that alternative means for increasing the supply are not available.

(c) Under this section, the term "agricultural products" shall include meat, poultry, vegetables, fruits and all other agriculture commodities.

The SPEAKER. The question is on the amendment.

PARLIAMENTARY INQUIRIES

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, my parliamentary inquiry is this: Is my understanding correct that this is the so-called Froehlich amendment?

The SPEAKER. The Chair will state that the gentleman from Michigan is correct.

Mr. GERALD R. FORD. Mr. Speaker, one further parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. My parliamentary inquiry is this, Mr. Speaker: The previous amendment that was voted on, what amendment was that? Which one of the so-called Bergland amendments was it?

The SPEAKER. The Chair will state to the gentleman from Michigan that the Chair is endeavoring to put the amendments in the order in which they appear in the bill.

PARLIAMENTARY INQUIRY

Mr. O'HARA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. O'HARA. Mr. Speaker, my parliamentary inquiry is whether there is any way that we can now determine what the first amendment was that we voted on, and ask for a division on that amendment, or for a recorded vote on that amendment.

The SPEAKER. The Chair will state to the gentleman from Michigan that that request comes too late.

The question is on the so-called Froehlich amendment.

The question was taken; and on a division (demanded by Mr. ROSENTHAL) there were—ayes 217, noes, 189.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 53, line 3, strike section 2 of the bill, H.R. 8860, in its entirety, and renumber the following sections accordingly.

The amendment was agreed to.

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

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

PARLIAMENTARY INQUIRIES

Mr. MIZELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. MIZELL. Mr. Speaker, my parliamentary inquiry is would the Chair restate the vote on the previous Bergland amendment?

The SPEAKER. The Chair will state that the Chair announced that the ayes had it.

PARLIAMENTARY INQUIRY

Mr. MIZELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MIZELL. This means that the Bergland amendment carried; is that correct?

The SPEAKER. That is correct.

Mr. MIZELL. On that, Mr. Speaker, I demand a recorded vote.

The SPEAKER. The gentleman waited much too long.

Mr. MIZELL. Mr. Speaker, I was on my feet. Mr. Speaker, I demand a recorded vote. I was on my feet.

The SPEAKER. The Chair has put the question on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. TEAGUE OF CALIFORNIA

Mr. TEAGUE of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TEAGUE of California. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TEAGUE of California moves to recommit the bill H.R. 8860 to the Committee on Agriculture with instructions to report the same back forthwith with the following amendments: On page 9, line 5, after "bushel", strike out down through "rates" in line 8; and in line 12, change the colon to a period and strike out the remainder of the sentence.

On page 22, line 12, change the comma to a period, and strike out the remainder of the sentence.

The SPEAKER. Under the rule the gentleman from California is recognized for 5 minutes.

Mr. TEAGUE of California. Mr. Speaker, this is a motion to recommit with instructions to delete the escalator clause.

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

Mr. TEAGUE of California. I yield to the minority leader, the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, this is an effort to make the bill legislation which will be veto-proof. This in effect is the Sisk amendment which on July 11 unfortunately lost by 239 to 174. I supported the Sisk amendment then, and I support this version now. It is even more important, in my judgment, that the motion to recommit prevail because in the interim I believe we have stricken from the bill the cotton section, which means that as far as this bill is concerned, there is no escalator clause for cotton.

To do equity, in my opinion, we ought to do the same for the other two major crops.

No. 2, I say to my big city Democrats and Republicans that if we take the escalator clause out, then we in effect are giving the city housewife a better opportunity to get better prices for the foodstuffs that she buys.

I repeat my conclusion. As far as I am concerned, Mr. Speaker, if we want a new farm law we must adopt the motion to recommit. Otherwise there is no hope because I suspect it is going to be vetoed and there are obviously enough votes to sustain a veto.

Mr. TEAGUE of California. Mr. Speaker, I yield to the gentleman from California (Mr. SISK).

Mr. SISK. I thank the gentleman for yielding. As I understand it this is the idea of the amendment I offered a long time ago, whenever it was we started this discussion, which reduces what the Department feels is the overall cost of the bill over the years and therefore I do support the motion to recommit.

I thank the gentleman for yielding.

PARLIAMENTARY INQUIRY

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. TEAGUE of California. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, there is more confusion than we can solve here in the next moment or two, but the committee chairman handling the bill, and the minority leader, and both sides are under the impression that on the separate vote cotton is still out of the bill. We need a decision as to

whether or not cotton is in the bill, Mr. Speaker.

The SPEAKER. Of course, the parliamentary situation is that the amendment on which the first vote was taken was to strike the cotton section from the bill. That amendment was rejected.

Mr. WAGGONNER. I thank the Speaker.

The SPEAKER. Does the gentleman from Texas desire to rise in opposition to the motion to recommit?

Mr. POAGE. I do, Mr. Speaker.

Mr. Speaker and my friends in the House, I want to suggest that we are almost at the end of several long days and that I hope we will be able to bring this to a conclusion and be able to get a bill. I am just as interested as the minority leader is in getting one that becomes law because I have no interest in having something that will not become law, but neither do I have any interest in suggesting that farmers as a group should be treated with far less consideration than any other group in the United States. We have just provided in the food stamp section of this very bill for escalation of the grants to the recipients of food stamps in event the cost of living goes up. We have recently provided increases in the salaries of Federal employees. We have increased the benefits of recipients of social security benefits when the cost of living goes up. I know of no reason why we should make an exception of farmers and frankly I do not believe that the President of the United States is going to say that he is going to make such an exception.

Of course, he would like to have the cheapest bill he can get. But a cheap bill that does not do justice is not the kind of bill we want. I would therefore hope that we would do justice to the farmers and treat them at least as well as we treat other groups of our society, treat them on the same basis that we treat other groups of our society. To do that we will have to vote down this motion to recommit. I do not believe it will be dangerous. I do not believe it will destroy the bill.

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

Mr. POAGE. I yield to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Speaker, I thank the chairman for yielding. I agree with him wholeheartedly. I cannot believe this body would deny the food and fiber producers of this country an even share. Even though I happen to disagree with the administration and leaders, my chairman of the committee, and the minority leader, I think it is definitely unfair that we have less than 3 million farmers in this country and we are talking about removing the escalator clause which prognosticators predict could cost $900 million. The food stamp section that passed is going to cost at least $3 to $4 billion and serve 9 to 12 million people. With many other programs providing escalator clauses, surely the American farmer is entitled to at least 70 percent of the average received by all other segments.

Mr. POAGE. Mr. Speaker, will the gentleman yield for a comment?

Mr. PRICE of Texas. I yield to the distinguished chairman of the committee (Mr. POAGE).

Mr. POAGE. Mr. Speaker, the present law has been costing about $3½ billion a year. We will be saving $3½ billion a year by passing this bill, and if it did cost $900 million a year, it would still be saving of $2½ billion.

Mr. PRICE of Texas. Mr. Speaker, that is certainly correct. I do not see how in the world we can give 30 million people an escalator clause, we can give all Federal employees an escalator, and we say no to the American farmer.

Mr. GERALD R. FORD. Mr. Speaker, will the distinguished chairman of the committee yield for an amendment to the motion to recommit?

Mr. POAGE. Certainly, I will yield, but I would like to hear the amendment.

The SPEAKER. The gentleman is not in order. The gentleman from California (Mr. TEAGUE) has control of the motion to recommit and can yield for that purpose if he desires to do so.

The gentleman from Texas now has the floor.

Mr. POAGE. Mr. Speaker, I will not yield for a pig in a poke. I want to know what the gentleman is proposing.

The SPEAKER. The gentleman cannot yield for that purpose. The gentleman from California can yield for that purpose.

Mr. GERALD R. FORD. Mr. Speaker, I will explain to my friend from Texas. Because of the confusion as to the Bergland amendment when the Committee of the Whole got back into the House—and I think I was not the only one who was confused—in order to treat the three commodities the same, corn, wheat, and cotton, we would have to amend the motion to recommit to include cotton now that the cotton section is back in the bill. That is the only purpose.

Mr. HAYS. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. POAGE. No, I will let the gentleman get his own time on that.

I want to thank the minority leader for about 2 weeks of most courteous and cooperative effort on trying to get this bill passed. I have not agreed with him on some of these items and have not agreed with the ranking minority member on the commttee, but I want to thank them both as having made a serious effort in trying to see this thing through.

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

POINT OF ORDER

Mr. HAYS. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HAYS. Mr. Speaker, my point of order is that I do not believe the gentleman from California can yield for this purpose without getting unanimous consent.

The SPEAKER. The gentleman can yield for the purpose of an amendment, since he has the floor.

Mr. TEAGUE of California. Mr. Speaker, I yield to the distinguished minority leader for the purpose of offering an amendment.

AMENDMENT OFFERED BY MR. GERALD R. FORD TO THE MOTION TO RECOMMIT OFFERED BY MR. TEAGUE OF CALIFORNIA

Mr. GERALD R. FORD. Mr. Speaker, I offer an amendment to the motion to recommit.

POINT OF ORDER

Mr. MOSS. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MOSS. Mr. Speaker, my point of order is that the time of the gentleman from California had expired.

The SPEAKER. That does not keep him from yielding.

Mr. MOSS. He has not got the floor.

The SPEAKER. The gentleman from California has the right to yield for an amendment, since he still has the floor as the previous question has not been ordered on the motion to recommit.

Mr. MOSS. The previous question has not been ordered.

The SPEAKER. That is the rule.

The Clerk read as follows:

Amendment offered by Mr. GERALD R. FORD to the motion to recommit offered by Mr. TEAGUE of California: On page 30, beginning with line 1, strike out down through the word "made" in line 11.

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan (Mr. GERALD R. FORD) to the motion to recommit.

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

RECORDED VOTE

Mr. GERALD R. FORD. Mr. Speaker, on that I demand a recorded vote.

PARLIAMENTARY INQUIRIES

Mr. PRICE of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. PRICE of Texas. Will the Chair explain exactly what the vote will be on?

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan to the motion to recommit offered by the gentleman from California.

Mr. PRICE of Texas. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PRICE of Texas. Will the Speaker please explain what we are voting on?

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan (Mr. GERALD R. FORD) to the motion to recommit offered by the gentleman from California (Mr. TEAGUE).

Mr. PRICE of Texas. This would have the effect of striking the escalator clause from the cotton section?

The SPEAKER. The Chair cannot pass on the effect of the amendment.

The gentleman from Michigan (Mr. GERALD R. FORD) has demanded a recorded vote.

A recorded vote was ordered.

RECORDED VOTE

The vote was taken by electronic device, and there were—ayes 248, noes 165, not voting 20, as follows:

[Roll No. 361]

AYES—248

Abzug
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Bennett
Bergland
Biester
Blackburn
Boland
Bolling
Bray
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Butler
Byron
Camp
Carey, N.Y.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collier
Collins, Tex.
Conable
Conte
Corman
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Donohue
Downing
Drinan
Duiski
Duncan
du Pont
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Findley
Fish
Ford, Gerald R.
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Gibbons
Gilman
Goldwater
Goodling
Gray
Green, Oreg.
Green, Pa.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanna
Hanrahan
Harvey
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jones, Okla.
Karth
Keating
Ketchum
Kluczynski
Koch
Latta
Litton
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McKay
McKinney
Macdonald
Madden
Madigan
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, N.Y.
Moakley
Mosher
Moss
Murphy, Ill.
Myers
Nedzi
Nelsen
Obey
O'Brien
O'Hara
O'Neill
Parris
Pettis
Peyser
Pike
Powell, Ohio
Price, Ill.
Quie
Quillen
Railsback
Rees
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncalio, N.Y.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ryan
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Wis.
Stratton
Studds
Symms
Taylor, Mo.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Towell, Nev.
Van Deerlin
Vander Jagt
Vanik
Veysey
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NOES—165

Abdnor
Adams
Addabbo
Alexander
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Baker
Barrett
Beard
Bevill
Biaggi
Bingham
Boggs
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Broyhill, N.C.
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Burton
Carney, Ohio
Carter
Casey, Tex.
Chisholm
Clark
Clay
Cochran
Collins, Ill.
Conlan
Conyers
Cotter
Davis, S.C.
Delaney
Dellums
Dent
Dickinson
Diggs
Dingell
Dorn
Eckhardt
Edwards, Ala.
Edwards, Calif.
Evins, Tenn.
Fascell
Flood
Flowers
Flynt
Foley
Ford, William D.
Fountain
Fraser
Fulton
Gaydos
Gettys
Giaimo
Ginn
Gonzalez
Grasso
Hammer-schmidt
Hanley
Harsha
Hawkins
Hays
Hébert
Henderson
Hicks
Holtzman
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kuykendall
Kyros
Landrum
Leggett
Lehman
Long, La.
Long, Md.
Lott
McFall
McSpadden
Mahon
Mann
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mitchell, Md.
Mizell
Montgomery
Moorhead, Pa.
Morgan
Murphy, N.Y.
Natcher
Nichols
Nix
Passman
Patten
Pepper
Perkins
Pickle
Poage
Podell
Preyer
Price, Tex.
Pritchard
Randall
Rangel
Rarick
Rhodes
Roberts
Rooney, N.Y.
Rooney, Pa.
Rose
Roybal
Runnels
Ruth
St Germain
Sarbanes
Shipley
Sikes
Slack
Staggers
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Sullivan
Symington
Taylor, N.C.
Teague, Tex.
Thornton
Tiernan
Treen
Udall
Ullman
Vigorito
Waggonner
White
Whitten
Wilson, Charles, Tex.
Wolff
Wright
Yatron
Young, Ga.
Young, Tex.

NOT VOTING—20

Bell
Blatnik
Danielson
de la Garza
Fisher
Fuqua
Griffiths
Kemp
King
Landgrebe
Lent
Mills, Ark.
Minshall, Ohio
Mollohan
Moorhead, Calif.
Owens
Patman
Reid
Stokes
Talcott

So the amendment to the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Kemp for, with Mr. Blatnik against.

Mr. Landgrebe for, with Mr. Mollohan against.

Mr. King for, with Mr. Fuqua against.

Mr. Lent for, with Mr. Stokes against.

Until further notice:

Mr. Fisher with Mr. Danielson.

Mrs. Griffiths with Mr. Minshall of Ohio.

Mr. Mills of Arkansas with Mr. Bell.

Mr. Owens with Mr. Moorhead of California.

Mr. Reid with Mr. Talcott.

Mr. Patman with Mr. de la Garza.

The result of the vote was announced as above recorded.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit, as amended.

There was no objection.

The SPEAKER. The question is on the motion to recommit, as amended.

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

RECORDED VOTE

Mr. GERALD R. FORD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 225, not voting 26, as follows:

[Roll No. 362]

AYES—182

Abzug
Adams
Anderson, Calif.
Anderson, Ill.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Bennett
Biester
Blackburn
Bray
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Butler
Carey, N.Y.
Cederberg
Chamberlain
Clancy
Clawson, Del
Cleveland
Cohen
Collier
Collins, Tex.
Conable
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Drinan
Duiski
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Ford, Gerald R.
Forsythe
Frenzel
Frey
Gilman
Goldwater
Goodling
Grasso
Green, Oreg.
Grover
Gude
Gunter
Guyer
Haley
Hanley
Hanna
Hanrahan
Harvey
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jones, N.C.
Keating
Koch
Latta
Leggett
Long, Md.
McClory
McDade
McEwen
McKinney
Macdonald
Madigan
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mazzoli
Michel
Milford
Minish
Mitchell, N.Y.
Mizell
Mosher
Moss
O'Brien
Parris
Pettis
Peyser
Pike
Powell, Ohio
Pritchard
Quillen
Railsback
Rangel
Rees
Regula
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, N.Y.
Rosenthal
Rousselot
Ruppe
St Germain
Sandman
Sarasin
Satterfield
Schneebeli
Shuster
Sisk
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Wis.
Stratton
Studds
Teague, Calif.
Tiernan
Towell, Nev.
Treen
Vander Jagt
Vanik
Veysey
Walsh
Ware
Whalen
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion

NOES—225

Abdnor
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Baker
Barrett
Beard
Bergland
Bevill
Biaggi
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Broyhill, N.C.
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Burton
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Collins, Ill.
Conlan
Conyers
Corman
Culver
Davis, Ga.
Davis, S.C.
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Flynt
Foley
Ford, William D.
Fountain
Fraser
Froehlich
Fulton
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Gray
Green, Pa.
Gross
Hamilton
Hammer-schmidt
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hawkins
Hays
Hébert
Henderson
Hicks
Holifield
Holtzman
Howard
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Ketchum
Kluczynski
Kuykendall
Kyros
Landrum
Lehman
Litton
Long, La.
Lott
Lujan
McCloskey
McCollister
McCormack
McFall
McKay
McSpadden
Madden
Mahon
Mann
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mink
Mitchell, Md.
Moakley
Montgomery
Moorhead, Pa.
Morgan

Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Passman
Patten
Pepper
Perkins
Pickle
Poage
Podell
Preyer
Price, Ill.
Price, Tex.
Quie
Randall
Rarick
Reuss
Riegle
Roberts
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruth
Ryan
Sarbanes
Saylor
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Skubitz
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Udall
Ullman
Van Deerlin
Vigorito
Waggonner
Waldie
Wampler
White
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zwach

NOT VOTING—26

Bell
Blatnik
Danielson
de la Garza
Fisher
Frelinghuysen
Fuqua
Gaydos
Griffiths
Gubser
Kemp
King
Landgrebe
Lent
Mills, Ark.
Minshall, Ohio
Mollohan
Moorhead, Calif.
Owens
Patman
Reid
Rhodes
Rooney, N.Y.
Stokes
Talcott
Wright

So the motion to recommit, as amended, was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Kemp for, with Mr. Rooney of New York against.
Mr. King for, with Mr. Fuqua against.
Mr. Lent for, with Mr. Gaydos against.
Mr. Frelinghuysen for, with Mr. Danielson against.
Mr. Landgrebe for, with Mr. Reid against.

Until further notice:

Mr. Fisher with Mr. Blatnik.
Mrs. Griffiths with Mr. Rhodes.
Mr. Patman with Mr. Gubser.
Mr. Mills of Arkansas with Mr. Bell.
Mr. Talcott with Mr. Minshall of Ohio.
Mr. Owens with Mr. Moorhead of California.
Mr. Wright with Mr. de la Garza.
Mr. Mollohan with Mr. Stokes.

The result of the vote was announced as above recorded.

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

RECORDED VOTE

Mr. GERALD R. FORD. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 226, noes 182, not voting 25, as follows:

[Roll No. 363]

AYES—226

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Aspin
Baker
Beard
Bergland
Bevill
Biaggi
Bingham
Boggs
Boland
Bolling
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Clausen, Don H.
Cochran
Collier
Collins, Ill.
Coughlin
Culver
Davis, Ga.
Davis, S.C.
Delaney
Denholm
Dent
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Duncan
Edwards, Calif.
Esch
Evans, Colo.
Evins, Tenn.
Flood
Flynt
Foley
Fountain
Frenzel
Froehlich
Fulton
Gettys
Gibbons
Ginn
Gonzalez
Gray
Gross
Gunter
Guyer
Hamilton
Hammer-schmidt
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hawkins
Hays
Hébert
Henderson
Hillis
Hogan
Holifield
Holt
Huber
Hudnut
Hungate
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Keating
Ketchum
Kluczynski
Kuykendall
Landrum
Latta
Leggett
Lehman
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McSpadden
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mink
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Obey
O'Brien
O'Neill
Passman
Pepper
Perkins
Pickle
Poage
Podell
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick
Reuss
Roberts
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Scherle
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Symington
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Ullman
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
White
Whitten
Wilson, Charles, Tex.
Winn
Yatron
Young, Alaska
Young, Ga.
Young, S.C.
Young, Tex.
Zablocki
Zwach

NOES—182

Abzug
Adams
Addabbo
Anderson, Calif.
Archer
Ashbrook
Ashley
Badillo
Bafalis
Barrett
Bennett
Biester
Blackburn
Brademas
Brasco
Bray
Broomfield
Brown, Mich.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Butler
Carey, N.Y.
Chamberlain
Chisholm
Clancy
Clark
Clawson, Del
Clay
Cleveland
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Wis.
Dellenback
Dellums
Dennis
Derwinski
Devine
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Fascell
Findley
Fish
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frey
Gaydos
Giaimo
Gilman
Goldwater
Goodling
Grasso
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Haley
Hanley
Hanna
Hanrahan
Harrington
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hinshaw
Holtzman
Horton
Hosmer
Howard
Hunt
Hutchinson
Johnson, Pa.
Jordan
Karth
Koch
Kyros
Long, Md.
McEwen
McKinney
Macdonald
Mailliard
Maraziti
Mazzoli
Michel
Milford
Minish
Mitchell, Md.
Moakley
Moss
Nedzi
Nichols
Nix
O'Hara
Parris
Patten
Pettis
Peyser
Pike
Powell, Ohio
Pritchard
Rangel
Rees
Regula
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, N.Y.
Rosenthal
Rousselot
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Schneebeli
Schroeder
Seiberling
Slack
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Stratton
Studds
Sullivan
Symms
Teague, Calif.
Tiernan
Treen
Udall
Van Deerlin
Vanik
Veysey
Waldie
Ware
Whalen
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Fla.
Young, Ill.
Zion

NOT VOTING—25

Bell
Blatnik
Danielson
de la Garza
Fisher
Flowers
Fuqua
Griffiths
Kemp
King
Landgrebe
Lent
Mills, Ark.
Minshall, Ohio
Mollohan
Moorhead, Calif.
Owens
Patman
Reid
Rhodes
Rooney, N.Y.
Stokes
Talcott
Wiggins
Wright

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Fuqua for, Mr. Kemp against.
Mr. Danielson for, Mr. Rooney of New York against.
Mr. Fisher for, Mr. Stokes against.
Mr. Wright for, Mr. Talcott against.
Mr. Blatnik for, Mr. Landgrebe against.
Mr. Patman for, Mr. Lent against.
Mr. de la Garza for, Mr. Mollohan against.

Until further notice:

Mrs. Griffiths with Mr. Bell.
Mr. Reid with Mr. Minshall of Ohio.
Mr. Owens with Mr. Moorhead of California.
Mr. Mills of Arkansas with Mr. King.
Mr. Flowers with Mr. Wiggins.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 478, the Committee on Agriculture is discharged from the further consideration of the bill S. 1888.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. POAGE moves to strike out all after the enacting clause of the bill S. 1888, and to insert in lieu thereof the provisions of H.R. 8860, as passed, as follows:

That the Agricultural Act of 1970 is amended as follows:

Title I is amended to read as follows:

"TITLE I—PAYMENT LIMITATION

"SEC. 101. Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1978 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section includes all price support payments, set-aside payments, diversion payments, and resource adjustment payments but does not include loans or purchases, or any part of any payment which is determined by the

Secretary to represent compensation for public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4) (a) In any case in which the owner or operator of a farm leases any portion of the farm to one or more persons, the payment limitation applicable to such person as prescribed by this section, shall be reduced in the same proportion as the allotment remaining on the farm bears to the total allotment prior to such lease: *Provided,* That the payment limitation shall also be reduced on the leased portion of the farm in proportion to the allotment accredited to such portion if the lessee is a member of the lessor's family or is a corporation in which the lessor or member of his family is a stockholder, or a partnership in which the lessor or a member of his family is a partner.

"(b) In any case which the owner or operator of a farm sells or leases any portion of the acreage allotment for the farm to one or more persons, the payment limitation prescribed by this section shall apply in the same manner as if the lessor or seller had not leased or sold the acreage allotment.

"(5) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure an effective and economical application of such limitation: *Provided,* That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary."

DAIRY PROGRAM

Milk Marketing Orders

(2) Section 201 is amended by—

(A) amending section 201(e) by striking out "1973" and inserting "1977", and by striking out "1976" and inserting "1980", and

(B) adding at the end thereof the following:

"(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:

"(1) striking the period at the end of subsection 8c(17) and adding in lieu thereof the following: ': *Provided further,* That if one-third or more of the producers as defined in a milk order apply in writing for a hearing on a proposed amendment of such order, the Secretary shall call such a hearing if the proposed amendment is one that may legally be made to such order. Subsection (12) of this section shall not be construed to permit any cooperative to act for its members in an application for a hearing under the foregoing proviso and nothing in such proviso shall be construed to preclude the Secretary from calling an amendment hearing as provided in subsection (3) of this section. The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within ninety days after the date on which the Secretary has announced his decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same.'

"(2) inserting after the phrase 'pure and wholesome milk' in section 8c(18) the phrase 'to meet current needs and further to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs'."

Milk Price Support, Butterfat Price Support Suspension

(3) Section 202 is amended by—

(A) striking the introductory clause which precedes subsection (a);

(B) effective April 1, 1974, inserting in subsection (b) before the period at the end of the first sentence in the quotation the following: "of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs"; and

(C) inserting in subsection (b) in the first sentence "80 per centum" in lieu of "75 per centum".

Veterans Hospitals

(4) Section 203 is amended by striking out "1973" and inserting "1977".

Dairy Indemnity Program

(5) Section 204 is amended by—

(A) striking out "1973" and inserting "1977"; and

(B) striking subsection (b) and substituting therefor the following:

"(b) Section 1 of said Act is amended to read as follows:

"'SECTION 1. The Secretary of Agriculture is authorized to make indemnity payments for milk or cows producing such milk at a fair market value, to dairy farmers who have been directed since January 1, 1964 (but only since the date of enactment of the Agriculture Act of 1973 in the case of indemnity payments not authorized prior to such date of enactment), to remove their milk, and to make indemnity payments for dairy products at fair market value to manufacturers of dairy products who have been directed since the date of enactment of the Agricultural Act of 1970 to remove their dairy products from commercial markets because of residues of chemicals registered and approved for use by the Federal Government at the time of such use. Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets.'"

(6) Title II is amended by adding at the end thereof the following:

"Dairy Import Licenses

"SEC. 205. Section 22 of the Agricultural Adjustment Act (7 U.S.C. 624) is amended by adding at the end thereof the following:

"'(g) The President is authorized to provide that dairy products may be imported only by or for the account of a person or firm to whom a license has been issued by the Secretary of Agriculture. In issuing a license for dairy products not currently being imported but sought to be imported under this section during any period after the enactment of the Agriculture Act of 1973, the Secretary shall make licenses available for a thirty-day period before issuing licenses to other applicants to domestic producers and processors who agree to import such dairy products: *Provided however,* That such licenses shall not be sold, transferred or assigned. For purposes of this subsection, dairy products include (1) all forms of milk and dairy products, butterfat, milk solids-not-fat, and any combination or mixture thereof: (2) any article, compound, or mixture containing 5 per centum or more of butterfat, or milk solids-not-fat, or any combinations of the two; and (3) lactose, and other derivatives of milk, butterfat, or milk solids-not-fat, if imported commercially for any food use. Dairy products do not include (1) casein, caseinates, industrial casein, industrial caseinates, or any other industrial products, not to be used in any form for any food use, or an ingredient of food; or (2) articles not normally considered to be dairy products, such as candy, bakery goods, and other similar articles: *Provided,* That dairy products in any form, in any such article are not commercially extractable or capable of being used commercially as a replacement or substitute for such ingredients in the manufacture of any food product.'

"PRODUCER HANDLERS"

"SEC. 206. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendments made by the Agriculture Act of 1973 as it was prior thereto."

WOOL PROGRAM

(7) Section 301 is amended by—

(A) striking out "1973" each place it occurs and inserting "1977", and by striking out the word "three" each place it occurs; and

(B) adding at the end thereof the following:

"(6) Strike out the first sentence of section 708 and insert the following: 'The Secretary of Agriculture is authorized to enter into agreements with, or to approve agreements entered into between, marketing cooperatives, trade associations, or others engaged or whose members are engaged in the handling of wool, mohair, sheep, or goats or the products thereof for the purpose of developing and conducting on a national, State, or regional basis advertising and sales promotion programs and programs for the development and dissemination of information on product quality, production management, and marketing improvement, for wool, mohair, sheep, or goats or the products thereof. Advertising and sales promotion programs may be conducted outside of the United States for the purpose of maintaining and expanding foreign markets and uses for mohair or goats or the products thereof produced in the United States.'."

WHEAT PROGRAM

Wheat Production Incentives

(8) Effective beginning with the 1974 crop section 401 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977" and section 107 of the Agricultural Act of 1949, as it appears therein, is amended by—

(A) amending section 107(a) to read as follows:

"(a) Loans and purchases on each crop of wheat shall be made available at such level as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains: *Provided,* That in no event shall such level be in excess of the parity price for wheat or less than $1.49 per bushel."

(B) substituting the word "payments" for the word "certificates" in section 107(b);

(C) striking the quotation mark at the end of section 107(b); and

(D) adding at the end of the section the following:

"(c) Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (i) the amount by which the higher of—

"(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $2.05 per bushel, adjusted for each of the 1975 through 1977 crops to reflect any changes in the index of prices paid by farmers for production items, interest, taxes, and wage rates, times (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide

a fair and equitable yield: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of wheat for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of wheat for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers are prevented from planting, or if planted, prevented from harvesting any portion of the farm acreage allotment to wheat or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis."

Termination of Wheat Certificate Program, Farm Acreage Allotments

(9) Section 402 is amended by inserting "(a)" after the section designation and adding the following at the end of the section:

"(b)(A) Section 379b of the Agricultural Adjustment Act of 1938 (which provides for a wheat marketing certificate program) shall not be applicable to the 1974 through 1977 crops of wheat, except as provided in paragraphs (B) and (C) of this subsection.

"(B) Section 379b(c) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section (which provides for a set-aside program), shall be effective with respect to the 1974 through 1977 crops of wheat with the following changes:

"(i) The phrase 'payments authorized by section 107(c) of the Agricultural Act of 1949' shall be substituted for the word 'certificates' and the phrases 'certificates authorized in subsection (b)' and 'marketing certificates' each place they occur.

"(ii) The word 'domestic' shall be stricken each place it occurs.

"(iii) The second sentence of section 379b (c)(1) is amended to read as follows: 'If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments authorized by section 107(c) of the Agricultural Act of 1949, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the wheat allotment for the farm as may be specified by the Secretary and will be estimated by the Secretary to result in a set-aside not in excess of thirteen and three-tenths million acres in the case of the 1971 crop; plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary.'

"(iv) The third sentence in 379b(c)(1) is amended to read as follows: 'The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to wheat on the farm to a percentage of the acreage allotment.'

"(v) '1971 through 1977' shall be substituted for '1971, 1972, and 1973' each place it occurs other than in the third sentence of section 379b(c)(1).

"(vi) After the second sentence of section 379b(c)(3) the following shall be inserted: "The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences.'

"(C) Sections 379b (d), (e), (g), and (i) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section, shall be effective for the 1974 through 1977 crops amended to read as follows:

"'(d) The Secretary shall provide for the sharing of payments made under this section for any farm among producers on the farm on a fair and equitable basis.

"'(e) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payment in such amounts as he determines to be equitable in relation to the seriousness of the default.

"'(g) The Secretary is authorized to issue such regulations as he determines necessary to carry out the provisions of this title.

"'(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.'

"(D) Section 379c of the Agricultural Adjustment Act of 1938, effective only with respect to the 1974 through 1977 crops of wheat, is amended to read as follows:

"'SEC. 379c. (a)(1) The farm acreage allotment for each crop of wheat shall be determined as provided in this section. The Secretary shall proclaim the national acreage allotment not later than April 15 of each calendar year for the crop harvested in the next succeeding calendar year. Such national allotment shall be the number of acres he determines on the basis of the estimated national average yield for the crop for which the determination is being made will produce the quantity (less imports) that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. The national acreage allotment for any crop of wheat shall be apportioned by the Secretary among the States on the basis of the apportionment to each State of the national acreage allotment for the preceding crop (1973 national domestic allotment in the case of apportionment of the 1974 national acreage allotment) adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State taking into consideration established crop rotation practices, the estimated decrease in farm acreage allotments, and other relevant factors.

"'(2) The State acreage allotment for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the counties in the State, on the basis of the apportionment to each such county of the wheat allotment for the preceding crop, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county taking into consideration established crop-rotation practices, the estimated decrease in farm allotments, and other relevant factors.

"'(3) The farm allotment for each crop of wheat shall be determined by apportioning the county wheat allotment among farms in the county which had a wheat allotment for the preceding crop on the basis of such allotment, adjusted to reflect established crop-rotation practices and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable allotment. Notwithstanding any other provision of this subsection, the farm allotment shall be adjusted downward to the extent required by subsection (b).

"'(4) Not to exceed 1 per centum of the State allotment for any crop may be apportioned to farms for which there was no allotment for the preceding crop on the basis of the following factors: suitability of the land for production of wheat, the past experience of the farm operator in the production of wheat, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of wheat on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm allotments. No part of such reserve shall be apportioned to a farm to reflect new cropland brought into production after the date of enactment of the set-aside program for wheat.

"'(5) The planting on a farm of wheat or any crop for which no farm allotment was established shall not make the farm eligible for an allotment under subsection (a)(3) nor shall such farm by reason of such planting be considered ineligible for an allotment under subsection (a)(4).

"'(6) The Secretary may make such adjustments in acreage under this Act as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, types of soil, soil and water conservation measures, and topography, and in addition, in the case of conserving use acreages, to such other factors as he deems necessary in order to establish a fair and equitable conserving use acreage for the farm.

"'(b)(1) If for any crop the total acreage of wheat planted on a farm is less than the farm allotment, the farm allotment used as a base for the succeeding crop shall be reduced by the percentage by which such planted acreage was less than such farm allotment, but such reduction shall not exceed 20 percentum of the farm allotment for the preceding crop. If no acreage has been planted to wheat for three consecutive crop years on any farm which has an allotment, such farm shall lose its allotment. Producers on any farm who have planted to wheat not less than 90 per centum of the allotment for the farm shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to wheat because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of wheat planted for harvest. For the purpose of this subsection, the Secretary may permit producers of wheat to have acreage devoted to soybeans, feed grains for which there is a set-aside program in effect, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate considered as devoted to the production of wheat to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.

"'(2) Notwithstanding the provisions of subsection (b)(1), no farm allotment shall be reduced or lost through failure to plant the farm allotment, if the producer elects not to receive payments for the portion of the farm allotment not planted, to which he would otherwise be entitled under the provisions of section 107(c) of the Agricultural Act of 1949.'"

Repeal of Processor Certificate Requirement

(10) Section 403 is amended by inserting "(a)" after the section designation and by inserting at the end thereof the following:

"(b) Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processed or exported during the period July 1, 1973 through June 30, 1978; and section 379g is amended by adding the following new subsection (c):

"(c) The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the certif-

icate program provided for under section 379d to a program under which no certificates are required. Notwithstanding any other provision of law, such authority shall include, but shall not be limited to the authority to exempt all or a portion of wheat or food products made therefrom in the channels of trade on July 1, 1973, from the marketing restrictions in subsection (b) of section 379d, or to sell certificates to persons owning such wheat or food products made therefrom at such price and under such terms and conditions as the Secretary may determine. Any such certificate shall be issued by the Commodity Credit Corporation. Nothing herein shall authorize the Secretary to require certificates on wheat processed after June 30, 1973.'."

Suspension of Wheat Marketing Quotas

(11) Section 404 is amended by striking "1971, 1972, and 1973" wherever it appears and inserting "1971 through 1977", and by striking "1972 and 1973" and inserting "1972 through 1977".

State Agency Allotments, Yield Calculations

(12) (a) Section 405 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977"; and by repealing paragraph (2) effective with the 1974 crop; by inserting "(a)" after the section designation; by changing the period and quotation mark at the end of the section to a semicolon; and by adding at the end of the section the following:

"(b) Effective with respect to the 1974 through 1977 crops section 301(b)(13)(K) of the Agricultural Adjustment Act of 1938 is amended by adding after 'three calendar years' the following: '(five calendar years in the case of wheat)', and section 708 of Public Law 89-321 is amended by inserting in the second sentence after 'determining the projected yield' the following '(except that in the case of wheat, if the yield is abnormally low in any one of the calendar years of the base period because of drought, flood, or other natural disaster, the Secretary shall take into account the actual yield proved by the producer in the other four years of such base period)'."

Suspension of Quota Provisions

(13) Section 406 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Reduction in Wheat Stored To Avoid Penalty

(14) Section 407 of the Agricultural Act of 1970 is amended by adding at the end thereof the following: "Notwithstanding the foregoing, the Secretary may authorize release of wheat stored by a producer under section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, prior to the 1971 crop, whenever he determines such release will not significantly affect market prices for wheat. As a condition of release, the Secretary may require a refund of such portion of the value of certificates received in the crop year the excess wheat was produced as he deems appropriate considering the period of time the excess wheat has been in storage and the need to provide fair and equitable treatment among all wheat program participants.".

Application of the Agricultural Act of 1949

(15) Section 408 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Commodity Credit Corporation Sales Price Restrictions

(16) Section 409 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

Set-Aside on Summer Fallow Farms

(17) Section 410 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

FEED GRAIN PROGRAM

(18) Effectivee only with respect to the 1974 through 1977 crops of feed grains, section 501 is amended by—

(A) striking out that portion through the first colon and section 105(a) of the Agricultural Act of 1949, as it appears therein, and inserting the following:

"SEC. 501. (a) Effective only with respect to the 1971 through 1977 crops of feed grains, section 105(a) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'SEC. 105. Notwithstanding any other provision of law—

"'(a)(1) The Secretary shall make available to producers loans and purchases on each crop of corn at such level, not less than $1.19 per bushel nor in excess of 90 per centum of the parity price therefor, as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains in the United States.

"'(2) The Secretary shall make available to producers loans and purchases on each crop of barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value of such commodity in relation to corn and the other factors specified in section 401(b), and on each crop of grain sorghums at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value and average transportation costs to market of grain sorghums in relation to corn.'."

(B) adding at the end thereof the following:

"(b) Effective only with respect to the 1974 through 1977 crops of feed grains, section 105(b) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'(b)(1) In addition, the Secretary shall make available to producers payments for each crop of corn, grain sorghums, and, if designated by the Secretary, barley, computed by multiplying (1) the payment rate, times (2) the allotment for the farm for such crop, times (3) the yield established for the farm for the preceding crop with such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The payment rate for corn shall be the amount by which the higher of—

"'(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"'(2) the loan level determined under subsection (a) for such crop

is less than the established price of $1.38 per bushel, adjusted for each of the 1975 through 1977 crops to reflect any changes in the index of prices paid by farmers for production items, interest, taxes, and wage rates: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of feed grains for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of feed grains for the three calendar years preceding the year previous to the one for which the determination is made. The payment rate for grain sorghums and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. If the Secretary determines that the producers on a farm are prevented from planting or if planted, prevented from harvesting any portion of the farm acreage allotment to feed grains or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price.

"'(2) The Secretary shall, prior to January 1 of each calendar year, determine and proclaim for the crop produced in such calendar year a national acreage allotment for feed grains, which shall be the number of acres he determines on the basis of the estimated national average yield of the feed grains included in the program for the crop for which the determination is being made will produce the quantity (less imports) of such feed grains that he estimates will be utilized domestically and for export during that marketing year for such crop. If the Secretary determines that carryover stocks of any of the feed grains are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the feed grain allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. State, county, and farm feed grain allotments shall be established on the basis of the feed grain allotments established for the preceding crop (for 1974 on the basis of the feed grain bases established for 1973), adjusted to the extent deemed necessary to establish a fair and equitable apportionment base for each State, county, and farm. Not to exceed 1 per centum of the State feed grain allotment may be reserved for apportionment to new feed grain farms on the basis of the following factors: suitability of the land for production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable feed grain allotments.

"'(3) If for any crop the total acreage on a farm planted to feed grains included in the program formulated under this subsection is less than the feed grain allotment for the farm, the feed grain allotment for the farm for the succeeding crops shall be reduced by the percentage by which the planted acreage is less than the feed grain allotment for the farm, but such reduction shall not exceed 20 percentum of the feed grain allotment. If no acreage has been planted to such feed grains for three consecutive crop years on any farm which has a feed grain allotment, such farm shall lose its feed grain allotment: *Provided*, That no farm feed grain allotment shall be reduced or lost through failure to plant, if the producer elects not to receive payment for such portion of the farm feed grain allotment not planted, to which he would otherwise be entitled under the provisions of this Act. Any such acres eliminated from any farm shall be assigned to a national pool for the adjustment of feed grain allotments as provided for in subsection (e)(2). Producers on any farm who have planted to such feed grains not less than 90 per centum of the feed grain allotment shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to such feed grain because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of feed grains planted for harvest. For the purpose of this paragraph, the Secretary may permit producers of feed grains to have acreage devoted to soybeans, wheat, guar, castor beans, cotton, triticale, oats, rye, or such

other crops as the Secretary may deem appropriate, considered as devoted to the production of such feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.'."

(C) striking out "1971, 1972, 1973" where it appears in that part which amends section 105(c)(1) of the Agricultural Act of 1949 and inserting "1971 through 1977", and by amending the second sentence of section 105(c)(1) to read as follows: "If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments on corn, grain sorghums, and, if designated by the Secretary, barley, respectively, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the feed grain allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(D) amending the third sentence of section 105(c)(1) to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to feed grains on the farm to a percentage of the farm acreage allotment.",

(E) striking out paragraphs (1) and (3) of subsection (e), and striking out all of subsection (g),

(F) inserting after the second sentence of section 105(c)(3) the following: "The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COTTON PROGRAM

Suspension of Marketing Quotas for Cotton, Minimum Base Acreage Allotment

(19) Section 601 is amended by—

(A) striking out "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977",

(B) striking "1970, 1971, and 1972" from paragraph (2) and inserting "1970 through 1976",

(C) effective beginning with the 1974 crop, striking out the following from section 344a (a) in section 601 "for which a farm base acreage allotment is established (other than pursuant to section 350(e)(1)(A))",

(D) striking "1974" from paragraph (3)(1) and inserting "1978", and by striking "1972 and 1973" from paragraph (4) and inserting "1972 through 1977",

(E) effective beginning with the 1974 crop, adding at the end of section 350(a) in paragraph (4) of section 601 the following: "The national base acreage allotment for the 1974 through 1977 crops shall not be less than eleven million acres.",

(F) effective beginning with the 1974 crop, striking "soybeans, wheat or feed grains" from the last sentence of section 350(e)(2) in paragraph (4) of section 601 and inserting "soybeans, wheat, feed grains, guar, castor beans, triticale, oats, and rye, or such other crops as the Secretary may deem appropriate".

(G) effective beginning with the 1974 crop, striking the words "an adjoining" in the first sentence of section 350(h) as found in paragraph (4) of section 601, and inserting in lieu thereof "any other nearby",

(H) effective beginning with the 1974 crop, striking subsection 350(g) in paragraph (4) of section 601 and redesignating subsection (h) as subsection (g).

COTTON PRODUCTION INCENTIVES

(20) Section 602 is amended by—

(A) striking "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977", by striking "the 1972 or 1973 crop" where it appears in that part amending section 103(e)(1) of the Agricultural Act of 1949 and inserting "any of the 1972 through 1977 crops", and by striking out "acreage world price" in that part amending section 103(e)(1) of the Agricultural Act of 1949, and substituting "average price of American cotton in world markets";

(B) in that part amending section 103(e)(1) of the Agricultural Act of 1949 striking out "two-year period" whenever it appears therein and substituting "three-year period"; and by striking out that part beginning with "except that" in the first sentence and substituting "except that if the loan rate so calculated is higher than the then current level of average world prices for American cotton of such quality, the Secretary is authorized to adjust the current calculated loan rate for cotton to 90 per centum of the then current average world price.";

(C) effective, beginning with the 1974 crop, amending section 103(e)(2) of the Agricultural Act of 1949, as it appears in such section 602 to read as follows:

"(2) Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which the higher of—

"(1) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under paragraph (1) for such crop

is less than the established price of 38 cents per pound adjusted for each of the 1975 through 1977 crops to reflect any changes in the index of prices paid by farmers for production items, interest, taxes, and wage rates: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of cotton for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of cotton for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers on a farm are prevented from planting, or if planted, prevented from harvesting any portion of the allotment to cotton, because of drought, flood, or other natural disaster, or condition beyond the control of the producer, the rate of payment for such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The payment rate with respect to any producer who (i) is on a small farm (that is, a farm on which the base acreage allotment is ten acres or less, or on which the yield used in making payments times the farm base acreage allotment is five thousand pounds or less, and for which the base acreage allotment has not been reduced under section 350(f)), (ii) resides on such farm, and (iii) derives his principal income from cotton produced on such farm, shall be increased by 30 per centum; but, notwithstanding paragraph (3), such increase shall be made only with respect to his share of cotton actually harvested on such farm within the quantity specified in paragraph (3)."

(D) effective beginning with the 1974 crop, section 103(e)(3) of the Agricultural Act of 1949 is amended (A) by striking out all of the first sentence after the word "multiplying" and substituting "the farm base acreage allotment for the farm for the crop by the average yield established for the farm," and (b) by striking out the second sentence,

(E) the fourth sentence of section 103(e)(4)(A) of the Agricultural Act of 1949 as found in section 602 is amended to read as follows: "The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago, ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(F) inserting after the second sentence of section 103(e)(5) of the Agricultural Act of 1949 as it appears in such section 602 the following: "The Secretary may in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR COTTON

(21) Section 603 is amended by striking out "1974" and inserting "1978", and by deleting "110 per centum" and inserting in lieu thereof "115 per centum".

MISCELLANEOUS COTTON PROVISIONS

(22) Sections 604, 605, 606, and 607 are each amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COTTON INSECT ERADICATION

(24) Title VI is amended by adding at the end thereof the following:

"SEC. 611. Section 104 of the Agricultural Act of 1949, as amended, is amended by adding a new subsection (d) as follows:

"'(d) In order to reduce cotton production costs, to prevent the movement of certain cotton plant insects to areas not now infected, and to enhance the quality of the environment, the Secretary is authorized and directed to carry out programs to destroy and eliminate cotton boll weevils in infested areas of the United States as provided herein and to carry out similar programs with respect to pink bollworms or any other major cotton insect if the Secretary determines that methods and systems have been developed to the point that success in eradication of such insects is assured. The Secretary shall carry out the eradication programs authorized by this subsection through the Commodity Credit Corporation. In carrying out insect eradication projects, the Secretary shall utilize the technical and related services of appropriate Federal, State, private agencies, and cotton organizations. Producers and landowners in an eradication zone, as established by the Secretary, and who are receiving benefits from any program administered by the United States Department of Agriculture, shall, as a condition of receiving or continuing any such benefits, participate in and cooperate with the eradication project, as specified in regulations of the Secretary.

"The Secretary may issue such regulations as he deems necessary to enforce the provisions of this subsection with respect to achieving the compliance of producers and landowners who are not receiving benefits from any program administered by the United States Department of Agriculture. Any person who knowingly violates any such regulation promulgated by the Secretary under this subsection may be assessed a civil penalty of not to exceed $5,000 for each offense. No civil penalty shall be assessed unless the person shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Secretary shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation. Where special measures deemed essential to achievement of the

eradication objective are taken by the project and result in a loss of production and income to the producer, the Secretary shall provide reasonable and equitable indemnification from funds available for the project, and also provide for appropriate protection of the allotment, acreage history, and average yield for the farm. The cost of the program in each eradication zone shall be determined, and cotton producers in the zone shall be required to pay up to one-half thereof, with the exact share in each zone area to be specified by the Secretary upon his finding that such share is reasonable and equitable based on population levels of the target insect and the degree of control measures normally required. Each producer's pro rata share shall be deducted from his cotton payment under this Act or otherwise collected, as provided in regulations of the Secretary. Insofar as practicable, cotton producers and other persons engaged in cotton production in the eradication zone shall be employed to participate in the work of the project in such zone. Funding of the program shall be terminated at such time as the Secretary determines and reports to the Congress that complete eradication of the insects for which programs are undertaken pursuant to this subsection has been accomplished. Funds in custody of agencies carrying out the program shall, upon termination of such program, be accounted for to the Secretary for appropriate disposition.

"The Secretary is authorized to cooperate with the Government of Mexico in carrying out operations or measures in Mexico which he deems necessary and feasible to prevent the movement into the United States from Mexico of any insects eradicated under the provisions of this subsection. The measure and character of cooperation carried out under this subsection on the part of the United States and on the part of the Government of Mexico, including the expenditure or use of funds made available by the Secretary under this subsection, shall be such as may be prescribed by the Secretary. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State. The Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this subsection unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this subsection. There are hereby authorized to be appropriated to the Commodity Credit Corporation such sums as the Congress may from time to time determine to be necessary to carry out the purposes of this subsection.'."

(25) Title VI is further amended by adding the following new section: Section 612. Section 374(a) of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding the following new sentence: "Where cotton is planted in skiprow patterns, the same rules that were in effect for the 1971 through 1973 crops for classifying the acreage planted to cotton and the area skipped shall also apply to the 1974 through 1977 crops."

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(26) Title VII is amended—

(A) by striking out "1973" and inserting "1977" in section 701; and

(B) by adding a new section 703 as follows:

"SEC. 703. Title IV of such Act is amended by adding at the end thereof the following:

"'SEC. 411. No agricultural commodities shall be sold under title I or title III or donated under title II of this Act to North Vietnam, unless by an Act of Congress enacted subsequent to July 1, 1973, assistance to North Vietnam is specifically authorized."

MISCELLANEOUS PROVISIONS

(27) Title VIII is amended as follows:

BEEKEEPER INDEMNITIES

(A) Section 804 is amended by striking out "December 31, 1973" and inserting "December 31, 1977".

EXPORT SALES REPORTING

(B) By adding the following new sections:

"SEC. 807. All exporters of wheat and wheat flour, feed grains, oil seeds, cotton and products thereof, and other commodities the Secretary may designate produced in the United States shall report to the Secretary of Agriculture, on a weekly basis, the following information regarding any contract for export sales entered into or subsequently modified in any manner during the reporting period: (a) type, class, and quantity of the commodity sought to be exported, (b) the marketing year of shipment, (c) destination, if known. Individual reports shall remain confidential but shall be compiled by the Secretary and published in compilation form each week following the week of reporting. All exporters of agricultural commodities produced in the United States shall upon request of the Secretary of Agriculture immediately report to the Secretary any information with respect to export sales of agricultural commodities and at such times as he may request. Any person (or corporation) who knowingly fails to report export sales pursuant to the requirements of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both. The Secretary may suspend the requirement for publishing data with respect to any commodity or type of class thereof during any period in which he determines that there is a domestic supply of such commodity substantially in excess of the quantity needed to meet domestic requirements, and that total supplies of such commodity in the exporting countries are estimated to be in surplus, and that anticipated exports will not result in excessive drain on domestic supplies, and that to require the reports to be made will unduly hamper export sales. Such suspension shall not remain in effect for more than sixty days unless extended by the Secretary. Extensions of such suspension, if any, shall also be limited to sixty days each and shall only be promulgated if the Secretary determines that the circumstances at the time of the commencement of any extension meet the conditions described herein.

"Sec. 808. The Secretary shall, within sixty (60) days from the enactment of this Act, submit to the Congress a detailed report indicating what steps are being taken to implement the recommendations of the Controller General of the United States in his Report to the Congress dated July 9, 1973, entitled Russian Wheat Sales and Weaknesses in Agriculture's Management of Wheat Export Subsidy Program (B 176943).

"Wheat and Feed Grains Research

"Sec. 809. In order to reduce fertilizer and herbicide usage in excess of production needs, to develop wheat and feed grain varieties more susceptible to complete fertilizer utilization, to improve the resistance of wheat and feed grain plants to disease and to enhance their conservation and environmental qualities, the Secretary of Agriculture is authorized and directed to carry out regional and national research programs.

"In carrying out such research, the Secretary shall utilize the technical and related services of the appropriate Federal, State, and private agencies.

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $1,000,000 in any fiscal year.

"Emergency Reserve

"Sec. 810. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall under the provisions of this Act establish, maintain, and dispose of a separate reserve of inventories of wheat, feed grains, and soybeans for the purpose of alleviating distress caused by a natural disaster.

"Such reserve inventories shall include such quantities of grain that the Secretary deems needed to provide for the alleviation of distress as the result of a natural disaster.

"(b) The Secretary shall acquire such commodities through the price support program.

"(c) Except when a state of emergency has been proclaimed by the President or by concurrent resolution of Congress declaring that such reserves should be disposed of, the Secretary shall not offer any commodity in the reserve for sale or disposition.

"(d) The Secretary is also authorized to dispose of such commodities only for (1) use in relieving distress (a) in any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands and (b) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855 et seq.), or (2) for use in connection with a state of civil defense emergency as proclaimed by the President or by concurrent resolution of the Congress in accordance with the provisions of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251–2297).

"(e) The Secretary may sell at an equivalent price, allowing for the customary location and grade price differentials, substantially equivalent quantities in different locations or warehouses to the extent needed to properly handle, rotate, distribute, and locate such reserve.

"(f) The Secretary may use the Commodity Credit Corporation to the extent feasible to fulfill the purposes of this section; and to the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"(g) The Secretary may issue such rules and regulations as may be necessary to carry out the provisions of this section.

"(h) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"Imported Commodities

"SEC. 811. Notwithstanding any other provisions of this Act, the Secretary shall encourage the production of any crop of which the United States is a net importer and for which a price support program is not in effect by permitting the planting of such crop on set-aside acreage and with no reduction in the rate of payment for the commodity.

"Emergency Supply of Agriculture Products

"Sec. 812(a) Notwithstanding any other provision of law, the Secretary of Agriculture shall, under the provisions of this Act, assist farmers, processors, and distributors in obtaining such prices for agricultural products that an orderly, adequate and steady supply of such products will exist for the consumers of this nation.

"(b) The President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973) or any subsequent Executive Order for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of the

freeze or subsequent modification thereof and that alternative means for increasing the supply are not available.

"(c) Under this section, the term "agricultural products" shall include meat, poultry, vegetables, fruits and all other agriculture commodities."

(28) By adding the following new title X:

"TITLE X—RURAL ENVIRONMENTAL CONSERVATION

"SEC. 1001. Notwithstanding any other provision of law, the Secretary shall carry out the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended, section 16(b) of such Act, and in the Water Bank Act (16 U.S.C. 1301 et seq.) by entering into contracts of three, five, ten, or twenty-five years with, and at the option of, eligible owners and operators of land as determined by the Secretary and having such control as the Secretary determines to be needed on the farms, ranches, wetlands, forests, or other lands covered thereby. In addition, the Secretary is hereby authorized to purchase perpetual easements to promote said purposes of this Title, including the sound use and management of flood plains, shore lands, and aquatic areas of the Nation. Such contracts shall be designed to assist farm, ranch, wetland, and nonindustrial private forest owners and operators, or other owners or operators, to make, in orderly progression over a period of years, such changes, if any, as are needed to effectuate any of the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended; section 16(b) of such Act; the Water Bank Act (16 U.S.C. 1301 et seq.); in enlarging fish and wildlife and recreation sources; improving the level of management of nonindustrial private forest lands; and in providing long-term wildlife and upland game cover. In carrying out the provisions of this title, due regard shall be given to the maintenance of a continuing and stable supply of agricultural commodities and forest products adequate to meet consumer demand at prices fair to both producers and consumers.

"SEC. 1002. Eligible landowners and operators for contracts under this title shall furnish to the Secretary a plan of farming operations or land use which incorporates such practices and principles as may be determined by him to be practicable and which outlines a schedule of proposed changes, if any, in cropping systems or land use and of the conservation measures which are to be carried out on the farm, ranch, wetland, forests, or other land during the contract period to protect the farm, ranch, wetland, forests, or other land and surrounding areas, its wildlife, and nearby populace and communities from erosion, deterioration, pollution by natural and manmade causes or to insure an adequate supply of timber and related forest products. Said plans may also, in important migratory waterfowl nesting and breeding areas which are identified in a conservation plan developed in cooperation with a soil and water conservation district in which the lands are located, and under such rules and regulations as the Secretary may provide, include a schedule of proposed changes, if any, to conserve surface waters and preserve and improve habitat for migratory waterfowl and other wildlife resources and improve subsurface moisture, including, subject to the provisions of section 1001 of this title, the reduction of areas of new land coming into production, the enhancement of the natural beauty of the landscape, and the promotion of comprehensive and total water management study.

"SEC. 1003. (a) Approved conservation plans of eligible landowners and operators developed in cooperation with the soil and water conservation district or the State forester or other appropriate State official in which their lands are situated shall form a basis for contracts under this title. Under the contract the landowner or operator shall agree—

"(1) to effectuate the plan for his farm, ranch, forest, wetland, or other land substantially in accordance with the schedule outlined therein;

"(2) to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the Soil and Water Conservation District Board, or the State forester or other appropriate official in a contract entered into under the provisions of section 1009 of this title, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of the contract;

"(3) upon transfer of his right and interest in the farm, ranch, forest, wetland, or other land during the contract period to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder unless the transferee of any such land agrees with the Secretary to assume all obligations of the contract;

"(4) not to adopt any practice specified by the Secretary in the contract as a practice which would tend to defeat the purposes of the contract;

"(5) to comply with all applicable Federal, State, or local laws, and regulations, including those governing environmental protection and noxious weed abatement; and

"(6) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of the program or to facilitate the practical administration of the program: *Provided*, That all contracts entered into to effectuate the purposes of the Water Bank Act for wetlands shall contain the further agreement of the owner or operator that he shall not drain, burn, fill, or otherwise destroy the wetland character of such areas, nor use such areas for agricultural purposes: *And provided further*, That contracts entered into for the protection of wetlands to effectuate the purposes of the Water Bank Act may include wetlands covered by Federal or State government easement which permits agricultural use, together with such adjacent areas as determined desirable by the Secretary.

"(b) In return for such agreement by the landowner or operator the Secretary shall agree to make payments in appropriate circumstances for the use of land maintained for conservation purposes as set forth in this title, and share the cost of carrying out those conservation practices and measures set forth in the contract for which he determines that cost-sharing is appropriate and in the public interest. The portion of such cost (including labor) to be shared shall be that part which the Secretary determines is necessary and appropriate to effectuate the physical installation of the conservation practices and measures under the contract, but, in the case of a contract not entered into under an advertising and bid procedure under the provisions of section 1009(d) of this title, not less than 50 per centum or more than 75 per centum of the actual costs incurred by the owner or operator.

"(c) The Secretary may terminate any contract with a landowner or operator by mutual agreement with the owner or operator if the Secretary determines that such termination would be in the public interest, and may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of the program or facilitate the practical administration thereof or to accomplish equitable treatment with respect to other similar conservation, land use, or commodity programs administered by the Secretary.

"SEC. 1004. The Secretary is authorized to make available to eligible owners and operators conservation materials including seeds, seed inoculants, soil conditioning materials, trees, plants, and, if he determines it is appropriate to the purposes of this title, fertilizer and liming materials.

"SEC. 1005. (a) Notwithstanding the provisions of any other title, the Secretary may establish multiyear set-aside contracts for a period not to extend beyond the 1977 crop. Producers agreeing to a multiyear set-aside agreement shall be required to devote this acreage to vegetative cover capable of maintaining itself throughout such period to provide soil protection, water quality enhancement, wildlife production, and natural beauty. Grazing of livestock under this section shall be prohibited. Producers entering into agreements under this section shall also agree to comply with all applicable State and local law and regulation governing noxious weed control.

"(b) The Secretary shall provide cost-sharing incentives to farm operators for such cover establishment, whenever a multiyear contract is entered into on all or a portion of the set-aside acreage.

"SEC. 1006. The Secretary shall issue such regulations as he determines necessary to carry out the provisions of this title. The total acreage placed under agreements which result in their retirement from production in any county or local community shall in addition to the limitations elsewhere in this title be limited to a percentage of the total eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community. In determining such percentage the Secretary shall give appropriate consideration to the productivity of the acreage being retired, if any, as compared to the average productivity of eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community.

"SEC. 1007. (a) The Secretary of Agriculture shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved to effectuate the purposes of this title. The Secretary shall appoint at least six individuals to the advisory boards of each State who are especially qualified by reason of education, training, and experience in the fields of agriculture, soil, water, wildlife, fish, and forest management. Said appointed members shall include, but not be limited to, the State soil conservationist, the State forester, the State administrator of the water quality programs, and the State wildlife administrator or their designees: *Provided*, That such board shall limit its advice to the State committees to the types of conservation measures that should be approved affecting the water bank program; the authorization to purchase perpetual easements to promote the purposes of this title, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multi-

year set-aside contracts as provided in section 1005 of this title.

"(b) The Secretary of Agriculture, through the establishment of a national advisory board to be named in consultation with the Secretary of the Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the programs under this title, especially in developing guidelines for (1) providing technical assistance for wildlife habitat improvement practices, (2) evaluating effects on surrounding areas, (3) considering aesthetic values, (4) checking compliance by cooperators, and (5) carrying out programs of wildlife management authorized under this title: *Provided,* That such board shall limit its advice to subjects which cover the types of conservation measures that should be approved regarding the water bank program; the authorization to purchase perpetual easements to promote the purposes of this Act, as described in section 1001 of this title; the providing of longterm upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"SEC. 1008. In carrying out the programs authorized under sections 1001 through 1006 of this title, the Secretary shall in addition to appropriate coordination with other interested Federal, State, and local agencies, utilize the services of local, county, and State committeer established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended. The Secretary is also authorized to utilize the facilities and services of the Commodity Credit Corporation in discharging his functons and responsbilities under this program. The Secretary shall also utilize the technical services of the Soil Conservation, the Forest Service, State forestry organizations, soil and water conservation districts, and other State, and Federal agencies, as appropriate, in development and installation of approved conservation plans under this title.

"SEC. 1009. (a) In furtherance of the purposes of this title, the Secretary of Agriculture is authorized and directed to develop and carry out a pilot forestry incentives program to encourage the development, management, and protection of nonindustrial private forest lands. The purposes of such a program shall be to encourage landowners to apply practices which will provide for the afforestation of suitable open lands and reforestation of cutover and other nonstocked and understocked forest lands and intensive multiple-purpose management and protection of forest resources so as to provide for production of timber and related benefits.

"(b) For the purposes of this section, the term 'non-industrial private forest lands' means lands capable of producing crops of industrial wood and owned by any private individual, group, association, corporation, or other legal entity. Such term does not include private entities which regularly engage in the business of manufacturing forest products or providing public utilities services of any type, or the subsidiaries of such entities.

"(c) The Secretary shall consult with the State forester or other appropriate official of the respective States in the conduct of the forestry incentives program under this section, and Federal assistance shall be extended in accordance with section 1003(b) of this title. The Secretary shall for the purposes of this section distribute funds available for cost sharing among and within the States only after assessing the public benefit incident thereto, and after giving appropriate consideration to the number and acreage of commercial forest lands, number of eligible ownerships in the State, and counties to be served by such cost sharing; the potential productivity of such lands; and the need for reforestation, timber stand improvement, or other forestry investments on such land. No forest incentives contract shall be approved under this section on a tract greater than five hundred acres, unless the Secretary finds that significant public benefit will be incident to such approval.

"(d) The Secretary may, if he determines that such action will contribute to the effective and equitable administration of the program established by this section, use an advertising and bid procedure in determining the lands in any area to be covered by agreements.

"(e) In implementing the program under this section, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms, and individuals furnishing services and materials needed in the application of practices included in the forestry incentives improvement program. The Secretary shall periodically report to the appropriate congressional committees of the progress and conduct of the program established under this section.

"SEC. 1010. There are hereby authorized to be appropriated annually such sums as may be necessary to carry out the provisions of this title. The programs, contracts, and authority authorized under this title shall be in addition to, and not in substitution of, other programs in such areas authorized by this or any other title or Act, and shall not expire with the termination of any other title or Act: *Provided,* That not more than $25,000,000 annually shall be authorized to be appropriated for the programs authorized under section 1009 of this Act."

SEC. 2. Section 301 of the Act of August 14, 1946 (Public Law 79–733), as amended (7 U.S.C. 1628), is hereby repealed.

FOOD STAMPS

SEC. 3. The Food Stamp Act of 1964, as amended, is amended—

(a) That (a) the second sentence of section 3(e) of the Food Stamp Act of 1964 (7 U.S.C. 2012(e) is amended—

(1) by striking out "or"; and

(2) by inserting before the period at the end thereof of the following: ", or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program."

(b) Section 3 of the Food Stamp Act of 1964 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(n) The term 'drug addition or alcoholic treatment and rehabilitation program' means any drug addiction or alcoholic treatment and rehabilitation program conducted by a private nonprofit organization or institution which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91–616 'Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment, and Rehabilitation Act' and Public Law 92–255 'Drug Abuse Office and Treatment Act of 1972' as providing treatment that can lead to the rehabilitation of drug addicts or alcoholics."

(c) Section 5 of the Food Stamp Act of 1964 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall establish uniform national standards of eligibility for households described in section 3(e)(3) of this act: *Provided,* That the standards established by the Secretary shall take into account payments in kind received from an employer by members of a household, if such payments are in lieu of or supplemental to household income."

(d) Section 5(c) of the Food Stamp Act of 1964 (7 U.S.C. 2014(c)) is amended by adding at the end thereof the following: "For the purposes of this section, the term 'able-bodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction or alcoholic treatment and rehabilitation program."

(e) Section 10 of the Food Stamp Act of 1964 (7 U.S.C. 2019) is amended by inserting at the end thereof the following new subsection:

"(i) Subject to such terms and conditions as may be prescribed by the Secretary in the regulations pursuant to this Act, members of an eligible housenold who are narcotics addicts or alcoholics and regularly participate in a drug addiction or alcoholic treatment and rehabilitation program may use coupons issued to them to purchase food prepared for or served to them during the course of such program by a private nonprofit organization or institution which meets requirements (1), (2), and (3) of subsection (h) above. Meals served pursuant to this subsection shall be deemed 'food' for the purposes of this Act."

(f) By amending subsection (a) of section 7 of the Food Stamp Act of 1964 (7 U.S.C. 2016(a)) to read as follows:

"The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted semi-annually by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor, to be implemented commencing with the allotments of January 1, 1974, incorporating the changes in the prices of food through August 31, 1973, but in no event shall such adjustment be made for households of a given size unless the increase in the face value of the coupon allotment for such households, as calculated above, is a minimum of $2.00.

(g) By adding at the end of subsection (h) of section 10, the following: "Subject to such terms and conditions as may be prescribed by the Secretary, in the regulations issued pursuant to this Act, members of an eligible household who are sixty years of age or over or elderly persons and their spouses may also use coupons issued to them to purchase meals prepared by senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals especially for elderly persons, any public or nonprofit private eating establishment which prepares meals especially for elderly persons during special hours, and any other public nonprofit private establishment approved for such purpose by the Secretary."

(h) By striking out "June 30, 1972, and June 30, 1973" in the first sentence of subsection (a) of section 16, and substituting "June 30, 1972, through June 30, 1977."

(i) Section 3(b) of the Food Stamp Act of 1964 (7 U.S.C. 2012(b)) is amended to read as follows: "The term 'food' means any food or food product for home consumption except alcoholic beverages and tobacco and shall also include seeds and plants for use in gardens to produce food for the personal consumption of the eligible household."

(j) Section 3(f) of the Food Stamp Act of 1964 (7 U.S.C. 2012(f) is amended by striking the second sentence and inserting in lieu thereof the following new sentence: "It shall also mean a political subdivision or a private nonprofit organization or institution that meets the requirements of sections 10(h) or 10(i) of this Act."

(k) Notwithstanding any other provision of law, a household shall not participate in the food stamp program while its principal wage-earner is, on account of a labor dispute to which he is a party or to which a

labor organization of which he is a member is a party, on strike: *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further*, That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout.

(l) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(o) The term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or condition of work.

"(p) The term 'strike' includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement)."

(m) By inserting at the end of section 3(e) of the Food Stamp Act of 1964 the following new sentence: "Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), or section 236 of the National Housing Act (12 U.S.C. 1715z-1) shall not be considered residents of an institution or boarding house for purposes of eligibility for food stamps under this Act."

CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT AMENDMENTS

SEC. 4. The Consolidated Farm and Rural Development Act is amended as follows:

(a) Section 306(a) of such Act is amended by adding at the end thereof the following:

"(13)(A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

"(B) For the purposes of this subsection, the term 'eligible volunteer fire department' means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thousand but greater than two hundred, as reasonably determined by the Secretary."

(b) Section 310B(d) of subtitle A of such Act is amended by adding at the end thereof the following:

"(4) No grant or loan authorized to be made under this section, section 304, or section 312 shall require or be subject to the prior approval of any officer, employee, or agency of any State.

"(5) No certificates issued by the Secretary or any private entity evidencing beneficial ownership in a block of notes insured or guaranteed under this title shall be subject to laws administered by the Securities and Exchange Commission: *Provided*, That the Secretary shall require any private entity offering such certificates to place the insured or guaranteed notes in the custody of an institution chartered by a Federal or State agency to act as trustee and shall require periodic reports as to the sale of such certificates: *Provided further*, That any sale by the Secretary of such certificates shall be treated as a sale of assets for the purpose of the Budget and Accounting Act of 1921."

RURAL DEVELOPMENT ACT AMENDMENTS

SEC. 5. The Rural Development Act of 1972 is amended as follows:

(a) Section 401 of such Act is amended by substituting the words "fire" and "fires" for the words "wildfire" and "wildfires", respectively, wherever such words appear.

(b) Section 404 of such Act is amended to read as follows:

"SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obligated by the Secretary of Agriculture carrying out this title."

SEC. 6. This Act may be cited as the "Agriculture Act of 1973".

The motion was agreed to.

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

A similar House bill (H.R. 8860) was laid to the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 1888

Mr. POAGE. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to the Senate bill S. 1888 that the Clerk be authorized to make corrections in section numbers, punctuation, and cross references to reflect the actions of the House.

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

There was no objection.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 8860.

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

There was no objection.

REQUEST TO PRINT H.R. 8860

Mr. POAGE. Mr. Speaker, if it is in order, I would ask that the bill as just passed by the House, H.R. 8860, be printed in the RECORD of today so that we may all see just what has been done when the RECORD appears tomorrow morning.

The SPEAKER. The Chair will state to the gentleman from Texas that the House amendment to the Senate bill will be printed.

Mr. POAGE. I thank the Speaker.

ANNUAL REPORT ON RADIATION CONTROL FOR HEALTH AND SAFETY ACT OF 1968 (PUBLIC LAW 90-602)—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-132)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed:

To the Congress of the United States:

I transmit herewith the 1972 annual report on the administration of the Radiation Control for Health and Safety Act of 1968 (Public Law 90-602), as prepared by the Secretary of Health, Education, and Welfare.

RICHARD NIXON.

THE WHITE HOUSE, *July 19, 1973.*

SPECIAL REPORT ON FEDERAL-STATE RELATIONS IN THE ADMINISTRATION OF THE NATURAL GAS PIPELINE SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I herewith transmit a special report on Federal-State relations in the administration of the Natural Gas Pipeline Safety Act of 1968. This report has been prepared in accordance with section 5 of the act approved August 22, 1972, P.L. 92-401.

RICHARD NIXON.

THE WHITE HOUSE, *July 19, 1973.*

REPORT OF FEDERAL ACTIVITIES UNDERTAKEN BY THE NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION DURING FISCAL YEAR 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-133)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed with illustrations:

To the Congress of the United States:

As required by the Adult Education Act of 1966 as amended (Public Law 91-230), I transmit herewith a report of Federal activities undertaken by the National Advisory Council on Adult Education during fiscal year 1973.

RICHARD NIXON.

THE WHITE HOUSE, *July 19, 1973.*

EPA HEARING IN HOUSTON, DALLAS, AND SAN ANTONIO, TEX.

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

Mr. CASEY of Texas. Mr. Speaker, the Environmental Protection Agency flexed its muscles during the last 3 days in hearings held at Houston, Dallas, and San Antonio, Tex.

The rules that they propose shock and stun the citizens of these areas and should alert this Congress. We must take immediate action to bring within reason the power of this agency which we have created.

I wish to call my colleagues' attention

to these proposals for I am sure you will soon be hearing from your own areas about EPA's activities.

Mr. Speaker, would you believe that EPA is going to assume authority for land-use control—a topic that is under intense debate in one of the committees of this House.

Would you believe that EPA is going to take on gasoline rationing—a matter that was under consideration by the executive department within the last few weeks.

Would you believe that EPA is going to take on traffic control—a matter which is under study by the Department of Transportation as well as the State highway departments of the various States.

Mr. Speaker, I wish to point out and protest in the strongest voice possible that, in my opinion, this agency is assuming too much authority.

In their proposals, as outlined in the hearings, EPA would have the authority to determine whether or not a shopping center may be built; whether or not a parking garage or parking lot may be built or expanded. I dare say this rule would apply also to any large office building which proposes to have parking facilities for its employees and customers.

These proposed regulations would limit the amount of gasoline available to a particular area to the amount of gasoline consumed in that area during the 1971–72 period. This limitation, Mr. Speaker, if applied to a fast growing area such as the Houston-Galveston, Dallas-San Antonio areas would mean no growth.

EPA proposes that 25 percent of all available streets and highway lanes be restricted to buses and car pools.

Mr. Speaker, Congress debated intensely the subject of automobile emission control devices and what year these devices would be effective. EPA now states that all pre-1968 model cars must have emission control devices installed and be inspected at 6-month intervals. Believe it or not, EPA also adds that 20 percent of these cars tested must fail in the first inspection cycle.

If this agency is allowed to continue its march on the freedoms of this country and assume more control, I can readily see where this Congress could close shop and go home, as far as many of the topics we are now debating are concerned.

EPA's power grab could easily spread to other activities: population control, complete regulation of all business activities, designation of public housing cities, and yes, even movement of vast segments of our population from one end of our country to another.

Mr. Speaker, the main point I want to make to my colleagues is that EPA justifies this power grab stating that we, the Congress, told them to do this.

I have initiated a thorough research of our air quality laws, Mr. Speaker. If Congress, in its haste to clean up the environment, created a monster, it is up to Congress to trim its claws and to reduce it to the helpful watchdog which we intended, not a wild animal that is about to devour us.

Mr. Speaker, I attach a brief résumé of EPA's proposals:

TRANSPORTATION CONTROL MEASURES
JUNE 14, 1973.

TEXAS—Austin-Waco; Corpus Christi-Victoria; Dallas-Ft. Worth; El Paso; Houston-Galveston; San Antonio.

The EPA proposal for Texas covers six regions: Austin, Corpus Christi, Dallas-Fort Worth, El Paso, Houston-Galveston, and San Antonio.* Two of these—Houston and San Antonio—will require significant VMT reduction measures, and it is proposed to apply them. Even so, these will not be enough to achieve the standards by May 31, 1975, and accordingly it is also proposed to give a one year extension for achieving the standards in San Antonio and a one or two year extension for achieving them in Houston. The air quality baseline for these regions is as follows:

Air quality baseline
(Percent of rollback required)

AQCR:	HC ppm	HC Percent
Austin-Waco	.109	27
Corpus Christi-Victoria	.184	56
Dallas-Ft. Worth	.125	36
El Paso	.120	34
Houston-Galveston	.320	75
San Antonio	.145	45

It is expected that all other areas will achieve the standards by the original deadline. Some VMT reduction measures may be necessary to do this in Dallas, but they will probably not be necessary in other regions for which a plan is being proposed today.

In Houston and San Antonio, it is proposed to convert selected lanes of major streets and freeways to the exclusive use of buses and carpools, to limit growth in the number of parking spaces, and to limit the growth in gasoline consumption above 1972–73 levels. Only the first two of these measures are being proposed for Dallas. Although these are the only proposals for which regulatory language is included, other means of reducing VMT will also be considered.

In Houston and San Antonio, a ban on the future construction of new stationary sources of reactive organic compounds is also being proposed.

In all areas increased controls on stationary sources of hydrocarbons are proposed. In particular, controls on evaporative emissions of gasoline are proposed for Houston, San Antonio, and Dallas.

In Houston, Dallas, San Antonio, and El Paso, it is proposed to require all automobiles to undergo an annual emissions test and for those that fail to receive maintenance until they can pass. In Houston, San Antonio, and possibly Dallas, it is proposed to require pre-1968 automobiles to be fitted with relatively inexpensive emissions control devices.

These measures will result in achieving the standards for all Texas air quality control regions no later than 1977. However, to maintain air quality after that date in the spread out and rapidly growing cities of Texas may require significant changes in land-use and increased reliance on mass transit.

* The Texas portion of the Southern Texas-Southeast Louisiana Interstate Region will also require additional measures. Due to time pressures, a complete plan for this region is not being proposed. It is proposed however, to require additional reductions in hydrocarbon emissions from stationary sources located there.

SPEECH BEFORE UNITED NATIONS COMMITTEE ON DECOLONIZATION

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

Mr. WON PAT. Mr. Speaker, recently I had the privilege of addressing the United Nations Committee on Decolonization with regard to the U.S. Territory of Guam's political status with this country.

The committee, to which our State Department yearly sends a report on the political and economic progress of Guam, the Virgin Islands, and American Samoa, has repeatedly called for the U.S. removal of its military bases from Guam and its assistance to the territorial residents in moving toward independence.

As one who was born, raised, and educated on Guam, and as our island's first Delegate to the Congress of the United States, I have often protested the rash statements of the United Nations as being false. Despite my prior demands for a prompt retraction, however, the U.N. has continued to openly state that Guam's relations with Washington are not in the best interests of the territory.

I can assure you, Mr. Speaker, that such charges are totally without substance, and do not represent the will of the American citizens of Guam. The residents of the territory are proud to be Americans and would have it no other way.

In my letter last year to Mr. Kurt Waldheim, United Nations Secretary General, I again denied the committee's allegations about Guam and requested the opportunity to personally appear before the world body to provide them with the political and economic realities of Guam. The U.N., I am pleased to say, accepted my offer.

I appeared before the committee on July 11. Although the committee members evidenced considerable interest in my statement, especially that portion explaining why the people of Guam desire more meaningful political relations with America, I can only hope that future United Nations utterances about Guam will henceforth be more enlightened.

For the information of my colleagues, I now insert into the RECORD the text of my U.N. statement:

STATEMENT BEFORE THE UNITED NATIONS COMMITTEE ON DECOLONIZATION, JULY 11, 1973

(By Antonio B. Won Pat)

Mr. Chairman and members of the United Nations Committee on Decolonization, my name is Antonio Borja Won Pat, a life-long resident of the Territory of Guam in the Mariana Islands, an American citizen, and our Island's first elected Delegate to the United States Congress. As one who was born, raised and educated on Guam, I take great pleasure in greeting each of you with "Hafa Adai," which is "good day" in our native language.

The United Nations is well-known as the principal world forum which consistently assures less influential ethnic and political entities of speaking with a voice equal in status to that of the larger nations. You are to be commended for your continued interest in the dependent territories of the world, and for the progress you have made to reduce colonialism throughout the world.

I appreciate having this opportunity today to reaffirm the position taken in my letter written to the United Nations last year, in which I protested charges made by this Committee that America is hampering Guam's economic and political development. By my comments now, and by the future actions of the Guamanian people themselves,

we hope to remove any doubts this Committee may have about the political aspirations of Guam. We also trust that the world community will hence forth appreciate that Guam's present association with the United States is now a unique union which is desired by all parties concerned, including the indigenous population of the Territory.

It is predicated on friendship and a common belief in the democratic system of government, and it is sufficiently fluid to withstand the changes inherent in a development society such as Guam.

Since Guam's present-day political goals are inextricably intertwined with our past, let me begin by reviewing our 75-year history with the United States.

As this Subcommittee well knows, Guam was ceded to the United States as a result of the Treaty of Paris of December 10, 1898, which ended the Spanish-American War. Our future was quickly resolved on the basis of our strategic importance, and for the next 52 years Guam was governed almost solely by officers of the United States Navy.

As we progressed within the American political system, so did our desire for greater internal self-government. By the early 1930's we attained a semblance of representative government by the creation of a bi-cameral Guam Congress, which was actually little more than an advisory body. Our power was quite limited as any "laws" we promulgated were subject to approval by the Naval Commander.

While our political awareness was increasing, so, to, were our interrelations with the Americans. Guamanians were increasingly exposed to great segments of American life. In the mid-1930's we sent our first delegation to Washington in an unsuccessful effort to gain American citizenship.

In 1941 Guam was invaded and occupied by the Imperial Japanese Forces. For the next three years the people suffered the ravages of war and the tyranny of the enemy. Our love and loyalty to America and the tragedy of that time became a catalyst to firmly fix in our minds that the American way of life was really what we wanted after the war was over.

After the liberation of Guam in 1944, we renewed our efforts to convince Washington of our aspiration and desire for self-government. The military re-established the advisory Guam Congress, and over the years we continued to petition Washington for a civil government and for citizenship.

In 1950 the Guam Congress sent a delegation to Washington to seek legislation towards this end. I was one of the two-man delegation that was elected to go to Washington to participate in the successful effort to secure an Organic Act for Guam from the U.S. Congress.

With this unprecedented victory we not only gained the cherished right to be Americans, but the Organic Act established Guam as an unincorporated territory of the United States. It created a civil government with a 21-member uni-cameral Legislature, elected at large every two years, and vested with true legislative powers, and an independent judiciary. The Act also set forth a "Bill of Rights" based on the first ten Amendments to the United States Constitution, and further provided that Guam would retain all of the Federal income taxes and other taxes originating on the Island.

As a member of the original Legislature, and as Speaker for six terms, I can testify to the increased importance which the newly formed civil government gave to Guam. No longer did we lack an "official" voice, and our status as American citizens certainly aided us in our dealings with the Federal Government.

The need for additional political development did not end with the passage of the Organic Act. As time passed, it became evident that this Act did not meet all of the needs of our people and their government. The Act inevitably required constant interpretation and amendment. Many new social programs were also being launched in Washington, and, although we felt that Guam should have been part of them, all too often we were inadvertently left out.

What we really needed, of course, was representation in the United States Congress. Unfortunately, the political climate in Washington was not ripe for that step until 1972. As Americans, we appreciated our proud heritage of representative government, and in 1964 we authorized the election of a Washington Representative, who was charged with the responsibility of representing Guam's interests on a full-time basis before Congress and the Federal agencies. In effect, Guam's Washington Representative was our own Congressman, without Congressional sanction. I was fortunate to be the only person elected to this position, and was elected at that time to the first of two four-year terms.

Despite the many hurdles an unofficial lobbyist has to overcome in political circles, I believe that my record of legislative victories won during the past eight years shows that the concept was an eminently successful one. One major victory of which we are extremely proud was the passage of legislation enabling the Guamanian people to elect, for the first time, our own Governor and Lieutenant-Governor in 1970. This was a tremendous step forward for Guam, and one which dramatically increased our degree of local autonomy. The 1970 Gubernatorial election also provided an excellent opportunity to demonstrate the existence of a healthy two-party system on Guam. I say this because the people elected a Republican Governor while retaining a Democrat-controlled Legislature.

We are equally proud of other measures authorizing the Guam Legislature to set its own salaries and providing them with the option of legislative apportionment. A great deal of effort was also devoted to including Guam in Federal programs. By the end of 1972 Congress had extended over 100 additional programs to the Territory, with our total aid in direct Federal grants rising to $14.3 million. This latter figure, of course, does not include the millions of dollars the Federal Government spends on Guam each year for salaries and construction.

The passage last year of a bill granting Guam and the Virgin Islands the right to elect our first Delegates to the United States House of Representatives was also another significant milestone in our political development.

This was a step for which we had long waited and hoped, and one which, hopefully, will cement the bonds between Guam and Washington even closer in the years to come.

In summation, then, Guam has obviously come a long way in our relations with the United States. We have a spokesman in Congress, we have our own elected Governor, we have an elected Legislature. The number of Federal programs in which we participate has increased tenfold in the past eight years. And, perhaps most significant in the long run, we are American citizens who are now assured of sharing in the great American heritage and bounty. These are victories we have sought, and victories we have struggled for within the context of the American system.

I am confident that the future will be equally bright for Guam. With our representation in Congress now a matter of record, we have opened the door for even greater political advancement for our people. Although Delegates are not allowed to vote for the final passage of measures on the Floor of the House, I can vote in Committee.

As a Delegate to Congress, I share in all other privileges granted to Members of Congress. I can introduce bills and amendments, and debate measures awaiting a vote on the Floor. As a member of the majority party in the House of Representatives, I am a full voting participant in the House Democratic Caucus, which chooses the Speaker and the Democratic Majority Leader.

In the six months since I have held this office, I have introduced many bills which specifically address themselves to the needs of the Territory. Of particular interest is my measure authorizing the people of Guam to vote in Presidental elections. As Americans, we believe that we should share with our fellow Americans in the fifty States the fundamental right to participate in the election of our Chief Executive. Under the existing system, Americans living on Guam may not exercise their franchise; should they move to one of the States, however, they may then vote in Presidential elections. Since Guam already has three votes in our national conventions where Presidential candidates are chosen, to deny us the opportunity to choose between the final two candidates is a political paradox I aim to resolve.

In addition, I have introduced legislation to extend the Government of Guam's administrative control over our offshore areas; to authorize the Federal Court on Guam to review property transactions which took place between local residents and the U.S. Navy during the immediate post-World War II period; and to permit the Government of Guam to increase its public debt limitation.

My activities are not restricted solely to Guam's interests, but to the whole spectrum of national affairs.

As each step of our political development must necessarily be followed by another to maintain our momentum, Guam is now beginning to review our overall political status.

An impetus to this action has been, of course, the present Status Talks between the United States and the Northern Marianas of the Trust Territory of the Pacific Islands.

Statehood is generally agreed to be our final goal; however, in view of our limited population and income, Statehood would now not be a practical endeavor. An alternative, which I have personally endorsed before the Legislature in 1970, is Commonwealth Status for Guam. As a Commonwealth, the people of Guam would have the power to draft their own constitution, and thus would close any remaining gaps in our internal control. Also, we would retain control of our taxes and representation in Congress. In keeping with our desire for closer ties with the American democratic tradition, any constitution drafted would necessarily be based on the principles of mutual consent and complete local self-determination, not inconsistent with the Federal Constitution.

Several steps have already been taken towards this end by Guam. The Governor has recently formed an advisory council on our political status. And the Legislature has passed legislation creating a political Status Commission. The two bodies will work together to review all factors that may have bearing on the present and future relationships with the Federal Government. In 1969, Guam held a Constitutional Convention.

The results of that exercise, however, were not conclusive, and time has changed our perspective and our short-range goals. Since any status change Guam proposes must be ratified by our fellow Americans in Congress, I intend to introduce legislation in the near future which will give the official sanction of the Congress to preliminary efforts in this matter.

Whatever our future, one fact stands out clearly: We are American citizens now and we are justly proud of this achievement. Our relationship is not static, however, and in the years to come many changes will take place, changes which I believe will be designed to give the American citizens of Guam an ever greater voice in our Island's affairs.

Thus we have arrived at a stage in our re-

lations which, while not always perfect, does provide us with far more advantages than we ever hoped possible 75 years ago, and one which certainly offers Guam a tremendous improvement over the status we enjoyed during three-hundred years of Spanish rule.

Thank you.

THE OVAL OFFICE TAPES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROBISON) is recognized for 15 minutes.

Mr. ROBISON of New York. Mr. Speaker, like everyone else I have given a good deal of thought to the implications of the automatically tape-recorded conversations at the White House since their surprising disclosure, last Monday, by former presidential assistant, Alexander P. Butterfield.

Two of my own local, daily newspapers immediately called me to ask if I had been "taped" in this fashion in recent years. This was an easy question to answer since my White House visits have been infrequent during the tenure of the present administration—consisting of one or two social visits with large numbers of other guests, two trips to the famed Oval Office for picture-taking sessions with the President at campaign time, and since I have never spoken to President Nixon directly by telephone. As for the fact of the taping, I offered the observation—for what it was worth—that this is, after all, an "electronic age" and we might as well take advantage of it, including its use for historical-reporting purposes at the highest level of government. To this I added the thought that, if people really wanted an "open" Presidency—as many say they do—what better way of assuring it than through keeping a recorded transcript of what was said to or by a President, either in person or over the telephone? If this were to become the practice, however, clearly then it should be made known—as from now on it will be known or, at least, suspected—to all parties to such conversations. It was, I noted, the clandestine nature of the administration's recourse to such a device or technique that gave me—and many others—pause.

In any event, the tapes were made—and, supposedly, presently are available for properly limited and controlled public access.

Mr. Speaker, I understand—and fully appreciate—the new dilemma the already-beleaguered President faces in this regard. But the essential fact—it seems to me as the editorial to which I will shortly have reference points out—is that these tapes—

Finally offer some way the truth might be established and the Watergate affair put behind us.

If, Mr. Speaker—and I recognize the degree of speculation involved—controlled access to the pertinent "Watergate" tapes would allow us to get, sooner than anyone has hoped, to the bottom of this so-unfortunate affair then I, for one, strongly feel the President ought to make them available. The Watergate hearings—in the other body—bid otherwise to go on, almost forever, as the Nation's newest, if not most popular, daytime soap opera on television. As they go on, to be followed in turn by whatever it is that the almost-forgotten Special Prosecutor and his staff people are working on, our Federal Government will continue to "mark time" at a moment in history when, on so many, many fronts the order ought to be "forward march."

The doctrine of separation of powers—the concept of Executive privilege—the problems involved by the existence of possible as well as pending criminal indictments and trials of some of Watergate's participants—all these things are, in the ordinary course of events, of substantial importance. But we are in an extraordinary, and unprecedented, situation; a situation in which the national interest, insofar as it can be perceived, should be given precedence.

The editorial to which I earlier had reference appeared in yesterday's edition of the Wall Street Journal. It sums up in better words than I could summon my own current belief that—in its own concluding sentence—

The overwhelming duty that Richard Nixon owes the Nation is to get this singular evidence before the public and end the turmoil one way or another.

I am sending a copy of these remarks to the White House, and now submit the full editorial for my colleagues' consideration:

THE OVAL OFFICE TAPES

The important thing about the newly disclosed tapes of presidential conversations is that they finally offer some way the truth might be established and the Watergate affair put behind us. Other issues are subsidiary, and should not be allowed to obscure the central point.

Chief among the obscuring lesser issues, of course, is the doctrine of separation of powers, which the White House evoked yesterday in indicating it will not release the tapes. Assuming the administration is serious about this point and not merely finding excuses to perpetuate the cover-up, it is allowing niceties to take precedence over the welfare of the nation.

Another subsidiary issue concerns the propriety of making the tapes in the first place, a question we find puzzling. We recognize certain troublesome implications, but are disturbed at the alacrity with which this latest disclosure has been incorporated into the "police state" theme popular with some politicians and commentators. This is another of the exaggerations that have become particularly pronounced in recent weeks.

The Senators are putting themselves into a queasy position when on one hand they complain about secret recordings of their own private conversations and on the other hand demand release of his private conversations with his aides. For that matter, we wonder how many Senate investigators or newspapers have never clandestinely recorded a conversation themselves?

Despite all that, there are, as we said, certain troublesome implications. It is less than perfectly honest to record a conversation without telling the other party, and seems to us quite difficult to justify in the absence of strong extenuating circumstances. The routine recordings, also, show a carelessness about the rather scary potential implications of electronic technology.

But against that, again, there is something touching about presidential willingness to have every conversation recorded for posterity, or at least to put himself voluntarily in the position of having to sneak about the White House if he wants to say something he doesn't want recorded. One would almost think that a President who knew his Oval Office talks were recorded for eventual release would not do anything like participate in covering up crimes. So with due apologies to the reader who expects clear-cut declarations, our feelings on the ethics of the matter are confused.

We are quite sure, though, that in the circumstances of this particular case release of the recordings would serve the public interest. One of the most troublesome things about the Watergate scandal has been the difficulty in conceiving how it ever might be brought to an end. It seemed likely to go on forever, perpetuating paralysis in government and hysteria among editorial writers. Now for the first time there is, er, light at the end of the tunnel.

We are in no position to guess, of course, what the tapes might show. Conceivably they will be ambiguous, or suggest that the President was neither deeply involved nor completely innocent. But even if they are not clearcut, and whether they suggest innocence or guilt, they ought to go far toward resolving the matter in one way or another.

This point, not executive privilege ought to be central to the decision of whether the recordings should be made public. Obviously the President cannot allow the Ervin Committee to rummage through all his conversations, but surely this problem is not beyond compromise. The separation of powers is a sound constitutional doctrine, but it is a general guide to be interpreted in the circumstances and requirements of the present, not an iron wall.

If the President does not reconsider his initial instinct to withhold the tapes he will only prolong the Watergate agony, and intensify the never-quite-resolvable impression of his own guilt. It would obviously be better for him and the nation if he could establish his own innocence. Even if the tapes show him guilty, he needs to recognize that the alternative to disclosure is continued doubt and increasingly ill-tempered national discourse.

It would seem clear to us that at this point the overwhelming duty that Richard Nixon owes the nation is to get this singular evidence before the public and end the turmoil one way or another.

THE OFFENDER EMPLOYMENT AND TRAINING ACT

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

Mr. RAILSBACK. Mr. Speaker, I am today introducing with Mr. ANDERSON of Illinois, Mr. COHEN, and Mr. HORTON the Offender Employment and Training Act, a bill designed as a step forward in meeting and reversing a crisis in our corrections system. The distinguished senior Senator from Illinois, Mr. PERCY, has recently introduced identical legislation in the other body.

We know—and I emphasize know—that present correctional systems and their programs have two fundamental deficiencies: They do not work and they cost too much. Recidivism rates make a mockery out of the traditional methods of crime prevention and incarceration. Some States and some Federal programs are making efforts to develop a more effective structure and they are to be commended. Overall, however, too little in the way of money, resources and, more importantly, additional and policy

change have characterized the response to conditions in the prisons and the increased crime and recidivism rates.

There are now more than 400,000 persons in jail or prison and another million on parole or probation. Many of the hundreds of thousands now under arrest and awaiting trial will be entering the corrections system and many, having served their sentences, have recently been released back into the community.

These offenders are diverse in their background and their problems are complex. They differ in the seriousness of their offenses, legal status, and the degree of public control over their activities. One key common denominator is that they often have difficulties after their incarceration obtaining and holding jobs. Despite tremendous differences in the labor potental and, generally, their amenability to assistance, most criminal offenders have employment problems and need help.

In part—and experience and studies indicate it is only a minor part—the problem is related to a reluctance on the part of the private sector to hire ex-offenders. The more important reason is the inability of the particular individual to function in a positive and independent manner in the "free society." The ex-offender is neither mentally or technically equipped for reintegration into society. He does not have the skills or desire to be a productive member of the work force. Rehabilitation in terms of the employability of ex-offenders has been a dismal failure.

Society has a right to be protected from those who would violate its laws. However, it is in the best interests of society to rehabilitate these individuals so that society does not continue to bear the burden of supporting them indefinitely. Because temporary protective separation and rehabilitation must be the principal objectives of any correctional program, a system which provides for the greatest likelihood of successful and constructive reentry into society will be least expensive in the long run. An offender must, therefore, leave the prison setting with those economic skills which will permit him to be a productive member of society.

In order to achieve this end, a correctional system must at a minimum set standards and organize programs to achieve the following goals: first, develop in each inmate a set of attitudes favorable toward work and the work situation; second, develop in each inmate the minimum qualifications necessary to obtain and maintain a job; and third, develop in each inmate attitudes favorable to leading a law-abiding life. Employability—that is, marketable job skills—of ex-offenders would be a certainty if these goals were being achieved—unfortunately they are not.

In the first place, not all inmates are engaged in work or training programs while in prison. Of those working, many perform the menial tasks necessary to maintain the prison community. Those who work in such "housekeeping" positions as well as those involved in training and work production programs often do not get paid. Thus, based on a yearlong study conducted at my request by the Library of Congress, a survey of State and Federal correctional institutions revealed the following facts: The average percentage of men in State prisons who were engaged in paid labor was 50 percent of the total prisoner population, while the percentage for women in women's institutions, was 84 percent. The average percentage of men employed in paid labor in Federal institutions was 27 percent while the average percentage for women was 25 percent.

The same survey also reveals the inadequacy of wages as an incentive for participation—where there is a choice—or effort in those programs which do pay inmates. Hourly wage rates for inmates in State correctional institutions varied from State to State, ranging from a low of 1 cent an hour in some States to a high of $1.10. On average, across the entire spectrum of State prisons, hourly wage scales in the State correctional institutions ranged from 4 to 17 cents an hour for men's prisons and from 6 to 13 cents an hour for women in women's correctional institutions.

On average, hourly wage scales for prisoners engaged in paid labor in Federal institutions were much higher than their State counterparts, ranging from 21 to 51 cents an hour for work done in the Federal Prison Industries. Women and men are paid equally. In some cases, prisoners employed in the industries can earn more than 51 cents an hour—from 67 to 72 cents an hour—for unusually high productivity or longevity—for example, at the U.S. Penitentiaries in Marion and Lewisburg.

The types of training and work programs available are usually unrelated to labor market needs and thus we have ex-offenders trained for positions which do not exist or where there is an oversupply of labor. And those engaged in "housekeeping" functions or who do not work at all have almost no prospect for employment at a decent wage and usually find their way to the end of the welfare line. From the above facts, it is not difficult to understand how the failure to provide employment and training opportunities while in prison or on parole or probation leads the offender back through the front door of the prison he so recently left.

A great deal of the responsibility for the failure to provide meaningful training and work programs must lie at the door of the State legislatures and Congress. While legislative and administrative actions in recent years have corrected abuses which saw inmate labor exploited for profit and punishment, they have at the same time created certain barriers to an effective correctional employment program.

Federal legislation has had a direct impact on State as well as Federal prison employment programs. In 1929 Congress passed the Hawes-Cooper Act which divested prison-made goods of their interstate character, thus making them subject to local law upon delivery within a State. Subsequent acts prohibited the interstate transportation or importation of convict-made goods for any purpose but excepted commodities made by Federal prisoners and those made in State prisons for use by other States. The Federal Government so far as its own prisoners are concerned has adhered to the same policy that has characterized State systems: prisoners should be employed exclusively in the manufacture of supplies or the performance of services for the Government or its political subdivisions. The contracting out of prison labor and the sale of prison-made goods to the public are strictly prohibited.

As a conseqence of these legislative restrictions, employment programs in prisons have been forced to operate under at least the following constraints: First, limited markets since products are only for governmental agencies, second, industries requiring little training, third, payment of token wages to inmates, fourth, operating so as to minimize competition with free labor and business, fifth, lack of capital for modernization, and sixth, high employee turnover coupled with competition for inmate time with other institutional programs. These restraints have made it extremely difficult for correctional training and employment programs to fulfill the rehabilitative goal of employability.

To correct this situation it will be necessary to remove these restrictions and initiate a positive program whereby work programs can realistically achieve attitude change and raise the work potential of inmates. A recognition of several factors has led to the legislation that is being introduced today.

Too frequently lip service is given to the goal of rehabilitation while other goals—custody, institutional convenience, profit—are in fact given priority.

If correctional training and employment programs are to be successful in terms of employability and earning potential, modern production methods and a competitive market situation are necessary to create a realistic work situation and assure reasonable wages and profits.

Private capital involvement is one means for upgrading the prison industries programs.

Increasing the level of inmate participation and remuneration will increase the probability of postrelease success by reducing inmate financial pressures and providing powerful motivation for the development of employment skills.

Many decisions regarding correctional employment programs are made as a reaction to falsely perceived views of business and labor. There is no reason to believe that these groups would not accept change in prison industries and they can expect to support such change if it would be to their advantage.

In order to give new meaning and direction to the training and employment of prisoners in State and Federal correctional systems, the bill introduced today would authorize grants and loans to, and contracts with, private organizations including corporations, labor unions, and private nonprofit groups and Federal agencies responsible for the operation of correctional institutions, for the purpose of establishing or expanding projects, within or outside Federal and State penal institutions, to train or employ criminal

offenders. Products produced and services performed would be available for sale to the public and could be sold for interstate commerce. By removing the restrictions against interstate commerce, contracting out prison labor and sale to other than governmental agencies, the legislation would establish a positive program for the benefit of the prisoner, private employers and organizations, and the public.

Title I of the Offender Employment and Training Act applies to Federal correctional institutions. It provides authorization for the Federal Prison Industries, the Department of Justice corporation responsible for offering Federal prisoners training and work experience, to make grants or loans to, or contract with, private organizations for the construction or operation of projects designed to train and employ Federal offenders. Such projects may also provide supportive services including education and counseling. The private organizations would be the employers of the prisoners and the project may operate within the prison facility itself or outside of it.

In order to be eligible an applicant must meet the following conditions:

First, prisoners would receive wages at a rate not less than that paid for work or training of a similar nature in the locality in which the work or training is to be performed.

Second, the work or training performed must be of such a nature as to make it likely that they will find employment upon release.

Third, wages will be subject to State and Federal laws requiring deductions for money to support dependents and costs incident to confinement such as room and board. In addition, up to 10 percent of wages could go to a fund which might be established for the purpose of compensating victims of crime.

The program would be supported by a Federal Employment and Training Fund whose moneys would be derived from repayments of loans and proceeds from sales where the employer is a Federal agency, such as the Federal Bureau of Prisons. The fund would also be supported by such annual congressional appropriations as would be necessary to make the fund not less than $10 million.

Title II of the Offender Employment and Training Act gives to the Attorney General the same powers given the Federal Prison Industries in title I for carrying out similar projects in State correctional institutions. The State program would be funded by a $10 million authorization for each of the next 5 years.

THE OFFENDER EMPLOYMENT AND TRAINING ACT

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

Mr. COHEN. Mr. Speaker, every generation throughout the history of the world has been faced with the problems of crime and violence. From the moment the first social contract was formed and men agreed to live together in an organized society, there has been the inevitable problem of those who would violate the laws or rules of that society.

Yet, in modern day America, the scope of crime and violence and the corresponding fear and paranoia that is felt by the citizenry have reached unprecedented levels. Crime in the streets continues to plague us as one of the greatest concerns of the American people and public officials.

To be sure, during the past few years we have made some tremendous progress in law enforcement, particularly from the perspective of improving the skills of our law enforcement officials and providing them with greater resources to do their job. There is ample evidence to demonstrate that these efforts are now starting to have a relative impact on the reduction of crime.

Yet, the work of our police forces and law enforcement officials is only part of the solution to this important problem facing all Americans. The time has come to give equal attention to our system of corrections and to the criminal himself, particularly his motivations and the forces behind his criminal activities.

The startling fact is that 80 percent of all crimes in this country are committed by people who have previously been convicted of another crime. Obviously, we are failing in our obligation to rehabilitate the criminal. Likewise, we are failing to provide the proper kind of environment where a criminal has incentive to become a productive member of society rather than a destructive one.

Given our current correctional programs, the typical criminal offender may finish his term of imprisonment and return to society and possibly his family only to be confronted with an environment that leaves him little choice but to return to a life of crime. Upon being released from prison, the ex-offenders rarely can find jobs either because they lack work skills or because of the high risk perceived by employers to be involved in training someone with a past criminal record. Of course, he lacks skills because there have never been adequate opportunities for vocational training.

So, upon his release from prison, the ex-offender soon discovers that he cannot get a job and, therefore, cannot meet his responsibilities for providing for his family. This is a tremendous psychological burden for the head of any household and it is a particularly difficult one too for those returning from prison. Faced with these pressures and the absence of even the opportunity to even try to lead a normal, productive life, the ex-offender then is often forced to turn to crime to obtain the money he needs. If caught and convicted, he is once again trapped in this vicious cycle where little assistance is offered him to develop marketable skills or to acquire tools that would enable him to reenter society on an equal footing with others.

The tragedy of this situation has been recognized by many. Since 1967, four Presidential Commissions, dozens of legislative reports, and more than 500 books and articles have recommended reform of our correctional system. During the first National Conference on Corrections held at Williamsburg, Va., in 1971, this Nation's leading legal and law enforcement authorities resoundingly supported the need for reform. As President Nixon has stated—

> The time has come to repudiate once and for all the idea that prisons are warehouses for human rubbish; our correctional systems must be changed to make them places that will correct and educate.

Mr. Speaker, the bill my colleagues and I are introducing today would be a major step toward making our penal institutions an integral and viable part of an effective crime combatting program rather than places that actually work against the concept of a crimeless and more productive society. Instead of compounding the problems of the criminal and actually contributing to the pressures that lead to a life of crime, our correctional institutions can and should provide opportunities for the offender to learn marketable skills, to acquire the tools that will enable him to take advantage of the opportunities available to the rest of society, and to teach him, through practical experience, the responsibilities that go along with living a normal and productive life.

This legislation, which is, in effect, a "work your way out of prison plan," would enable private industry to lease prison property on a long-term basis, and to provide work facilities within the prisons. In these facilities the employers would hire prison inmates at prevailing wages to produce regularly marketable products, just as if they were employed in an industry on the outside.

Any participation by the inmates would be voluntary. And, the employer would be expected to provide such supportive services as training, education, counseling, and so forth.

Because he is able to earn prevailing wages, the inmate participating in the program could pay the Government for his room, board, and maintenance. He could also pay for support of his family, taxes, and social security payments. In addition, he would be required to contribute up to 10 percent of his wages to any Federal fund established by law to compensate victims of crime.

Moreover, Mr. Speaker, this legislation would create a program that would enable someone to emerge from prison with new skills and work experience, as well as a sense of productivity and dignity in being able to care for his family and to contribute to his community. Upon being released from prison, he would find the transition a far easier and natural one than what faces him today.

In conclusion, this legislation would not only be a net savings, in dollars, to the Government, but it would be a tremendous investment in the human productivity and dignity which all Americans so highly value. We would at once contribute to a more effective and progressive crime fighting strategy as well as a more meaningful life for many of our citizens who have been victims of the vicious cycle of our current penal system.

INTRODUCTION OF TWO BILLS RELATING TO CRIMINAL JUSTICE

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

Mr. ANDERSON of Illinois. Mr. Speaker, I am today introducing for appropriate reference with my colleague from New York (Mr. HORTON) the Federal Criminal Justice System Reorganization Act. This is the same legislation introduced in the other body by the gentleman from Illinois (Mr. PERCY) with the gentleman from Tennessee (Mr. BROCK), and the gentleman from New York (Mr. JAVITS). The gentleman from New York (Mr. HORTON) and I are also joining with our colleague from Illinois (Mr. RAILSBACK) and our colleague from Maine (Mr. COHEN) in the introduction of the Offender Employment and Training Act, often referred to as the "work your way out of prison bill." Identical legislation was introduced in the other body on July 12, by the gentleman from Illinois (Mr. PERCY) with the gentleman from Tennessee (Mr. BROCK), from Maryland (Mr. MATHIAS), and the gentleman from Ohio (Mr. TAFT).

At the outset I want to congratulate the senior Senator from Illinois, Mr. PERCY, on his initiative in authorizing these two important pieces of legislation. And I am proud to introduce companion bills in this body.

REDUCTION OF RECIDIVISM

Mr. Speaker, in bureaucracies the process a person goes through after being arrested for a crime in the United States is called the criminal justice system. Not all, but many of those persons spend some time in a prison, and one criminologist with experience in running prisons has said—

> The genius of American penology lies in the fact that we have demonstrated that 18th and 19th century methods can be forced to work in the middle of the 20th century.

A great deal of evidence suggests, however, that we are not making it work, and in fact, a disturbing amount of crime is being committed by persons who have been in and out of the criminal justice system and the prisons which comprise a major part of it. The purpose of the legislation I introduce today is to help reduce this recidivism by improving as much as we can the entire criminal justice system.

Reduction of any kind of crime requires in part the ability to understand, even to predict, what causes crime and what can be done to reduce it. You may recall that capital punishment for pickpocketing in England was abolished when it was observed that most pickpocketing occurred during public hangings. Our ability today to predict what will prevent crime or retard its growth is still extremely tentative and inexact. As an example, some experts believe that, contrary to popular belief, there is little evidence to indicate that the volume or rate of crime recidivism is so related to penal policy that they vary with changes in correctional programs or practices.

There is considerable evidence, in fact, to buttress the argument that the incidence of crime is most closely related to conditions largely beyond the control of the criminal justice system. The list of such factors includes age and sex, the race composition of the community, the economic status and stability of the community, and the strength and efficiency of the police force. Even such unrelated considerations as the weather have an effect on crime.

Thus, we have a polarity developing. On the one hand, there are those who think that attributing an increase in crime to the criminal justice system is like holding an umbrella responsible for the rain. On the other hand, we have some reformers who tell us that we must conclude that our prisons, for example, have failed because two-thirds of all crime is committed by recidivists. There is a middle ground between these two exaggerations, however, where I believe we can find the foundation for sound, new penal policy.

Consider for a moment that the corrections process provides an opportunity that many of the other crime related factors do not. We cannot, for example, change the age, sex, or race of an offender. We cannot, even in a matter of years, change the nature of his community, his family, or his educational background. But from the time we arrest an offender until years after he is released, we have the opportunity to touch his life directly. Equally changes in penal policy can be made and administered in relatively short order.

In other words, while we must make the time-consuming, broad attack on the underlying social and economic conditions which produce crime, and while we must work to insure that the law is firmly enforced, we must at the same time find better ways of treating an apprehended offender so he does not offend again. Treatment of the offender while he is in public custody—from arrest, to trial, to sentencing, while on probation, in prison or on parole—is one of the best ways within our grasp of achieving what must be our number one goal—protecting society from crime.

PROTECTING SOCIETY

Protecting society from crime, let me emphasize, in the most efficient and economical way possible, should be our overriding consideration. As the following will indicate, it just so happens that the most efficient and most economical way possible probably involves the most humane treatment of offenders.

Of the 21,000 inmates now in Federal prisons, 98 percent will ultimately be released. Based on past performance, Federal officials estimate that 68 percent of those will return for the commission of another crime. I am convinced that we could reduce that number if we were to institute some procedural changes.

Consider the effect of our present parole procedures on the outlook of an inmate. Eight members of the Federal Parole Board, assisted by eight hearing examiners, decide more than 17,500 parole requests each year. Because each decision requires the concurrence of at least two members, at least 35,000 individual decisions are made each year. That requires each individual Board member to make over 4,300 decisions each year.

It might be argued that because many requests can be easily rejected or granted, that the burden is not as overbearing as it first seems. But experts agree that even those which can be dismissed quickly should be accompanied by an explanation to the inmate, including among other things, the Board's opinion of what goals the prisoner should set in order to win parole. Perhaps it would have to do with his attitude, behavior, vocational training or the like.

If the present Board attempted such a task, paralysis would result. In its absence, many prisoners sit and stew, fuming with anger and frustration. When they finally get out, the present system provides a wholly inadequate apparatus to deal with the resulting resentment, let alone all the other problems faced by returning prisoners. Today, 640 U.S. probation officers supervise 45,000 probationers and parolees. That averages out to 71 cases per officer, or more than twice the recommended caseload of 35.

FEDERAL JUSTICE SYSTEM REORGANIZATION ACT

A key element of the Federal Justice System Reorganization Act is the replacement of the present eight-member Parole Board with a local criminal justice office located in each Federal district, and staffed by at least three members appointed by the Attorney General. These local offices would serve as the grassroots administration agencies of our Federal courts and criminal justice system, responsible for all criminal cases filed in their jurisdictions.

Each would swing into action at the time of arrest. Immediately the local office would be assigned the case and would begin to develop information necessary to make a wise decision regarding bail, pretrial release, or incarceration. It would make a recommendation to the court.

Recommendations on these matters would then be the basis of discussion between the U.S. attorney and the counsel for the defendant at a precharge conference. At the conference, the wisdom of diverting the defendant from the criminal justice system would be considered factoring in the offense, the safety of the community and the probability that such diversion would assist the defendant in rejoining the community as a law-abiding citizen. For example, it might be decided in the case of an alcoholic or a drug addict that hospitalization or even outpatient treatment would be a wiser course than jail.

If a defendant were tried and convicted, the local office would recommend what type of sentence for the court to impose, stating its reasons for the sentence, and the goals that the incarcerated offender should shoot for in order to be released. The court could accept, modify, or reject this recommendation stating its own reasons and goals. The local office would also hold annual parole hearings and decide, on the basis of the progress of the offender in meeting the goals set at the time of sentencing, when the individual should be released into the community. If parole were denied, the local office would provide written

reasons, explaining what goals had been met and what goals remain to be met.

If the individual were released either on parole, probation, pretrial diversion, or other authorized form of release, the local office would be responsible for the individual's supervison.

Mr. Speaker, I want to emphasize that this is a summary of only one of a number of reorganization provisions in the bill. I would direct the attention of my colleagues to the remarks submitted by Senator PERCY in the other body on July 12, for a discussion of the other provisions and a copy of the bill. They begin on page 23488 of the CONGRESSIONAL RECORD of that date.

In describing the bill in total the Senator from Illinois concludes the following in those remarks:

By replacing the present potpourri of services and harried professionals, and conflicting lines of authority, with a single coordinated body, the criminal justice system will become more efficient. And with the added advantage of national guidelines and standards, current regional inequities in the criminal justice system would be diminished and hopefully eliminated. The by-product of this total reorganization would be better criminal justice and, therefore, a lower level of crime. Presently 80 percent of all crimes are committed by people who have previously been through our criminal justice processes. This new system would help to reduce the number of recidivists, and thus lower the level of crime.

Mr. Speaker, I wholeheartedly agree.

THE OFFENDER EMPLOYMENT AND TRAINING ACT

Mr. Speaker, there is mounting evidence to suggest that the principal determinant of post-release behavior is the economic situation a person finds himself in after getting out of prison. For most prisoners that entails finding a job.

But most cannot find jobs because they lack work skills. Many lack work skills because while in prison they never received adequate vocational training. Time in prison is too often squandered with useless tasks in an environment of indolence and lethargy. There are two primary reasons for this: It has long been thought that it would cost the Government too much money to become involved in effective vocational training for each inmate; and second, a number of laws stand in the way of innovative projects that could increase the inmate's job potential.

The costs of keeping a person in prison without preparing him to make his way on the outside may be higher, I believe, than it would cost to train him. Consider present costs. The Government spends an average of $11.55 per day to keep an inmate locked up in a cell that may have cost up to $30,000 to construct. In addition, some 55,000 families receive welfare payments because the family wage earner is in prison and unable to support them.

The legislation we introduce today, the Offender Employment and Training Act, would authorize the Federal Government to implement projects with the private sector to provide vocational training and jobs within prison walls. This "work your way out of prison plan" would call on private industry to lease prison property on a long-term basis, and to provide work facilities within the prisons. In these facilities, the employer would hire prison inmates at prevailing wages to produce regularly marketable items.

Participation in this program by a prisoner would be completely voluntary. Out of the wages paid to those who participate, prisoners would pay the Government for room and board. They would also help support their families, pay taxes, and make social security payments. In addition, they would be required to contribute up to 10 percent of their wages to a fund to compensate victims of crime.

The Federal Bureau of Prisons has given its full support to this measure. And in Illinois, for example, a new unified code of corrections, signed by Govenor Ogilvie, provides that prison-made products can be sold to nonprofit organizations, such as church groups and universities. The opening up of potential markets, which we will continue to promote, has been accompanied by growing support by leaders in both the business and labor community.

Mr. Speaker, I believe that these kinds of innovations are essential to the development of an anticrime system that can adequately protect our citizens. They are the product of commonsense, decency and the desire to do whatever is possible to stop crime.

LEGISLATION TO RESTRUCTURE THE FEDERAL CRIMINAL JUSTICE SYSTEM AND TO UPGRADE OFFENDER EMPLOYMENT AND TRAINING PROGRAMS

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

Mr. HORTON. Mr. Speaker, I call to the attention of my colleagues two bills I am introducing today to improve the Federal criminal justice system. Both measures are identical to bills introduced in the other body by Senator CHARLES PERCY. As my colleagues well know, Senator PERCY has been among those in the forefront of efforts to reevaluate our present procedures for dealings with criminal offenders. I have been pleased to work with Senator PERCY in offering two proposals which we believe will give meaning to the words "criminal justice system" and thereby reduce the threat of crime in our society.

Mr. Speaker, I doubt that many experts or laymen would quarrel with the belief that our country is failing to solve the crime problem. Granted, we can point to statistics which show that the crime rate is lower than it was a few years ago and that certain types of crimes are being committed with less frequency. Violent crimes, however, are increasing and while many of our cities have made demonstrable progress, crime in the suburbs is growing dramatically.

What is this failure costing us? The House Select Committee on Crime recently noted that $1.5 billion was spent in 1971 to keep 400,000 inmates in Federal, State, and local prisons. The Bureau of Prisons tells me that the average per capita cost of confining a Federal inmate was $13.42 a day during fiscal year 1972. Currently, the total inmate population in Federal facilities is about 23,404. These figures are disturbing alone but they do not begin to reflect the full cost to our society. They do not include the billions of dollars spent for police protection, the losses suffered by the victims of crime, or the intangible element of fear.

Statistics on the rate of criminal repeaters further demonstrate the fundamental failure of our criminal justice machinery. The Select Committee on Crime stated that even though $1.5 billion was spent in 1971 to confine 400,000 prisoners, "taxpayers were the victims of more and more felonies, 80 percent of which were committed by former offenders." In response to my request to the Bureau of Prisons for the rate of recidivism in Federal facilities alone, I was given the results of a study conducted in June of 1972. At that time, there were 20,729 inmates in the Federal systems, of whom 17,756 were surveyed. The results were as follows:

Number of prisoners and number of prior commitments of any kind in a Federal, State, or local facility

6,672	0
3,115	1
2,353	2
5,616	3 or more

This and other studies of recidivism offer conclusive evidence that our criminal justice procedures are in fact part of the problem.

REORGANIZATION

Through my service on the Government Operations Committee, I have participated in countless hours of reviewing the workings of government and reorganization proposals designed to bring about greater efficiency. I am convinced that we can ill afford to cast about for piecemeal improvements to a criminal justice system which is so uncoordinated that it is no system at all. We need to institute a fundamental overhaul and establish coordinated machinery to deal with an individual from the moment he is arrested.

To accomplish this goal, I am sponsoring together with JOHN ANDERSON of Illinois the Federal Criminal Justice Reorganization Act. This legislation would establish within the Department of Justice a new Criminal Justice Services Administration with overall responsibility for coordinating Federal activities in the area of criminal justice. Several ongoing functions would be transferred into the new Administration. The Bureau of Prisons and the Law Enforcement Assistance Administration, for example, would be transferred into the Administration with their internal organizations remaining intact. In addition, a Bureau of Juvenile Justice would be established to assume all functions now carried out by HEW relating to juvenile delinquency.

Among the new entities created within the Administration would be a National Criminal Justice Board. The National Board would be composed of 11 members, one from each judicial circuit, appointed by the President and confirmed by the Senate. Its duties would include

the formulation of sentencing guidelines for U.S. courts, as well as national standards for bail setting, pretrial release, probation and parole. In addition, the National Board would serve as an appellate body to hear appeals from offenders who believe their parole denial deviated from established national guidelines.

The heart of the proposed reorganization lies within the local Criminal Justice Office established in each Federal district and functioning under the National Board. The District Offices would thus become the basic administrative units for the Federal courts and the criminal justice system. Immediately after the arrest of an individual, for example, the District Office would investigate the case and report its recommendations for the setting of bail to the appropriate judicial office. The local office could also recommend medical treatment if problems such as drug addiction or alcoholism are evident. These findings and recommendations then become the basis for discussion between the U.S. attorney and the defendant's counsel at a formal precharge conference. At this point, the possibility of diverting the suspect from the criminal justice system is considered. If diversion is agreed upon, the charges are suspended for up to 12 months, with the progress of the defendant monitored by the U.S. attorney.

If the defendant is prosecuted and convicted, the case is again referred to the district office prior to sentencing. The office would recommend the sentence to be imposed, its reasons therefor, and the goals which the offender should attain to entitle him to parole. The court, of course, may accept or reject the recommendation but in doing so, must set forth its reasons for the sentence and the goals for the offender.

Annual hearings would be held by the local office to assess the progress of the offender in meeting the goals established at the time of sentencing. Its evaluation would determine when the individual would be released into the community. If parole is denied, the defendant would be told why. Once the individual is released, the local office would have supervision over him.

Another important unit established by this legislation is the office of ombudsman. It would have two primary functions. First, any petition for collateral review filed by a State or Federal prisoner could be referred to the ombudsman by the court or upon request by the prisoner. Within 90 days, the ombudsman would consider the petition and, if possible, resolve the matter. If the problem is not resolved, the petition and an accompanying report would be forwarded to the court. This procedure could substantially reduce the burden now placed on the courts by prisoner petitions. In addition, the ombudsman would review and attempt to resolve nonjudicial petitions and other communications referred to it by an offender or by the Bureau of Prisons.

OFFENDER EMPLOYMENT AND TRAINING ACT

Mr. Speaker, I am also joining my colleagues, TOM RAILSBACK and JOHN ANDERSON, in introducing the Offender Employment and Training Act. Its purpose is to equip the Federal offender with a vocational skill so that when he leaves prison, he can get a job rather than return to crime.

The futility of our current training efforts is clearly evident in the observations of a former inmate of a Federal facility:

They still release prisoners the way they used to in the old Jimmy Cagney movies. They give you about 50 dollars and a shiny suit, with which you are supposed to start life over again after years or decades behind the walls . . . You can't live forever on 50 dollars. You can't find work on the streets making license plates or using whatever other skills you learned on obsolete equipment working in the prison factory. If you go into prison undereducated and underskilled, that is the way you will probably come out, with the added stigma of having done time.

The Offender Employment and Training Act would authorize the Federal Prison Industries to enter into contracts with the private sector—businesses or other groups—to establish factories on the prison grounds. The prisoners who volunteer for the program would be trained to produce items for sale on the open market. Current prohibition against selling prison-made goods in interstate commerce would be lifted.

For his work, the prisoner would be paid the prevailing wage in the prison's locale. From that wage, normal deductions for taxes and social security would be withheld. Additional deductions would be made to reimburse the Government for the costs of the prisoner's room and board in the Federal facility. Finally, up to 10 percent of the wage could be diverted to a fund for compensating victims of crime.

Mr. Speaker, a program in my congressional district has successfully demonstrated the ability to reduce recidivism by equipping offenders with job skills. The program, sponsored by the Education Systems of the Singer Education Division, has expanded to include not only probationers but those still in confinement. I include at this point a letter I received from Mr. G. C. Whitaker which relates the progress being made under this innovative program:

SINGER EDUCATION DIVISION,
Rochester, N.Y., July 13, 1973.

HON. FRANK HORTON,
U.S. House of Representatives, Rayburn Building, Washington, D.C.

DEAR FRANK: Your interest in sponsoring a Bill to help make self-supporting citizens of prison inmates is gratifying.

We at Education Systems (formerly Graflex, Inc.) of the Singer Education Division, have had considerable success dealing with 453 "probationers" since December 1, 1970, and 289 "jail inmates" since April 3, 1972.

As borne out by an evaluation conducted by the National Council on Crime and Delinquency, after the first year of the Probationer Project, the recidivist rate dropped to 6.9 percent. Of the probationers completing the program, 85 percent were placed on jobs and nearly 90 percent of these retained them.

Of the 289 inmates enrolled in the "Jail" program, 266 had completed the course as of May 2, 1973, and 147 were available for placement. Of these, approximately 75 percent were placed on jobs, with more than 90 percent retaining them when followed up in two months.

As you know from the data forwarded you, it is important to guide the clients in assessing their own vocational aptitudes and interests, and in developing their own work objectives.

This, coupled with remedial training, job placement, and job coaching, has produced excellent results with existing manpower sources in the Rochester/Monroe County area.

It seems reasonable to assume that the projects pay for themselves in approximately one year—transforming social liabilities into self-supporting citizens.

The underlying concept is so promising that, apart from the moral uplift, the economics of the situation appear to justify the broader application which you seek.

Best wishes for the success of your undertaking.

Sincerely,

G. C. WHITAKER.

INTRODUCTION OF THE ENERGY EFFICIENCY LABELING ACT OF 1973

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

Mr. HARRINGTON. Mr. Speaker, in his energy message last month, President Nixon stated the need for "energy conservation-mindedness." This recognition of the need for energy conservation differs markedly from his first energy message in which energy conservation was practically dismissed as a national policy. But energy conservation cannot be dismissed. In order to harness the potential of the earth's resources to do work for man we strip-mine mountains, flood wilderness areas, send poisonous oxides of nitrogen, sulfur, and carbon into our air, and thermally pollute 10 percent of America's fresh water flow.

The environmental problems created by the production of energy resources have been further exacerbated by the emergence of the so-called energy crisis. In large part, these shortages have been artificially created by an industry structure which is monopolistic in nature and out of touch with market forces. In part, the energy shortage is a result of our burgeoning demand for additional energy.

The oil industry, until a few short weeks ago, vigorously opposed any programs designed to encourage energy conservation. The National Petroleum Council, the policy arm of the oil industry stated:

Restrictions on energy demand growth could prove expensive and undesirable. Among other things, they would alter lifestyles and adversely affect employment, economic growth and consumer choice.

Consequently, conservation was left off the NPC's recommendations for dealing with the energy crisis.

Now, faced with growing public and official pressure, the oil industry has changed its tune, if not stripes, and the airwaves are full of ways to conserve gasoline and other energy resources. President Nixon has now announced a national goal of a 5-percent reduction in energy demand. Unfortunately, he failed to provide us with mechanisms for reducing that demand.

President Nixon has suggested that consumers buy more energy-efficient

goods. Yet, it would be nearly impossible to do that today. Consumers cannot make choices between goods on the basis of efficiency and energy costs because the necessary information is simply not available, and in many cases, does not exist. If consumers knew how greatly their own interests would be served by buying efficient goods, and knew which goods were efficient, their buying patterns would change.

An efficient air conditioner can provide as much cooling as an inefficient one at one-third the energy cost. In dollars and cents, this means a savings of $40 per year on a single air conditioner for families in many parts of the country. Also, as the President's message points out, an efficient car can travel 10,000 miles for $400 less in gasoline costs than an inefficient car.

Price tags for energy in intensive goods are misleading. They only show the purchase cost and ignore the cost of operation of the good. In many cases the operation costs far exceed the purchase cost of the good.

The simplest way to promote conservation-mindedness is to show the consumer that buying efficient goods benefits him directly, in terms of decreased electric and heating bills as well as indirectly by reducing pollution, and resource depletion. For this reason, I am today introducing the Energy Efficiency Labeling Act of 1973.

The bill will require producers to inform consumers of the energy costs involved in operating the many energy-intensive products which they buy. More technically, the bill states that the producers and retailers of cars, homes, and energy-intensive appliances be required to make clear the energy costs involved in the operation of these goods to an average user in the relevant geographical region of the country. Packages, contracts, and price tags would bear labels informing consumers of the full price of the goods under consideration, not just the purchase price.

In addition, the Federal Trade Commission, which will administer the law, is empowered to require labels on any type of good which yields substantial differentials in energy costs to consumers. Goods not meeting a minimum efficiency standard, as determined by the FTC, would be required to bear a second label. This label would clearly state that the good is inefficient and would remind the consumer to view the annual average cost label.

The bill also places requirements on advertising. Any advertisement which includes a price for a labelled good would also have to state the average annual energy cost of the good in each region in which the advertisement is placed. All advertisements for goods falling below the minimum efficiency standard set by the FTC would also have to clearly bear the second, warning label.

The Federal Trade Commission would be required to define the geographical regions of the country in which the energy costs of appliances are similar. Obviously, the energy costs of a house heater in Florida differs greatly from the average energy cost of that same heater in Minnesota. Retailers in each region would be required to post these average energy costs near the goods.

In addition to promoting conservation, energy labeling will also protect the consumer from overpaying for an appliance. Today, when a consumer goes into a store to buy an appliance, he has little or no information with which to judge the relative value of competing brands. Usually he is forced to trust a brand name, but this trust is hardly objective, and is often judged on the sophistication of that company's advertising campaign.

This lack of information leads inevitably to a misallocation of resources, especially energy resources. A marketplace economy can function correctly only when consumers have the information they need to make rational decisions. Today, they do not have this information.

The bill I am introducing today does not burden down industry with regulation and restrictions. It does not prevent companies from making inefficient goods. However, it does permit consumers to be able to distinguish between efficient and inefficient goods.

This is admittedly, a small step. Consumer buying habits take time to change. More drastic approaches to limiting energy overuse will have to be considered. But, in terms of translating the President's call for energy conservation-mindedness into a workable program, I feel this bill serves a useful purpose.

Mr. Speaker, I include the text of the bill to be reprinted below:

A bill to require the labeling of energy-intensive consumer goods with respect to the annual energy costs of operating these goods for an average owner

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 "Energy Efficiency Labeling Act of 1973".

DEFINITIONS

SEC. 2. As used in this Act, the term—

(1) "Commission" means the Federal Trade Commission;

(2) "energy intensive consumer good" or "consumer good" means any one- or two-family dwelling, appliance powered by any source including any house heater, water heater, air conditioner, refrigerator, stove, television, food freezer, clothes dryer, dishwasher, washing machine, and any other appliance which the Commission determines yields substantial differentials in energy costs depending upon the efficiency of such good; and

(3) "communications medium" means radio, television, cinema, or periodical publication or other printed medium of communication.

LABELING; ADVERTISING

SEC. 3. (a) No person may sell or offer for sale in, or in any manner affecting, interstate commerce any consumer good after a date prescribed, by rule, by the Commission unless such good bears a clearly discernible and understandable label describing the annual average energy costs for the operation of such good by an average owner in the relevant geographical region as determined by the Commission. Any price tag shall have such label included on it.

(b) Any consumer good which does not meet a minimum standard prescribed by the Commission in accordance with section 4 of this Act shall bear a second label clearly stating that such good is inefficient and may cause the consumer unduly great costs, and reminding the consumer to view the annual average energy cost label. Such second label shall appear in all places where the annual average energy cost label appears.

(c) No manufacturer, distributor, wholesaler, or retailer of consumer goods may advertise or cause to be advertised a price for any such good through any communication medium unless such advertisement contains a statement of the annual average energy costs for the operation of such good for each region in which the advertisement is presented.

(d) No manufacturer, distributor, wholesaler, or retailer may advertise or cause to be advertised any consumer good which does not meet the Commission's minimum efficiency standard unless such advertisement clearly presents the warning label specified in subsection (b) of this section.

PROMULGATION OF STANDARDS

SEC. 4. (a) The Commission shall, by rule, promulgate standards for labeling consumer goods with respect to the annual average energy costs for the operation of consumer goods. In promulgating such rules, the Commission may consult with the Environmental Protection Agency, the Council on Environmental Quality, or any other appropriate agency of the United States.

(b) The Commission shall, by rule, define annual average usage rates for each class of goods which are used for roughly the same purpose and average energy prices (including electricity) for each of the several regions of the United States. The Commission shall set out clearly defined cycles of usage for each class of consumer goods except houses. These cycles shall include usages through different levels of output, maintenance, and age. The Commission shall promulgate testing procedures by which manufacturers may test consumer goods in order to determine the contents of any label which may be required under section 3 of this Act, and shall supply the manufacturers with the relevant data as to the average usage rates, energy costs, cycles of usage, and minimum standards, upon request.

(c) The Commission shall supply retailers, upon request, with data on average usage rates and energy prices for specific consumer goods defined for the geographical region in which the retailer is located. Retailers shall post this information for each type of consumer good in a clearly visible and understandable manner near the relevant consumer goods.

SPOT CHECKS

SEC. 5. The Commission shall spot check the labels which manufacturers put on consumer goods subject to the provisions of this Act.

PUBLIC EDUCATION PROGRAM

SEC. 6. The Commission shall undertake a program of public education explaining the reasons necessitating the labels, the nature of the labels, and the usefulness of the labels, making use of the communications media.

CIVIL PENALTIES

SEC. 7. (a) Any person who violates section 3 or 4(c) of this Act shall be fined not more than $2,000 for each such violation. A violation of such section shall constitute a separate offense with respect to each consumer product involved, except that the maximum civil penalty shall not exceed $1,000,000 for any related series of violations.

(b) In determining the amount of such penalty, or whether it should be remitted or mitigated and in what amount, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered.

CRIMINAL PENALTIES

SEC. 8. (a) Any person who knowingly violates section 3 of this Act shall be fined not more than $50,000 or be imprisoned for not more than one year, or both.

(b) Any individual officer, director, or agent of a corporation who knowingly authorizes, orders, or performs any act constituting a violation of section 3 of this Act shall be subject to penalties under this section without regard to any penalties to which that corporation may be subject under subsection (a) of this section.

INJUNCTIVE ENFORCEMENT

SEC. 9. The United States district courts shall have jurisdiction to restrain any violation of section 3, or to restrain any person from advertising or distributing in commerce a consumer good which does not comply with the requirements of any applicable standard promulgated by the Commission under section 4 of this Act. Such actions may be brought by the Commission in its own name by any of its attorneys designated by it for such purpose or by the Attorney General in any United States district court for a district wherein any act, omission, or transaction constituting the violation occurred, or in such court for the district wherein the defendant is found or transacts business. In any action under this section process may be served on a defendant in any other district in which the defendant resides or may be found.

ENFORCEMENT POWERS

SEC. 10. In carrying out its duties under this Act, the Commission may utilize the provisions of sections 9 and 10 of the Federal Trade Commission Act, and such sections are hereby made applicable to the enforcement of the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

CITIZEN SUIT

SEC. 12. (a) Any person may commence a civil action on his own behalf—

(1) against any manufacturer, distributor, wholesaler, or retailer of consumer goods or other person who is alleged to be in violation of the provisions of this Act, or

(2) against any Federal agency, where there is an alleged failure of the appropriate agency to perform any act or duty under this Act which is not discretionary. The district courts shall have jurisdiction without regard to the amount of controversy or the citizenship of the parties to enforce the provisions of this Act with regard to any manufacturer, distributor, wholesaler, or retailer of consumer goods or other person or to order the appropriate Federal agency to perform such act or duty, as the case may be.

(b) No action may be commenced under subsection (a) of this section prior to sixty days after the plaintiff has given notice of the violation by registered mail to the appropriate Federal agency or to the appropriate manufacturer, distributor, wholesaler, or retailer of consumer goods or other person and to the Commission. Nothing in this section shall restrict any right which any person or class of persons may have under any statute or common law.

(c) In any action under this section, the party bringing such action may elect, by a demand for such relief in his complaint, to recover reasonable attorney's fees, in which case the court shall award the costs of the suit, including a reasonable attorney's fee, to such party if such party prevails in such action.

ARMY JUGGLING BOOKS

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

Mr. ASPIN. Mr. Speaker, an internal Army audit which I am publicly releasing today accuses the Army of improperly juggling its books to cover up spending of hundreds of millions of dollars more than appropriated by the Congress.

The overspending involves $115 million in personnel funds during 1970 and raises the possibility of at least $50 million in overspending in operations and maintenance funds for 1971.

The army audit report says:

Had obligations for pay and allowances been properly stated and other accounts appropriately adjusted Appropriations Accounts for FY70 would have shown an apparent overobligation of about $115 million.

But, Mr. Speaker, in fairness to the Army I must report that the findings of the Army report have been disputed by senior officials in the service. According to the Deputy Secretary of the Army for Fiscal Management, Mr. Saintsing, "after careful review of the report it is still my conclusion that no overobligation of appropriations has occurred."

Senior Department of Defense officials are awaiting the results of an ongoing General Accounting Office investigation which I originally requested to determine if illegal overspending has occurred or not.

Top Army officials consider the numerous transfers of funds to avoid so-called overobligations to be perfectly proper. However, if the GAO finds that overspending has occurred and it is considered willful, then some senior Army officials should be punished.

According to Federal law, any so-called willful overspending can be punished by a $5,000 fine and 2 years in jail. Even if the overspending is not considered willful the law requires that any department submit a full report to Congress explaining the causes of any overobligation.

The Army audit report also says that:

Fund availability for operations and maintenance for FY 71 was increased by transfer from other appropriations and other reimbursement actions. We question the propriety of $60 million of such transfers.

Book juggling, overspending and mismanagement seem to be becoming the rule rather than the exception. Neither Congress nor the public can tolerate any more book juggling or overspending by the military—its got to stop and its got to stop now.

OPPOSES APPOINTMENT OF WILLIAM COLBY TO HEAD CIA

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

Mr. DRINAN. Mr. Speaker, I would like to share with my colleagues the testimony I intend to deliver before the U.S. Senate Committee on Armed Services on Friday, July 20, 1973 at 10 a.m. in opposition to the appointment of Mr. William E. Colby as the Director of the Central Intelligence Agency:

I have come to testify against the appointment of Mr. Colby as the Director of the CIA because I have been almost compelled by the voice of my conscience to raise my voice to prevent the confirmation of a man whose activities in Vietnam and whose testimony before this Committee on July 2, 1973 indicate that almost certainly he will continue within the CIA those activities of this intelligence agency which have brought disgrace to the Federal government and to the American people.

On Sunday June 1, 1969 I and seven other Americans talked with William E. Colby in Saigon from 4:30 p.m. to 6:45 p.m. I was in South Vietnam as a member of the privately financed U.S. Study Team on Religious and Political Freedom from May 29 to June 10, 1969. The extensive report of that study team is printed in full in the Congressional Record of June 17, 1969 on page E5018.

When I read that Mr. William Colby had been appointed as the Director of the CIA I reviewed very carefully the notes which I took during and after the two hours that I and my associates spent with Mr. Colby more than four years ago. Mr. Colby at that time was, or course, in charge of the Phoenix Program or CORDS. The precise purpose of the study team of which I was a member was to determine the number of political prisoners and the extent to which, if any, the United States was contributing to the supression of political freedom in South Vietnam.

Mr. Colby did his best to prevent us from acquiring any hard information from him or from his associates. For the first 26 minutes of the interview Mr. Colby explained several obvious matters about South Vietnam all of which were thoroughly known to the eight members of the U.S. study team. Mr. Colby also went out of his way to explain that President Johnson had given him the personal rank of Ambassador when he left the CIA and agreed to run the Phoenix Program for the State Department.

At no time did Mr. Colby even concede the possibility that the pacification program was assisting the government of President Thieu to put in jail all of the political activists who alone could form a political party or a political coalition capable of running a candidate in a genuine election against President Thieu.

Mr. Colby conceded that the number of political prisoners increased as the pacification program became more widespread in South Vietnam. Mr. Colby also conceded that many of the political prisoners did not receive a trial and that many of them remained for months and years in prison merely because of the suspicion of some local official. Mr. Colby stated "I know brutality exists" and added without much proof that "we try to do something about it." He never made clear however what he tried to do about the widespread existence of brutality in prisons,—a phenomenon which I and my associates heard everywhere in South Vietnam.

Mr. Colby offered no assistance whatsoever and in fact professed total ignorance about the "tiger cages" in the prison on Con Son Island. We were unable to discover these dungeons which were eventually discovered a year later by a U.S. Congressional team, members of which almost stumbled by accident upon the existence of these hideous dungeons.

In fact Mr. Colby indicated that he knew little about the conditions in the prisons most of which were built with American money and designed by American engineers. I and the other members of the U.S. Study Team of Political Freedom in South Vietnam felt indignation at the way that Mr. Colby evaded our questions and out talked us as a form of "brush off".

I did not learn until 1971 that during Mr.

Colby's period with the pacification program 20,587 South Vietnamese people were killed! During that same period (1968 to May 1971) 28,978 persons were captured or jailed.

One had the impression of Mr. Colby on that Sunday afternoon in June, 1969 of an individual who would do what he was told, carry out orders as they were given and always seek by misleading or deceptive statements to deny that anything was wrong in the program which he was implementing.

This impression was deepened by a conversation which I had with an American prison official, present during our entire interview with Mr. Colby, who spoke to me as I was leaving Mr. Colby's office. This individual who had come to Saigon from the United States because he was an expert in building prisons had denied in the presence of all of us that there was any brutality against the political prisoners that were literally rounded up by the Phoenix program and herded into prisons. He confessed privately to me, however, as I was leaving that he knew of extensive brutality and he hoped that the U.S. study team would expose it to the entire world. He concluded by stating that he would deny what he had said if I ever attributed it to him!

On the basis of what we saw in South Vietnam the study team recommended that the Nixon Administration and the Congress have a complete investigation of the extent to which American officials in the pacification program have turned over innocent South Vietnamese citizens to military field tribunals, the equivalent of a kangaroo court, and thus have contributed to the disappearance of all political opposition to President Thieu.

The study team predicted that the total number of political prisoners would increase as long as the pacification program continued. This has of course happened so that now there are some 200,000 political prisoners in South Vietnam—a situation which makes it virtually impossible for any political opposition to arise against President Thieu.

Mr. Colby seemed incapable of comprehending the fact that the United States government and particularly the pacification program was making a mockery of the constitution of South Vietnam. He kept insisting that war conditions existed in South Vietnam and that therefore the violations were understandable. Mr. Colby seemed actually unwilling to listen when John Pemberton, the Executive Director of the American Civil Liberties Union and Methodist Bishop James Armstrong, members of the team, pointed out to him that the South Vietnamese Constitution provides:

"Any restriction upon the basic rights of the citizens must be prescribed by law and the time and place within which such a restriction is enforced must be clearly specified. In any event the essence of all basic freedoms cannot be violated."

We found of course other American officials in South Vietnam who were just as insensitive to the complicity of the United States in lawlessness as Mr. Colby appeared to be.

I feel obliged by my convictions and by my conscience to state that a man who displayed the attitudes which Mr. Colby did when he operated the Phoenix program should not be confirmed by the Congress of the United States to be the Director of the CIA.

I want also to raise other questions about the unsatisfactory nature of the testimony which Mr. Colby gave on July 2, 1973 before this committee. I also want to state my shock and indignation that one hour and 40 minutes has been the total time spent, with one Senator present, in hearings on the crucial question of who will be the next Director of the CIA. This is the agency which has brought disgrace to itself by its involvement with the ITT in Chile, shock and anger to everyone by its involvement in the bugging of the office of the psychiatrist of Dr. Daniel Ellsberg and universal horror by its involvement in the Watergate scandal.

I also want to express my protest that the Senate Committee on Armed Services has given a totally inadequate explanation of why it held the one hearing on Mr. Colby on July 2 when the Congress was not in session. The only explanation is the words of the chairman who opened the hearing by stating: "We regret that most of the members are absent because of the recess but in as much as Director Schlesinger has now become Secretary of Defense we thought it would be advisable to have Mr. Colby here at the earliest opportunity in order to consider his confirmation as the new Director of the CIA." I personally would hope that the chairman would send a personal letter to every single member of the House and of the Senate inviting them to testify if they so desire about the nature and the future of the CIA.

The chairman of this committee also stated in his opening remarks that the hearing on Mr. Colby will "also review a number of policies relating to the CIA itself". The chairman went on to note that "we are going to take this opportunity to try to get a better understanding for ourselves and for the people as to just what the CIA is and what it is supposed to do."

I want to state, with all due respect, that it has been the Senate Armed Services Committee which, more than any other agency in Congress, has prevented the Congress and the people of this country from knowing anything about the CIA. In the last two decades more than 200 bills aimed at making the CIA accountable to Congress have been introduced. None has been enacted. The most recent attempt to make the CIA accountable came on July 17, 1972 when the Senate Foreign Relations Committee reported out a bill requiring the CIA to submit regular reports to Congressional committees. That bill died in the Senate Armed Services Committee.

In all candor, Mr. Chairman, the record of the Senate with regard to oversight of the CIA has been disgraceful. On November 23, 1971 Senator John Stennis and Senator Allen Ellender—then the Chairmen of the Armed Services and the Appropriations Committee as well as of their CIA oversight Subcommittee, said that they knew nothing about the CIA-financed war in Laos, surely CIA's biggest operation (Congressional Record, vol. 117, pt. 33, pp. 42923–32).

I hope therefore that these hearings which, as the chairman has noted, are designed to bring about a "better understanding for ourselves and for the people" (and I underline for the people!) will remain open as long as any member of the Congress desires to address himself to this question.

I congratulate the chairman for having an open hearing for the first time on the confirmation of a director since the CIA was established in 1947.

I find the testimony of Mr. Colby very ambiguous, equivocal and unsatisfactory. His justification of the Phoenix program added little to the unsatisfactory evidence which he gave on that matter before the Senate and House Congressional committees in 1970 and 1971. He made absolutely no response then or on July 2, 1973 to the vehement criticisms made of the basic injustices in that program of which he was practically the architect.

No where has Mr. Colby responded to the criticism that he and the Phoenix program have brought about the virtual dictatorship of President Thieu because the United States has put all of the potential political opponents of President Thieu in jail! Mr. Colby stated on July 2 (on page 15) that he directed any Americans in South Vietnam to report any illegal abuses to higher authority. Mr. Colby states that he did receive some reports of misbehavior, that he took them up with the South Vietnamese government and that he "saw action taken against the individual doing it". This may have been in some individual cases but the awful fact remains that Mr. Colby presided over a pattern of total lawlessness and absolute violation of the basic and fundamental norms of constitutional government in South Vietnam during the entire life of the Phoenix program.

I and my associates told this to Mr. Colby on June 1, 1969 in Saigon. He states in his testimony on July 2, 1973 that it was not until 1971 that a South Vietnamese citizen was able to receive a copy of the charges made against him and to have a hearing on those charges at which he could actually appear.

I do not want to have a director of the CIA who for whatever reason by his own admission was unable or unwilling to guarantee to South Vietnamese citizens the basic provisions of due process.

Mr. Chairman, I wish to set forth another reason why in my judgment the confirmation of Mr. Colby should be postponed. On July 2, 1973 Mr. Colby was asked by the chairman if he would allow members of the Congress to "see at least the general amount which is spent for intelligence functions annually". Mr. Colby answered by stating "I would propose to leave that question, Mr. Chairman, in the hands of the Congress to decide".

In response to a similar question as to whether the Congress should be able to decide on the budget for the intelligence community each year as for all other Federal agencies Mr. Colby responded: "That would be up to the Congress again, Mr. Chairman."

As a member of Congress I want to assert in the clearest and most vigorous way available to me that I think that the Congress should take Mr. Colby at his word and decide right now that the Congress has a right and a duty to know what money is spent by the CIA and how it is spent. Mr. Colby has made no objection and the least that the Congress could do if it is to confirm Mr. Colby is to assert the right which Mr. Colby has conceded is that of the Congress; namely the right to set the budget each year for the CIA just as it does for every other agency of the Federal government.

If Mr. Colby is confirmed and the CIA continues to become involved in activities which bring disgrace to it and shame to the American people the citizens of this nation can blame the Congress and the Congress alone. At this particular time of substantial change in our foreign policy it would be reckless and irresponsible for the Congress to refuse to take Mr. Colby at his word and to decline to say that from this day forward the Congress will, as Mr. Colby concedes it can, establish the budget of the CIA.

I object to Mr. Colby's confirmation because in the testimony on July 2 he made no firm commitment that the CIA under his direction would not become involved in another operation such as the CIA conducted in Laos. Mr. Colby only stated that "it is very unlikely that we will be involved in such an activity". Mr. Colby, furthermore, does not want the Congress to change the 1947 act that created the CIA. Mr. Colby conceded that the adventure in Laos "undoubtedly went beyond what Congress intended" when it stated that the CIA should perform other functions as designated by the National Security Council. Even so Mr. Colby felt that the 1947 act should not be changed "because I think that the agency might be fettered in some respects which would be of importance to the United States. . . ."

Mr. Colby is also less than clear or satisfactory when he states that he would not preclude the CIA from assisting other Federal agencies even though the CIA should restrict all of its activities to foreign intelligence operations. Mr. Colby says, for ex-

ample, that he can "envisage a situation in which it would be appropriate for the agency to help not Mr. Howard Hunt but a White House official to meet somebody without coming to public notice". Similarly Mr. Colby approves of a secret FBI–CIA arrangement by which both of these agencies agree to help each other. Mr. Chairman, as a member of the House Judiciary Committee with direct oversight of the Department of Justice and the FBI I feel that I have a right to see that document and to question those who wrote it and those who operate by it. On page 56 of his testimony Mr. Colby states that he has not had a chance to review this matter in detail. I feel strongly that the Congress of the United States should review the agreement between the CIA and the FBI which, Mr. Colby tells us, was "drawn up some years ago".

I feel, Mr. Chairman, that the time has long since passed when the Congress of the United States should review completely and openly the nature and purpose of the CIA. It is frightening to me to consider the implications of one of Mr. Colby's statements on July 2. On page 64 he states that "certain structures are necessary in this country (America) to give our people abroad perhaps a reason for operating abroad in some respects so that they can appear not as CIA employees but as representatives of some other entity. . . ." If the American people and the Congress are going to finance James Bond types like Mr. Colby suggests I think that the elected members of the Congress have a right to know about it. Up to now the CIA has pretended that they inform a handful of members of the House Appropriations Committee and a few members of the Senate Armed Services Committee. That is not informing the Congress. That is cheating me as a member of the Congress and the people that I represent of the knowledge and the information to which the citizens of this country are entitled.

Mr. Chairman, the CIA for the first time in the history of this nation has introduced a secret agency into our government. It may have been necessary in 1947. You, Mr. Chairman, stated on July 2 that "everybody realizes the way the world is today we need an agency like the Central Intelligence Agency." That is your conviction honestly arrived at but I as a member of Congress also have the right to have the basic information so that I can make some judgment as to whether we do in fact need a CIA today.

The senior members of the House and of the Senate have conspired to prevent the younger members of the House and of the Senate knowing anything about the CIA. I think that the younger members of the House and of the Senate have a right to resent that type of treatment. Their constituents also have a right to deplore the arrogance of senior members of Congress alleging or pretending that the CIA has adequately informed them of the budget and the activities of the CIA.

Mr. Chairman, Mr. Colby would not even disclose on July 2 the nature and the makeup of the so-called 40 Committee, a secret group accountable to the National Security Council. Dr. Kissinger is the chairman of the 40 Committee. Is it not incongruous that the Senate has the right to confirm the appointment of Mr. Colby, the Director of the CIA, but has no right to confirm Dr. Kissinger or even to compel him to come and testify? Similarly the Congress knows virtually nothing of the super-secret clandestine 40 Committee—a group which over the past 10 years or more has involved this nation, without its advice or consent, in ill-advised wars, known and unknown, all around the world.

Mr. Chairman, Mr. Colby has done "intelligence" work for most of his adult life. He believes in the apparatus set up by the 40 Committee. He believed in the Phoenix program in South Vietnam. He believes in sending American citizens to other nations who will pretend that they are not employees of the CIA.

Mr. Chairman, I hope fervently that the world of secrecy in government that created all of these horrendous things in which Mr. Colby has been involved for so many years is coming to an end.

I would therefore urgently plead that the confirmation of Mr. Colby be delayed until the members of Congress can review the National Security Act of 1947, can question Mr. Colby extensively, can establish Congressional review of the budget of the CIA and, in short, raise and resolve this basic question: Does the United States in 1973 want or need a clandestine CIA headed by an individual who carried out the most despicable part of the war which most Americans feel was the greatest mistake the United States ever made?

FARMERS HOME ADMINISTRATION CUTS STAFF IN NEW MEXICO BY ALMOST 40 PERCENT

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

Mr. RUNNELS. Mr. Speaker, the Farmers Home Administration seeks to reduce its staff in New Mexico from 83 employees to 51 employees, a reduction of almost 40 percent.

It is possible that Frank B. Elliott, the Acting Director of FHA, is carrying out these actions unlawfully. It is certain that these actions will adversely affect many people in New Mexico.

I have written to Secretary Butz protesting these actions. I think some of my colleagues will be interested in my letter. It reads as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 17, 1973.

Hon. EARL L. BUTZ,
Secretary, Department of Agriculture, Washington, D.C.

DEAR SECRETARY BUTZ: I write to express my deep concern about proposed Farmers Home Administration staff cuts in New Mexico.

I have been informed that the Farmers Home Administration seeks to reduce its staff in New Mexico from 83 employees to 51, a reduction of almost 40%. Similar reductions to a somewhat lesser degree are being made in other Western states. I seek a full explanation of the reduction, and in particular, the discrepancy between nationwide staff reductions and the reduction for New Mexico.

To clarify the point, I refer to page 150 of Part 3 of the FY 1974 Hearings before the Agriculture-Environmental and Consumer Protection Subcommittee of the House Appropriations Committee. Mr. Darrell Dunn, the Associate Administrator of Farmers Home Administration, stated:

"The full-time permanent employment ceiling for Farmers Home Administration is being reduced by 747 employees between July 1, 1973, and June 30, 1974. This is in keeping with the reduction in number of loans to be made by field offices and, therefore, will be made in field offices."

On the same page, it is stated that there are 6,718 field employees. Thus, a 747-person cut would represent an 11% reduction of all field employees. This is in comparison to the proposed 38.6% staff cut for the State of New Mexico.

Furthermore, this is in the face of a Farmers Home Administration budget for this year that will be approximately the same last year. There is no budget cut, or loss of funding to explain F.H.A. actions. The Budget Office for the Farmers Home Administration told me that last year F.H.A. worked from a budget of around four billion dollars. Although the Appropriation Bill funding F.H.A. has not yet passed Congress, we are aware that the Senate has approved a measure calling for four and one-third billion dollars for the coming year and the House bill provides approximately three and one-half billion dollars. It is clear that a compromise bill will be worked out in conference that will provide essentially the same funding for Farmers Home Administration programs as last year.

In addition, Frank B. Elliott, the Acting Administrator of Farmers Home Administration, may be carrying out these actions unlawfully. It can be contended that the failure of the President to nominate Mr. Elliott and to submit his name to the Senate for confirmation means that he has been acting unlawfully and illegally in his role as Administrator of the Farmers Home Administration. The issues involved in this case closely parallel the issues in *William et al v. Phillips*.

On June 11, 1973 in the United States District Court for the District of Columbia, four United States Senators filed suit against the "acting" director of the O.E.O., Howard Phillips, seeking an injunction to enjoin him from taking any action as Acting Director of the Office of Economic Opportunity. Judge Jones' court held that Phillips was serving unlawfully and illegally in his position as acting director of the O.E.O. in that he has not been appointed Director by the President and confirmed by the Senate as required by the authorizing statute. *William et al. v. Phillips*.

The Consolidated Farmers Home Administration Act of 1961, the substantive legislation creating the Farmers Home Administration, requires the F.H.A. "to be headed by an Administrator, appointed by the President, by and with the advice and consent of the Senate." 7 U.S.C. § 1981.

Furthermore, there are no provisions in the legislation vesting a temporary power of appointment in the President, and therefore, the constitutional process of nomination and Senate confirmation must be followed. Article II, section 2 of the United States Constitution provides that the President "shall nominate, and by and with the Advice and Consent of the Senate, shall appoint . . . all other officers of the United States."

Under the Vacancies Act of 1868, 5 U.S.C. § 3345–49, the President is authorized to fill vacancies. However, the Act limits the term of appointments under it to 30 days. U.S.C. § 3348. Therefore, Mr. Elliott has been serving unlawfully in office since April 19, 1973, 30 days after his March 20, 1973 appointment as Acting Administrator.

The court in *Williams et al. v. Phillips* wrote, "A Presidential power to appoint officers temporarily in the face of statutes requiring their appointment to be confirmed by the Senate, would avoid the nomination and confirmation process of officers in its entirety."

On June 22, 1973, the United States Court of Appeals for the District of Columbia Circuit entered an Order refusing to stay the June 11, 1973 decision in *Williams et al. v. Phillips* that declared Phillips was serving illegally as Acting Director of the O.E.O. and enjoining him from taking any action as Acting Director.

The Farmers Home Administration proposal that would reduce the F.H.A. staff in New Mexico by almost 40% could be unlawful in that Mr. Elliott has not been nominated by the President nor confirmed by the Senate for the position of Administrator in compliance with Constitutional and statutory requirements.

I am sure you are well aware of the im-

portance of the Farmers Home Administration to the people of New Mexico and the proposed reduction would be a severe blow to my state.

New Mexico is overwhelmingly rural with only 8.4 people per square mile. Because of its size, 121,412 square miles, and its divergent, rural population, the need for the services of F.H.A. is particularly acute. I am greatly concerned about this matter and hope that the Farmers Home Administration will reassess its position because it is clearly inequitable and unwise in light of the needs of the people of New Mexico.

Sincerely,

HAROLD RUNNELS,
Member of Congress.

PHASE IV

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

Mr. WOLFF. Mr. Speaker, yesterday, the administration gave us phase IV. Their answer to stemming inflation seems to be a severe, long-term economic recession. In short, that is where phase IV will lead us, down the path to recession, certainly the least desirable method one can think of for controlling an inflationary economy. The gist of phase IV is that the administration is not going to rely on tough economic controls to stop inflation, but will wait for the economy to slow down on its own; in the meantime, the American consumer continues to have to battle the war of inflation on his own.

Phase IV cannot hope to "stabilize the economy, reduce inflation, and minimize unemployment," as the administration claims, while it ignores the need to control the basic commodities of life. The President has lifted the freeze on foods and admits that we will again experience, and continue to feel, a "bulge" in food costs. Instead of imposing a freeze on food prices at every level, on the farm as well as on the supermarket shelves, which really would have been a "tough" effective program of controls, they are instead demanding that the American consumer continue to absorb the increases passed on from farmer to processor. I shudder to think of the food prices that will face us in the fall when the ceiling on beef will be lifted as well. It is unconscionable that the administration, which was largely responsible for the exorbitant increase in food prices to begin with, through such disastrous policies as the Russian wheat deal, phase III, and continuing farm subsidies programs cannot now take a strong stance to repair the economic damage it created.

Phase IV will also exempt from controls public utility rates, rents, and interest rates. With the existent housing shortage, where does the administration expect people to live when they cannot afford ever-increasing rents or the costs of utilities, and cannot borrow at reasonable rates money needed to buy a home even if they could find one? Precisely because a housing shortage exists, more and more Americans are turning to apartment living as their only alternative. With the absence of rent controls in phase III, however, even this alternative has become a burden. It is deplorable that after seeing rapidly rising rents imposed on tenants during phase III, the administration has not seen fit to reinstate a program of rent controls in phase IV. The administration's economic policies are literally eating Americans out of house and home.

Public utilities is another sore spot. Not only does their exemption from controls affect the cost of basic necessities like heating, light, and hot water, but areas of transportation as well. The Long Island Railroad in my district, for instance, is considered by the Cost of Living Council to be in the category of a public utility. New Yorkers have already been taxed to the extreme by strikes and fare hikes, and it is patently unfair to them that further increases will be allowed without controls of any kind. I might also add that this is a sure way to aggravate the unemployment problem—let rates go up and you cut down on the mobility of people to get to jobs or consider the possibility of new job opportunities.

Of course, the average American, just like he did in phase II, III, and 3½ will tighten his belt and make do while the administration makes one more stab at achieving price stability. The point is, though, that one would think by this time the administration would realize the futility of half-measure economic controls and the full measure of awaiting an economic recession to slow things down. The President simply must admit, to himself and to the American people, that for this year at least, he will not be able to achieve the goal of an "uncontrolled economy"; the Congress has given him broad authority to control inflation; it is time he exercised that authority to its fullest extent.

WILL INVESTIGATE STATE DEPARTMENT'S FAILURE TO PROVIDE PROMPTLY COMPLETE OR ACCURATE INFORMATION ON PIPELINE

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

Mr. MELCHER. Mr. Speaker, the State Department's inexcusable delays in providing the Subcommitte on Public Lands with accurate and complete replies to my questions concerning a trans-Canadian pipeline make it necessary to call upon Secretary of State Rogers to explain the charges made by opponents of the all-Alaska line valid information available to his Department from Canadian Government officials was deliberately withheld and delayed in transmittal to this subcommittee.

From information provided me by State Department official Marshall Wright in letters dated June 22, June 27, July 6, July 16, and July 17—which have all or are being made part of the subcommittee's record and provided for the CONGRESSIONAL RECORD—I understand that while no application is pending in Canada for an oil or gas pipeline, that if one were received from an oil company or a group of oil companies, the application would begin to be processed sometime later this year.

The Canadian Government had no detailed information on what might be the environmental damage in Canada if a pipeline was built.

The Canadian Government does not feel that the Canadian native claims would be a deterrent to processing such an application.

The procedure for processing such an application would require approximately 2 years for various Canadian Government and Provincial Government actions.

This amount of time—2 years—is not the total time necessary for Canadian governmental sanction of the permit because of the lack of solid and detailed environmental study by government officials.

The Canadian Government is not maintaining that the private study made by the Mackenzie Valley group would be adequate upon which to make an environmental judgment, but it would have to be augmented by further study which would not be undertaken until an application for a pipeline, either oil or gas, is made.

Finally, it is my understanding that the Canadian Government is not in the position to say definitely if and when a trans-Canadian pipeline could be built, but they would discourage concurrent construction of an oil and gas pipeline and would want a 3-year space between either one to stretch out the economic benefits that construction of such pipelines would bring to Canada.

The point on which the State Department delayed supplying this committee with the Canadian Government position was whether or not Canada would insist on 51 percent ownership of a gas or oil pipeline built across Canada. While it had been stated previously that majority ownership by Canadians of such a pipeline would be required and that at least half of the oil flow would need to be their own oil, the Canadian Government this month asserts that such requirement need not be the case.

In conclusion, the time lag between the trans-Alaskan pipeline and a pipeline in Canada, based on information supplied us, would be 3 years or more and even that must be conditioned upon two happenings: First, an application would have to be filed by an oil company or a consortium of oil companies to build along a specific trans-Canadian route. Second, before approval of such an application by the Canadian Government it would be necessary for a thorough study of the proposed route as acceptable on environmental conditions which are yet to be studied, evaluated, and determined.

There is no certainty that the Canadian Government would approve such an application. But, as evidenced by their clearly stated interest in the economic advantages of such a pipeline or pipelines, they are interested.

Yet, there is another consideration also in regard to the trans-Canadian route. That is the lack of study of the Alaskan portion of such a route. This would need to be done to prepare an

environmental impact statement for the route if such an application were filed.

The Canadian Government's statement that Canadian natives claims need not be settled before a pipeline could transverse the lands claimed by natives is disputed. Congressman MEEDS has summarized those disputes and a copy of his summary is in the committee record.

I am deeply concerned by the State Department's withholding or delaying information about the Canadian position which I sought for the subcommittee. We are going to look into it promptly.

While I am sympathetic to the Canadian route and would prefer it, if it could be built now the fact remains that it will take years longer to build a trans-Canada pipeline than a trans-Alaska line.

My letter of July 16 to the State Department follows and their letters of that date and the following are also presented here for the House's understanding:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 16, 1973.

Hon. WILLIAM P. ROGERS,
Secretary, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I am enclosing a letter I have received from three environmental groups in which they made very serious charges that the State Department did not accurately represent the Canadian position on a Mackenzie Valley pipeline, in some important respects, in your Department's June 22 and June 27 communications to me on the subject.

The charge is contained in the fourth paragraph of the letter. Subsequent material deals with specifics.

There is attached to the letter a document which is represented to originate from Canada which repeats the statement that Canada would not require majority ownership of a "land bridge" pipeline.

The Canadian position on throughput is allegedly stated in the first paragraph on Page 5.

The Subcommittee is now marking up the pipeline bill. I would appreciate the earliest possible statement from the Department as to the accuracy of the charges in the letter, the claim that is made that the Canadian position as reported in the letter sent me by the Wilderness Society, the Friends of the Earth and the Environmental Defense Fund.

Sincerely,

JOHN MELCHER.

DEPARTMENT OF STATE,
Washington, D.C., July 16, 1973.

Hon. JOHN MELCHER,
Chairman, Subcommittee on Public Lands, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: On July 7 I sent you detailed written responses to questions posed by our Embassy in Ottawa to Canadian officials on a possible Canadian alternative to the proposed Trans-Alaska oil pipeline route.

We have just today received from our Embassy in Ottawa a revision which the Canadian Government wishes to make in its earlier answer to the question on pipeline ownership and control which appeared at the bottom of page 2 of the report attached to my letter of July 7.

Sincerely,

MARSHALL WRIGHT,
Assistant Secretary for Congressional Relations.

QUESTIONS AND ANSWERS

Q. What is the Canadian Government position likely to be with regard to ownership and control?

A. Speaking to this point in connection with a gas pipeline in the House of Commons on May 22, 1973, Minister Macdonald said:

"Mr. Speaker, I have indicated that the objective of the government would be to give an opportunity to Canadians to acquire 51% ownership in any such pipeline and the expectation that it would remain under Canadian control."

In connection with an oil pipeline which might take US oil to US markets using Canada as a "land bridge", it would not be its policy to require majority Canadian ownership. However, as Canadian oil becomes available it would be expected that the pipeline would be expanded to accept such oil.

In addition, all interprovincial and international pipelines are under National Energy Board control.

DEPARTMENT OF STATE,
Washington, D.C., July 17, 1973.

Hon. JOHN MELCHER,
Chairman, Subcommittee on Public Lands Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Department has received your letter of July 16 which in turn enclosed correspondence from three environmental groups in which it is charged that the Department did not accurately represent the Canadian position on a possible Mackenzie Valley pipeline in its communications with you.

The allegations, I believe, are based on misinformation, and I wish to assure you that the Department has sought to be thorough, accurate, and prompt in providing you with its reports on the views of the Canadian Government in this matter.

Upon receipt of your letter we have reviewed the Department's records and trust you will find the following information reassuring in this regard. The facts are as set forth below.

Late on the afternoon of July 5 the Department received from the American Embassy in Ottawa the texts of responses given the Embassy by the Canadian Government to questions the Department had instructed the Embassy to discuss with Canadian authorities.

These responses were being studied in the Department when, on July 6, the Canadian Embassy in Washington asked the Department to forward them to the appropriate committees of the Congress. During the discussion it became clear that the response to one of the questions, as supplied our Embassy in Ottawa by the Canadian Government, was different from the version the Canadian Government had supplied its own Embassy in Washington.

On the afternoon of July 6 the Department checked by telephone with our Embassy in Ottawa to make certain that there had not been a clerical error and confirmed that we had the version actually provided the Embassy by the Canadian Government. Subsequently the same day, the Department informed the Canadian Embassy in Washington that it was transmitting this text to the appropriate committees of the Congress. The Department also suggested to the Canadian Embassy that if the Canadian Government wished to revise the answer to one of the questions it should promptly inform our Embassy in Ottawa. At the same time we alerted our Embassy in Ottawa that it might be approached by the Canadian Government with a revised version and we instructed the Embassy to report the details promptly if such an approach were made.

On the morning of July 7 the Department forwarded to the Congress the version of the responses which had been given to the Embassy in Ottawa.

Having heard nothing further on the matter from our Embassy in Ottawa, the Department checked by telephone on July 16 and was informed that indeed a revised version of the answer to one question had been given to the Embassy, under cover of a letter dated July 10, and that it was enroute to the Department by diplomatic pouch. Because of the urgency of the matter, the Department had the revised version dictated over the telephone. We supplied the text of the new version to your office late that afternoon, July 16, under cover of a letter which apparently crossed with your letter of the same date to which I am now responding.

In short, we believe we have promptly and accurately conveyed to the Congress all the information supplied us by the Canadian Government. If you require anything further, however, please do not hesitate to let me know.

Sincerely,

MARSHALL WRIGHT,
Assistant Secretary for Congressional Relations.

LEGISLATION TO REQUIRE FULL AUDITS OF IRS, FEDERAL RESERVE SYSTEM, COMPTROLLER OF THE CURRENCY, AND OFFICE OF ALIEN PROPERTY

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

Mr. GIBBONS. Mr. Speaker, it has come to my attention that there are a number of agencies of the Federal Government that are not now subject to a complete audit by the General Accounting Office. I have therefore introduced H.R. 9285 to require the General Accounting Office to conduct complete audits of the Internal Revenue Service—which is now subject only to a partial audit—the Federal Reserve System, the Comptroller of the Currency, and the Office of Alien Property.

A study by the Banking and Currency Committee showed that the Internal Revenue Service with a budget of $945,983,000 had the highest expenditures of an unaudited agency, followed by the Federal Reserve System with the second highest of more than $300,000,000.

I make no accusation that the expenditures of the unaudited agencies are wrong, but I feel that these governmental agencies should be accountable to the public and Congress as other Federal agencies are.

A copy of H.R. 9285 follows:

H.R. 9285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 117 of the Accounting and Auditing Act of 1950 (31 U.S.C. 67) is amended by adding at the end thereof the following new subsection:

"(d)(1) The Comptroller General shall make, under such rules and regulations as he shall prescribe, an audit for each fiscal year of the Federal Reserve Board and the Federal Reserve banks and their branches, the Internal Revenue Service, the Comptroller of the Currency, and the Office of Alien Property.

"(2) In making the audit required by paragraph (1) of this subsection, representa-

tives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the entities being audited, including reports of examinations of member banks of the Federal Reserve System, and they shall be afforded full facilities for verifying transactions with balances or securities held by depositaries, fiscal agents, and custodians of the Federal Reserve Board and the Federal Reserve banks and their branches.

"(3) The Comptroller General shall, at the end of six months after the end of the year, or as soon thereafter as may be practicable, make a report to the Congress on the results of the audit required by paragraph (1) of this subsection, and he shall make any special or preliminary reports he deems desirable for the information of the Congress.".

A RESPONSE TO MOBIL OIL CORP.'S VIEWS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 5 minutes.

Mr. TIERNAN. Mr. Speaker, Mobil Oil Corp. has recently placed in newspapers around the country, an open letter to each Member of Congress on the subject of the energy shortage. In the interest of an open debate on the critical issue, I would like to respond to their views.

Oil companies have long exerted undue influence in the halls of government and the present public relations campaign represents another step in the historical pattern of attempting to manipulate Government policy in their own self-interest. The giant vertically integrated oligopolistic oil companies find themselves in a dilemma. The gasoline shortage has proved enormously profitable—the earnings of the five largest oil companies have leaped more than 25 percent in the last year. At the same time, they find themselves increasingly the subject of court suits and investigations with regard to violations of the antitrust laws. The State of Florida recently brought a suit against six major oil companies asking that the court order divestiture of their crude oil operations. At the same time, a Federal grand jury in Los Angeles has subpenaed the major oil companies' pricing, supply, and marketing files as a part of their investigation. Additionally, the Federal Trade Commission is undertaking antitrust action against the major oil companies in an attempt to force divestiture of one or more of their integrated operations—crude oil production, transportation, refining, and marketing.

This is an alarming development from the oil companies' point of view. Their operations are not inherently profitable. The independent companies which are presently being forced out of the market have demonstrated a capacity to operate much more efficiently—and hence profitably—than the major companies. The giant conglomerates are immensely profitable because their integrated operations allow them to manipulate the tax laws to their own advantage. This is false profit, resulting not from efficient operation, but from political power which allows self-aggrandizement at the expense of consumers and taxpayers.

The advertisements to which I refer characterize allegations by responsible public officials and private citizens that oil companies have either caused the current energy shortage or at the very least manipulated it to their own advantage as "absolute nonsense, totally unsupportable charges and outright lies being spread around by a variety of people."

This is the oil companies side of the story, one in which they have a substantial economic interest. Another side was recently provided by the Federal Trade Commission in a report to Senate Interior Commitee Chairman HENRY JACKSON. Following is a summary of the report's major points:

First, the oil companies' claim that inadequate refinery capacity is due to environmental constraints and the uncertainty surrounding the Alaskan Pipeline is unsatisfactory as an explanation of the shortage. The report points out that once the oil companies decided refinery construction was sufficiently lucrative, "environmental constraints" were no longer a limiting factor;

Second, "the major integrated oil companies are, however, taking advantage of the present shortage to drive the only viable long-term source of price competition out of the market."

Third, "the major firms seek to consolidate market power by various exclusionary tactics. An elaborate system of devices to deny independents access to product has been erected. The resulting system endangers existing independents, makes new entry difficult or impossible, and yields serious economic losses to American consumers."

Fourth, independent marketers have been exceptionally innovative in their marketing styles. Therefore, in restricting their access to gasoline, the majors have created major misallocations of resources. This is particularly true in view of the majors' failure to innovate and meaningfully compete among themselves at the retail level. In fact, it appears that the majors have tacitly agreed not to compete with respect to retail prices.

The oil companies' version of truth is remarkably different from that of the independent investigator, the FTC, which found that the major oil companies have used their market power to exploit consumers and drive their competition out of the market.

Mobil's assertion that "political decisions have produced the shortage," is in part correct. But these political decisions were the direct result of oil company pressure. Having lobbied intensively for years on behalf of the oil import quota system, whose only purpose was to artificially inflate the domestic producers' profits, the oil companies now do an about face and blame the current shortage on past Government policies.

Government policies of the past have been ill-advised precisely because they were designed to benefit the oil companies. A good example of this perversion of public power to private ends is the oil depletion allowance and other so-called tax incentives for oil production. The oil depletion allowance permits an oil company to subtract from its gross income before taxes an amount equal to 22 percent of its revenues from crude production. The most direct effect of this subsidy is that oil companies pay taxes at a ridiculously low rate. For 1969 and 1970 the tax rates of some major oil companies were:

[In percent]

	1969	1970
Standard (Indiana)	15.6	13.4
Texaco	.8	8.0
Shell	1.6	11.2
Standard (California)	5.1	16.0
Mobil	7.2	16.8
Gulf	.6	1.9
ARCO	1.8	5.0

By way of comparison the average effective tax rate for all corporations during this period was 37 percent.

That the major oil companies should receive such favorable treatment from Government is bad enough. But this is not all. The oil depletion allowances emerges also as the means by which major oil companies maintain a stranglehold on the market. Since the transportation, refining, and marketing aspects of their operations do not enjoy the same tax status as crude production under the depletion allowance, the oil companies have an incentive to raise crude oil prices at the expense of refinery and marketing profits. For the integrated firm, artificially-raised crude oil prices allow substantial tax benefits and no liabilities for the company as a whole. The refinery and marketing operations are subsidized from the windfall profits of the crude production operation. But for the independent oil company, these artificially-high crude oil prices present a nearly insurmountable barrier. Crude oil supplies are monopolized by the major companies. The top 20 integrated firms control 94 percent of domestic crude reserves. Consequently, the independent refiner, with little or no independent access to crude supplies, must pay a prohibitively high price for crude oil so that effective competition is impossible.

The oil depletion allowance amounts to a unique "double duty" government policy designed to protect the major oil companies. At one and the same time, it provides windfall profits for the integrated oligopolists and removes the possibility of any meaningful competition. Once again the oil companies win while consumers and taxpayers lose.

In the oil depletion allowance, there is also an explanation of the present shortage of refinery capacity. Because of the artificially high crude prices at the expense of refinery profits which it produces, there is no incentive for either the major companies or the independent firms to build new refineries.

In my view, the foregoing suggests the most plausible relationship of the oil companies to the present petroleum shortage. It is not so much that the major companies "caused" the shortage as that they saw it coming and allowed it to happen because it was not in their economic self-interest to do otherwise. As Mobil correctly points out, it is the growth of demand, rather than an absolute de-

cline in supply that has caused the shortage. In this situation, all the major oil companies had to do was refrain from building new refinery capacity in time to meet the increased demand. And, as I have shown, the oil depletion allowance made the construction of new refineries unattractive anyway. Additionally, the increasing concern over environmental degradation provided a convenient scapegoat for the oil companies to use in masking the real causes of the shortage of refinery capacity.

Circumstances, however, are changing. Oil producing nations are demanding larger roles in crude oil production within their boundaries and higher prices for their scarce resource. This trend, coupled with President Nixon's belated decision to abolish the oil import quota system, has put a pinch on the majors' profit margin from crude production, causing them to put greater emphasis on refining and marketing operations. In these changed circumstances, the companies have been able to proceed quite expeditiously with plans for the construction of new refineries.

I would not want to leave the impression that the major oil companies are solely responsible for the current energy crisis. Certainly the profligate use of energy by the United States during the past half century was insane and could not have continued in any case. A nation with only 7 percent of the world's population cannot consume 33 percent of its energy and still be a responsible global citizen, economically and ecologically.

Therefore, Mobil is to be highly commended for their recent advertising campaign promoting energy conservation and their avowed intention "to try to elicit from you and your constituents a national effort, such as our country has not seen since World War II, to use wisely the energy resources available to us and to establish new policies to alleviate energy problems in the years just ahead." But I think it is wise to remember that the interests of the Nation will not always coincide with those of the major oil companies.

In many cases the public interest is in harmony with the proposals of oil companies, and in these cases they should be vigorously supported. Mobil mentions both the Alaskan pipeline and the need for a "superport" both of which I support with some reservations. The two million barrels of oil which will flow through the Alaskan pipeline daily are desperately needed. However this should not require total neglect of environmental protection. When the House of Representatives acts on the pipeline bill, I intend to offer an amendment which would establish a trust fund in the Department of Interior financed by a per barrel levy on North Slope oil, which would cover the cost of cleanup resulting from environmental damage caused by the pipeline, should the pipeline company prove unable or unwilling to do so.

Similar safeguards should be adopted with respect to any plan for the construction of a "superport."

MR. BURKE OF MASSACHUSETTS' AMENDMENT DEFEATED—WOULD HAVE PROVIDED SEEDS AND PLANTS

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

Mr. BURKE of Massachusetts. Mr. Speaker, I just wish to take a few minutes of my time to explain to the House the amendment I offered here this afternoon that was defeated by a vote of 151 to 132 on a division vote. The amendment was a permissive amendment that would have authorized the Secretary of Agriculture to supply seeds and plants upon request by families for home gardens throughout the Nation.

I was rather surprised and shocked to see the 151 Members of the Congress who stood up against this bill, because today we are facing a real shortage in food products, and food prices are rising to astronomical heights. In fact, it is not beyond the possibility that within a year the families of this Nation will be paying as high as $1 a head for lettuce or as high as $1 for a pound of onions.

This amendment of mine would have just allowed this great and affluent Nation of ours to authorize the Secretary of Agriculture to provide seeds upon request to people throughout the country, and particularly in the urban areas.

I remember when I was a little boy the Department of Agriculture supplied seeds to the persons in the teeming tenement districts of this Nation. I remember during those days, because they were difficult days, there were many families that never had any fresh vegetables to eat other than what they could grow in a little plot of land in their back yard.

Yes, during World War I the victory gardens were very successful. During World War II they were successful. If we could get a back-to-the-soil movement in this country, it would be a good thing for the families, it would be a good thing for the youngsters to go out in the city areas of this country where they have maybe 50 square feet of land or 100 square feet of land and learn about the soil and learn about plants and learn about seeds which are planted and see the fruits of their efforts.

But, no, this Congress of ours turned a deaf ear to that. They turned it down at a time when we are facing the highest prices in the history of the Nation.

The President's freeze on beef prices alone is not enough. During the next few weeks we are going to see a further escalation of prices of food. I wish some of the Members of this House would take the time to walk into the markets around this country in their own neighborhoods and see the looks upon the faces of the mothers and housewives trying to buy food for their own families. It is an almost impossible task especially for the people living on fixed incomes.

It seems every time we try to do something to help the little people in this country it fails. I regret, Mr. Speaker, that this afternoon 151 Members of this House took the time to oppose this bill that would have provided a whole new healthful activity on the part of the American people living in the urban areas of America.

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

Mr. BURKE of Massachusetts. I am happy to yield to my friend, the gentleman from Pennsylvania.

Mr. SAYLOR. I would like to say to my colleague I think the reason his amendment failed is that he went beyond what has ever been done before and he included plants. I think a number of the people I heard on the floor commented that if it had been limited to seeds alone the gentleman would have had absolutely no difficulty in having his amendment adopted. It is a physical impossibility to raise the plants and send them out. I think that was the one shortcoming the gentleman had in his amendment.

Mr. BURKE of Massachusetts. The motion was permissive. It did not require that the Secretary do it. It was not mandatory for the Secretary to give the plants.

However, the gentleman is incorrect. In 1923 this great Nation of ours supplied not only seeds but plants upon request of the American people.

Mr. SAYLOR. Of course I am not as old as the gentleman and I could not recall anything back that far, but I can remember when the Congressmen all sent out seeds, but I never recall that they sent out plants.

Mr. BURKE of Massachusetts. I want to say this about my youthful colleague, that this would have been a great opportunity for America if the Congressmen had demonstrated their concern about the high prices the American people are facing and particularly in the cost of nourishing foods.

It is a shame when a family cannot get any green vegetables and a shame when an American family has to pay 69 cents for a head of lettuce and a shame when it has to pay as high as 89 cents for a head of lettuce, as they have, and 69 cents for a pound of onions.

What has happened in this great country of ours? Have we lost our heart? Have we lost our concern about the plight of people? Or are we more interested in the big fat cat tycoons of this Nation who enjoy all kinds of tax breaks and benefits, and great corporations who operate internationally who can get a $4 billion tax break on their investment? Everything can be done for them, but when it comes to providing food for the poor family who happens to be struggling, the answer is "No."

Mr. Speaker, as I sat and listened attentively to the debate concerning this important farm legislation, it occurred to me that the advocates of the consumer's interests and the advocates of farming interests found little in the way of middle ground where their respective interests were both equally protected. The net effect of rampant inflation on food prices is unparalleled in our history and behooves us to proceed with every caution when examining any legislation which

will bear substantial weight upon farm controls and food prices for the future. On the other hand, it is important for the economy that the proper rewards and incentives in terms of livable wages be extended to the farmers of this Nation. I wanted to amend this bill then in order that the interests of the small home gardener receive appropriate attention.

The small home gardener is the synthesis of the consumer and the producer. The prospect of the planting of many more small vegetable gardens in urban and suburban areas looms with increasing importance in the face of high food prices and numerous shortages. The small plot gardener, who embodies all the virtues of initiative and self-reliance, will greatly benefit by the authority extended to the Secretary through this amendment. This "back to the soil" amendment has a number of important side effects that will be nationally beneficial. The cultivation of these small plots, whose success during World Wars I and II when they were known as victory gardens was so acclaimed, will instill many suburban and urban dwellers with a much more realistic understanding of the problems and special needs of rural farmers. Furthermore, such small projects as vegetable gardens provide healthy exercise and produce many nutritious varieties of vegetables such as tomatoes, onions, lettuce, carrots, beans, and squash. The "harvest" of these home gardens, small as they might be, would be of special significance in assisting the poorer families in urban areas meet rising prices in the supermarkets.

This amendment would not require elaborate bureaucratic management within the Department of Agriculture and I offered this amendment today with the express desire that its provisions be implemented at once, making the benefits of this program available to all small gardeners for the spring planting season of 1974.

AMBASSADOR G. McMURTRIE GODLEY

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I want to join with many others who have spoken out in expressing my shock, dismay, and horror at the recent action of the Senate Foreign Relations Committee in rejecting the nomination of Ambassador G. McMurtrie Godley to be Assistant Secretary of State for Far Eastern Affairs.

To reject the promotion of a Foreign Service officer on the ground that he has carried out the established policy of his government "with too much enthusiasm" puts the Senate and the Congress in a kind of never-never land. What do we do? Only promote those who sabotage their country's policy? Or only those who drag their feet in carrying out orders?

Was it not this same majority of the Senate committee, or at least most of them, who a couple of decades ago were loudly deploring the permanent damage done to our Foreign Service, especially to those in positions of expertise on Far Eastern matters, by an identical effort on the part of many Senators and Congressmen to "get" foreign service officers who had carried out their assignments conscientiously with respect to the status of the revolutionary movements then underway in China?

If so, how can we deplore such a policy then and enshrine it today? Or is it not so much a matter of procedure as a matter of what policy currently appeals to a majority of the members of the Foreign Relations Committee? And if that be the ultimate standard we are to follow, if indeed the committee rather than the President and the Department of State are to take over the day-to-day operations of our Foreign Service, what happens to the historic separation-of-powers doctrine?

Mr. Speaker, I have known Ambassador Godley for many years. He is a friend of mine and for 12 years was also a constituent. He is one of the brightest, ablest, most energetic, most courageous members of the Foreign Service. He served with great distinction in an extremely difficult and dangerous post as Ambassador to the Congo—now Zaire—a few years ago. From there, without hardly a chance to catch his breath, he was sent to Vientiane to deal with an equally complex and hazardous assignment in Laos.

His only sin, apparently, is that he did his job there successfully and without complaint. After all, Mr. Speaker, we have achieved a cease-fire in Laos and it still seems to be working in contrast to both Vietnam and Cambodia. Second, we have prevented the Communist rebels from taking over control of the entire country. In addition, we have so conducted ourselves in Laos that this shockingly open sieve for North Vietnamese infiltration into South Vietnam was still not able to prevent a reasonably satisfactory settlement of the Vietnamese war.

And this also happened to be our Nation's basic policy. This was the policy that the Congress as a whole—as distinct from a majority of the Committee on Foreign Relations—had overwhelmingly supported. This is the policy that Mac Godley carried out successfully. Do we fault him for these results simply because he "whistled while he worked?"

Mr. Speaker, the people of America owe a debt of gratitude to Mac Godley. That debt has been ill-paid by the ill-tempered action of the Foreign Relations Committee majority. This country has meanly dealt with a brave and courageous public servant, whose continued services to his flag we can ill afford to do without.

I sincerely hope that the Senate will act quickly to right this wrong and will move to confirm the nomination of G. McMurtrie Godley to be Assistant Secretary of State, the views of the Senate Foreign Relations Committee to the contrary notwithstanding.

ANNOUNCEMENT OF HEARINGS ON FLIGHT PAY LEGISLATION

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, earlier I advised the House that on Thursday and Friday, July 26 and July 27 the Military Compensation Subcommittee of the House Armed Services Committee, will commence hearings on the controversial subject of flight pay legislation. The hearings these first 2 days will be devoted exclusively to Members of Congress.

Mr. Speaker, we are all aware that section 715 of Public Law 92–570, the Defense Department appropriation act for fiscal year 1973, terminated, as of May 31 of this year, flight pay for officers in the grade of colonel, or Navy captain, and above, in assignments which do not require the maintenance of basic flying skills. On June 28 of this year the House, in the course of instructing its conferees on H.R. 8537, rejected—by a vote of 238–175—a 6-month extension of the May 31 termination date.

The Defense Department has submitted legislation for a general revision of the flight-pay laws. The Defense proposal is contained in H.R. 8593, introduced by the chairman of our committee, Mr. HÉBERT, and the ranking minority member, Mr. BRAY, on June 12. I hope Members of Congress who testify before our subcommittee on July 26 and July 27 in addition to presenting their general views as to the proper basis for receipt of hazardous-duty pay for aviation duty, will acquaint themselves with H.R. 8593 and address the philosophy and provisions of H.R. 8593 in their testimony.

As an aid to Members on the subject, I am including with this statement the text of H.R. 8593, a sectional analysis of H.R. 8593, and the Speaker's letter of May 17, 1973, from the Department of Defense requesting both the 6-month extension and the permanent legislative changes incorporated in H.R. 8593.

It should be understood that H.R. 8593 was introduced by request and is at this point simply a vehicle on which to commence hearings.

But we also say that it will not be possible to complete further hearings by the subcommittee prior to the congressional recess commencing August 3. However, I would like to announce that the subcommittee will resume its hearings on flight pay promptly when the Congress returns in September and at that time will hear witnesses from the Department of Defense and the individual services as well as such organizational witnesses who wish to testify.

H.R. 8593

A bill to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 301(b) of title 37, United States Code, is amended to read as follows:

"(b) A member who satisfies the requirements for a hazardous duty described in subsection (a)(1) of this section is entitled to monthly incentive pay as follows:

"(1) For an officer in pay grades 0–1 through 0–6 who is qualified under subsection (a)(1) of this section:

"Phase I.—Years of aviation service (including flight training) as an officer

"Monthly rate

$100	2 or less.
$125	Over 2.
$150	Over 3.
$165	Over 4.
$245	Over 6.

"Phase II.—Years of active service as an officer

"Monthly rate

$225	Over 18.
$205	Over 20.
$185	Over 22.
$165	Over 24 but not over 25.

An officer is entitled to the rates in phase I of this table until he has completed 18 years of active service as an officer, after which his entitlement is as prescribed by the rates in phase II, except that an officer does not become entitled to the rates in phase II of this table until he has first completed at least 6 years of aviation service as an officer. An officer in a pay grade above 0–6 is entitled. until he completes 25 years of active service as an officer, to be paid at the rate set forth in this table, except that an officer in pay grade 0–7 may not be paid at a rate greater than $160 a month, and an officer in pay grade 0–8, or above, may not be paid at a rate greater than $165 a month.

"(2) For a warrant officer who is qualified under subsection (a)(1) of this section:

Years of aviation service as an officer

"Monthly rate

$100	2 or less.
$110	Over 2.
$165	Over 6.

"(3) For an enlisted member who is qualified under subsection (a)(1), and a member who is qualified under subsection (a)(2) or (3) of this section:

"COMMISSIONED OFFICERS

"Pay grade	Years of service computed under section 205													
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O–10	$165	$165	$165	$165	$165	$165	$165	$165	$165	$165	$165	$165	$165	$165
O–9	165	165	165	165	165	165	165	165	165	165	165	165	165	165
O–8	155	155	165	165	165	165	165	165	165	165	165	165	165	165
O–7	150	150	160	160	160	160	160	160	160	160	160	160	160	160
O–6	200	200	215	215	215	215	215	215	215	220	245	245	245	245
O–5	190	190	205	205	205	205	205	210	225	230	245	245	245	245
O–4	170	170	185	185	185	195	210	215	220	230	240	240	240	240
O–3	145	145	155	165	180	185	190	200	205	205	205	205	205	205
O–2	115	125	150	150	160	165	170	180	185	185	185	185	185	185
O–1	100	105	135	135	140	145	155	160	170	170	170	170	170	170

"WARRANT OFFICERS

"Pay grade	Years of service computed under section 205													
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
W–4	$115	$115	$115	$115	$120	$125	$135	$145	$155	$160	$165	$165	$165	$165
W–3	110	115	115	115	120	120	125	135	140	140	140	140	140	140
W–2	105	110	110	110	115	120	125	130	135	135	135	135	135	135
W–1	100	105	105	105	110	120	125	130	130	130	130	130	130	130

"ENLISTED MEMBERS

"Pay grade	Years of service computed under section 205													
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E–9	$105	$105	$105	$105	$105	$105	$105	$105	$105	$105	$105	$105	$105	$105
E–8	105	105	105	105	105	105	105	105	105	105	105	105	105	105
E–7	80	85	85	85	90	95	100	105	105	105	105	105	105	105
E–6	70	75	75	80	85	90	95	95	100	100	100	100	100	100
E–5	60	70	70	80	80	85	90	95	95	95	95	95	95	95
E–4	55	65	65	70	75	80	80	80	80	80	80	80	80	80
E–3	55	60	60	60	60	60	60	60	60	60	60	60	60	60
E–2	50	60	60	60	60	60	60	60	60	60	60	60	60	60
E–1	50	55	55	55	55	55	55	55	55	55	55	55	55	55
E–1 (under 4 months)	50													
Aviation cadets	50													

For the purposes of clauses (1) and (2) of this subsection, the years of aviation service are computed beginning with the effective date of the initial order to perform flying duties as an officer."

SEC. 2. The last sentence of section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199), is amended by striking out "except, after May 31, 1973, those of the rank of colonel or equivalent or above (0–6) in noncombat assignments."

SEC. 3. Notwithstanding the amendments made by this act, an officer who was entitled to incentive pay under section 301(a)(1) of title 37, United States Code, on the day before the effective date of this act, if otherwise qualified, is entitled to either of the following:

(1) If credited with less than 7 years of aviation service as an officer and with less than 15 years of active service as an officer, he is entitled to monthly incentive pay at either—

(A) the amount he was receiving under section 301(b) of that title on the day before the effective date of this act with no entitlement after the effective date of this act to any longevity pay increases or to increases as a result of promotion to a higher grade, until such time as the rate to which he is entitled under section 301(b) of that title as amended by this act is equal to or greater than the amount he was receiving under that section on the day before the effective date of this Act, after which his entitlement shall be as prescribed by that section as amended by this Act; or

(B) the rate prescribed by that section as amended by this act;

whichever is higher. However, an officer described in clause (1) of this section who has 12 or more years of active service as an officer may continue to receive the amount he was receiving under that section prior to the effective date of this act only for a period of 36 months after the effective date of this Act, after which his entitlement to monthly incentive pay shall be as prescribed by that section as amended by this Act. However, no officer who is promoted to a pay grade of 0–7 or above during that 36-month period may receive more than the rate which existed for that pay grade prior to the effective date of this Act. Once an officer described in clause (1) of this section has received any monthly incentive pay under section 301(a)(1) and 301(b) of title 37, United States Code, as amended by this Act, he is no longer entitled to receive any payment under that section as it existed on the day before the effective date of this Act; or

(2) If credited with 7 or more years of aviation service as an officer and with 15 or more years of active service as an officer, he is entitled to elect whether to receive monthly incentive pay at either—

(A) the amount he was receiving under that section on the day before the effective date of this Act, with no entitlement after the effective date of this Act to any longevity pay increases or to increases as a result of promotion to a higher grade, for a period of 36 months after the effective date of this Act after which his entitlement to monthly incentive pay shall be as prescribed by that section as amended by this Act; or

(B) the rate prescribed by that section as amended by this act.

An election once made may not be revoked. However, no officer who is promoted to a pay grade of 0–7 or above during the 36-month period described in clause (2)(A) of this section may receive more than the rate which existed for that pay grade prior to the effective date of this Act.

However, there may not be any termination or reduction of monthly incentive pay under this section for warrant officers on active duty.

SEC. 4. This Act is effective on January 1, 1974.

SECTIONAL ANALYSIS

Section by section analysis of HR 8593, to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes.

Section 1 of the bill restates current subsection (b) of section 301 (Incentive pay: hazardous duty) of title 37, United States Code, and restructures it to include revised incentive pay rate tables for officer aviation crew members while retaining present incentive pay tables for all other categories of hazardous duty.

Proposed new subsection (b)(1) prescribes revised incentive pay tables authorizing monthly rates of incentive pay ranging from $100 to $245 for members with not more than 18 years of aviation service as officers in pay grades O–1—O–6. After the completion of 18 years of active service as an officer, the monthly rate of incentive pay would be reduced after each 2-year period by $20 until the rate reaches $165 for those with more than 24 years of active service as officers. Under new clause (1), all aviation incentive pay would be terminated at the completion of 25 years of active service as an officer. The aviation incentive pay authorized is divided into two phases. Phase I is based on years of aviation service as an officer while phase II is based only on years of active service as an officer. Before becoming entitled to a rate of pay under phase II, an officer must complete six years of service under phase I. An officer in a pay grade above O–6 would be entitled, until he completes 25 years of active service as an officer, to be paid at the rates set forth in the table, except that an officer in pay grade O–7 could not be paid at a rate greater than $160 a month, and an officer in pay grade O–8, or above, could not be paid at a rate greater than $165 a month.

Proposed new subsection (b)(2) covers warrant officers and provides that those who are qualified under current section 301(a)(1) would receive monthly aviation incentive pay ranging from $100, for those with less than two years of aviation service as an officer, to $165, for those with over six years of that service. The 25-year limitation prescribed in proposed new subsection (b)(1) for other officers does not apply to warrant officers.

Proposed new subsection (b)(3) sets forth, without change, the existing table in current 37 U.S.C. 301(b) and provides that it would continue to apply to enlisted members qualified under current 37 U.S.C. 301 (a)(1), and to officers and enlisted members qualified under current 37 U.S.C. 301(a) (2) or (3). It also provides that, for the purposes of proposed new subsection (b) (1) and (2), the years of aviation service are computed beginning with the effective date of the initial order to perform flying duties as an officer.

Section 2 of the bill amend section 715, Department of Defense Appropriation Act, 1973, by deleting provisions denying flight pay to certain rated colonels, or equivalent, or above, in noncombat assignments.

Section 3. This section authorizes saved-pay for aviation crewmembers who would lose pay under the revised incentive pay rates.

Clause (1) entitles an officer with less than seven years of aviation service as an officer and with less than 15 years of total active service as an officer to receive either the amount he was receiving under 37 U.S.C. 301 (b) on the day before the effective date of the bill, or the new rate prescribed by that section as amended by the bill, whichever is higher. An officer whose pay is saved at the old rates must switch over to the new rates whenever his entitlement under the new rates becomes equal to or greater than his entitlement under the old rates, except that an officer who has 12 or more years of active service as an officer may have his pay saved under the old rates only for a period of 36 months after the effective date of the bill. Once an officer switches over to the new rates, he remains under them permanently and may not receive any further payments under the old rates.

Clause (2) entitles an officer with seven or more years of aviation service as an officer and with 15 or more years of active service as an officer to elect whether to receive monthly incentive pay at either the amount he was receiving under that section on the day before the effective date of the bill, or at the new rate prescribed by that section as amended by the bill. An election once made may not be revoked. An officer under clause (2) who elects to receive the old rates may receive them only for a period of 36 months after the effective date of the bill, after which his entitlement shall be as prescribed by 37 U.S.C. 301(a)(1) and 301(b) as amended by the bill.

Any officer under this section whose pay is saved at the old rates is not entitled after the effective date of the bill to any pay increases for longevity or for promotion to a higher grade. However, no officer under this section who is promoted to a pay grade of O–7 or above during the 36-month period his pay is being saved may receive more than the rate which existed for that pay grade prior to the effective date of the bill. Further, there may not be any termination or reduction of monthly incentive pay under this section for warrant officers on active duty.

Section 4 of the bill provides an effective date of January 1, 1974.

GENERAL COUNSEL OF
THE DEPARTMENT OF DEFENSE,
Washington, D.C., May 17, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There are forwarded herewith drafts of proposed legislation "To amend section 715 of the Department of Defense Appropriation Act, 1973, to extend until December 31, 1973, the date after which members in the rank of colonel or equivalent or above (O–6) in noncombat assignments are no longer entitled to flight pay prescribed under section 301 of title 37, United States Code", and "To amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes."

These proposals are part of the Department of Defense legislative program for the 93rd Congress. The Office of Management and Budget advises that, from the standpoint of the Administration program, there is no objection to the presentation of these proposals for the consideration of the Congress. It is recommended that these proposals be enacted.

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to extend from May 31, 1973 until December 31, 1973, the effective date for terminating flight pay for colonels and equivalent (O–6) and above in noncombat assignments and to restructure the present flight pay system in order to make it more effective in today's environment. The proposed legislation also responds to Congressional criticism of the existing flight pay system as expressed in section 715 of the Department of Defense Appropriation Act, 1973 (P.L. 92–570).

The Senate Report on H.R. 16593 stated, with respect to section 715, "It is the view of the committee that the Department of Defense should review the entire area of incentive pay, the performance requirements for receiving such pay, and the inequities resulting under the existing statutory provisions, and early in the next session, submit to the Congress a proposal to correct these inequities." (Senate Report No. 92–1243, page 7.)

The topic of special and incentive pays was the subject of the 1971 Quadrennial Review of Military Compensation. These 1971 studies, including the *Study of Flight Pay (Crewmember) and Submarine Duty Pay,* were transmitted to the Congress on January 25, 1972. Pursuant to the Senate Report on section 715, the Department of Defense completed a careful review of flight pay for aviation crewmembers.

The recent review confirmed that retention shortfalls after the completion of the first obligated tour of duty and manning deficiencies in the critical mid-career years of service, identified and documented in the Quadrennial Review, continue to exist. The recent review, as well as the Quadrennial Review, reaffirms the need to restructure the incentive pay rates to address these deficiencies. It should be noted that the retention and manning shortfalls are concentrated in the Department of the Navy and the Department of the Air Force. The Department of the Army does not at this time have a similar problem.

The particularly arduous pressures for aviation personnel that existed over the past ten years are expected to be eased somewhat now that United States involvement in Southeast Asia is expected to be phased out since the United States has withdrawn its ground combat forces from Vietnam. The expected improvement in duty assignments and other measures to improve the attractiveness of military service in an all-volunteer environment might, together with the restructured flight pay rates, produce an improvement in aviation personnel retention greater than can be expected from the adjustment of rates only. This combination of measures might prove adequate for the immediate future. However, should all of these measures in combination still prove inadequate, the Department of Defense has recommended the enactment of the proposed Uniformed Services Special Pay Act which would provide for additional monetary incentives (i.e., the Officer Variable Incentive Pay) to address inadequate retention in any critical skill area, including aviation. Should the Department of Defense be required to use the latter authority, it would be used only in such amount as might be required to alleviate the retention problem.

The attached interim legislation would extend from May 31, 1973, until December 31, 1973, the effective date for terminating flight pay for colonels and equivalent (O–6) and above in noncombat assignments.

This interim legislation is urgently required for reasons of equity. Unless new legislation is enacted prior to June 1, 1973, the effect will be to reduce the monthly pay of the officers affected (O–6 and above) by denying them flight pay after May 31, without adequate consideration; a result characterized in Senate Report No. 92–1243 as unfair. By acting on the interim proposal before May 31, the Congress would avoid this inequitable result and prevent a premature loss of flight pay by several thousand officers. It would also provide adequate time for orderly consideration by the Congress during the remainder of 1973 of the proposed substantive revision of the flight pay system.

The substantive Bill, therefore, carries an effective date of January 1, 1974. Its principal features, particularly those that differ from existing law are:

Payment of flight pay (crewmember) on the basis of years of aviation service (rather than service by grade and longevity computed for pay purposes by section 205, title 37) until 18 years of active officer service.

For both commissioned and warrant officers, the highest rates of incentive pay begin after 6 years of aviation service rather than at about 18 years of service for pay purposes, as is the case today. The six years of aviation service point generally coincides

with the expiration of the first obligated tour of duty, and the higher rates address the inadequate retention issue at that point.

A gradual decline of pay rates from 18 years of active officer service on the basis of years of active officer service, rather than remaining on the higher rates.

Termination of all flight pay (crewmember) after the completion of 25 years of active officer service, rather than payment for a full military career of 30 years or more.

No increases in the flight pay rates of general and flag officers over the existing rates, although some of these officers could receive lower rates of pay.

A warrant officer flight pay scale adjusted proportionately to the pay changes of commissioned officers. However, since warrant officer aviators remain in operational aviation duties throughout their careers, no 25 year flight pay cut-off is made. Warrant officer aviators will continue to be paid for their full flying careers on the basis of aviation service rather than service for pay purposes (section 205, title 37, United States Code).

The proposed legislation would provide for a three-year transition period with save-pay provisions for those officers faced with pay reductions or denial of pay. This equity provision provides sufficient lead time for the affected officers to adjust financially and should coincide with the expiration of the current tour of duty of the majority of the officers affected.

The proposed legislation would eliminate the existing language terminating entitlement to flight pay of officers of the grade 0–6 (colonels or equivalent) and above as unneeded because of the changes proposed by this legislation.

The Department of Defense recognizes that the proposed legislation might not be the final answer to the aviation manning problem. The Department will continue to monitor closely the aviation crewmember retention experience of the separate services. Should retention decline and the circumstances warrant, the Department of Defense would take the additional steps including, if necessary, appropriate legislative recommendations to the Congress. Conversely, if the retention experience improves as anticipated, then the Department of Defense will lower the initial pilot training rate as appropriate. Any improved retention in the aviation community is highly cost effective compared to increased training of pilots. The training investment in a Navy jet fighter pilot, for example, is $799,000; this is more than ten times the cost of a full lifetime flight pay earnings of that pilot. Clearly, financial incentives that improve retention and avoid such high training costs will be a more efficient way to man adequately the aviation force.

COST AND BUDGET

The proposed legislation can be accommodated within the authorized amounts of the President's budget for FY 1974. The FY 1974 budget estimate includes $227.5 million of the estimated total DoD cost. The balance of $4.8 million will be absorbed within the FY 1974 funds available to the military departments.

5-YEAR COST ESTIMATE

[In millions of dollars]

	Fiscal year—				
	1974	1975	1976	1977	1978
Proposal	215.3	215.7	209.4	206.1	200.2
Saved pay	17.0	19.5	19.4	10.4	2.5
Total DOD cost	232.3	235.2	228.8	216.5	202.7
Net cost change	−4.8	−13.0	−12.4	−4.4	+4.1

In addition, savings from potential retention improvements have not been included in the estimate above; thus, savings may appear sooner and be more significant than shown here.

Sincerely,

J. FRED BUZHARDT.

THE FAMOUS RANDALL REPORT ON AMERICA'S MILITARY COMMITMENT TO NATO

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, in view of the current interest in both the House and the Senate in our military commitment to NATO, and especially in view of some of the efforts being made in the House Democratic caucus and in the other body to force a unilateral reduction of American forces assigned to NATO and stationed in Europe, I believe it would be of great assistance to all Members to be able to read the very excellent report on this whole NATO subject prepared and submitted in July 1971 by a subcommittee of the Armed Services Committee headed by our distinguished colleague from Missouri (Mr. RANDALL). Accordingly, I am including the text of this excellent report in the RECORD as a part of my remarks.

Mr. Speaker, it has been universally agreed that the Randall report is the most thorough and penetrating analysis of our NATO commitment ever made by a committee of Congress. Its conclusions deserve to be very carefully considered in connection with any proposals to effect unilateral force reductions on our part.

I especially invite the attention of Members to the subcommittee's recommendation for the creation of a common NATO fund to meet the admittedly serious problems of balance of payments deficits arising out of our stationing of American troops in Europe. This proposal, made 2 years ago, is now being put forward with great enthusiasm by the administration, as well as by others, and I believe it is another idea whose time has finally come. Here is that idea, Mr. Speaker, as first proposed to Congress, in the Randall report.

Mr. Speaker, let me just point out one other thing and that is that the text which follows actually represents an updating of the July 1971 report in terms of the relevant statistics. The committee staff has done this up-dating, based on figures that are current as of July 1, 1973.

The report follows:

LETTER OF TRANSMITTAL

WASHINGTON, D.C.,
August 15, 1972.

Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I have the honor to transmit herewith the report of the Special Subcommittee on NATO Commitments, entitled "The American Commitment to NATO."

The members of the Subcommittee appreciate the opportunity to have been of service to the Committee in this undertaking.

Sincerely,

WILLIAM J. RANDALL,
Chairman, Special Subcommittee on NATO Commitments.

THE AMERICAN COMMITMENT TO NATO

(Report of the Special Subcommittee on North Atlantic Treaty Organization Commitments)

I. INTRODUCTION

"Much of the intense difficulty of our time is in nature conceptual, and it arises from a massive misstatement of our problem."—Daniel Patrick Moynihan

The desire for change is frequently accompanied by the compulsion to simplify. The desire for fundamental changes in the U.S. position in the world, growing out of national anxieties not generated by our NATO involvement, has brought about considerable questioning and debate over the U.S. military presence on the European Continent and the U.S. contribution to NATO. It is perhaps not surprising that, since the questioning is often inspired by an objective independent of the future of NATO, the problem is poorly stated and the situation grossly oversimplified.

Thus the question is usually put simply: How much can we reduce the number of our troops in NATO? Statements are made to the effect that various numbers of support forces could be withdrawn without weakening NATO or that large numbers of combat and support forces—up to half—could be withdrawn and the Europeans could easily and effectively replace them. The question is frequently posed in the form of a non sequitur: Why do we need 310,000 troops in Europe 25 years after the end of World War II?

The subcommittee notes that the problem is almost always stated in terms of number of troops in Europe.

The subcommittee certainly does not discourage questions being raised about the American commitment to the North Atlantic Treaty Organization. The subcommittee recognizes that as the times change, the commitment and the situation which engendered it must be reviewed and reexamined. Since the subject has been somewhat neglected in national councils in the past, present debate is engendering more than normal difficulties. Some of the restudying being done in regard to NATO should have been done years ago, and some of the revisions being made are being started much later than they should have.

The existence of this special subcommittee is evidence of the urgency to reexamine our NATO commitment. The work of the subcommittee represents the first major effort to reexamine the military side of the commitment in the House in many years, and the subcommittee is aware of no other study by a House subcommittee that has gone into the subject in such depth at any time since NATO was organized 24 years ago. Indeed the subcommittee believes that certain problems in NATO are caused by continuing neglect at high executive branch levels, as will be discussed later on in this report.

The questions before the Congress

The subcommittee does not believe that the Congress can properly discharge its national-policy function in regard to Europe by simply debating a supposedly desirable level of troops in Europe.

The U.S. commitment to NATO cannot be expressed simply in terms of numbers of ground troops. It is expressed also in terms of naval forces, air forces, the strategic nuclear umbrella, dollar commitments, and last, but certainly not least, a spiritual commitment—a commitment of national will. The questions the Congress must address are:

Is the NATO military alliance still needed and still justified?

If it is, what should be the level of U.S. commitment to that alliance?

If changes should be made, how should they be made?

And what advantages and what risks are involved in changes?

The subcommittee wishes to say at the

outset that in making its recommendations it eschews the temptation to opt for cosmetic change that would presumably appease political sentiment in the United States. The possibility of withdrawing something on the order of 10,000 to 20,000 men from Europe is one of those ideas that have a surface attractiveness and that grow more intoxicating in political seasons. But on close examination such a move could have results that might weaken the Alliance out of proportion to the number of men withdrawn; and the savings, if any, would be extremely modest.

The subcommittee does believe that the United States is carrying a disproportionate share of the NATO cost and that some burden-shifting must take place. However, troop replacement is neither the most feasible method nor the most beneficial to our own interests. The subcommittee will make recommendations in the course of this report for fundamental changes in the way of financing the Alliance's military deployments which could relieve the most burdensome aspect of the commitment for the United States.

Scope of the inquiry

The Special Subcommittee on North Atlantic Treaty Organization Commitments was appointed on July 27, 1971, and was directed by the chairman of the Committee on Armed Services "to inquire into the commitments of the United States in support of the North Atlantic Treaty Organization, including troop commitments and the ability to meet such commitments." The subcommittee interpreted its charter in the broadest sense, giving primary emphasis to major policies in regard to the level of U.S. commitment to the Alliance and the comparative burden-sharing among the Allies. The subcommittee also reviewed the capability of U.S. forces and other NATO forces to fulfill their missions.

The subcommittee held its initial public hearing on October 14, 1971, following an extensive series of background briefings. The study included 17 hearings in the United States, 9 of them open hearings; and 17 hearings held in the course of two visits to American bases and NATO installations in Europe. In the course of the inquiry the subcommittee visited 9 European countries; visited every major U.S. commander in Europe as well as NATO's major commander in the United States, Supreme Allied Commander, Atlantic, located at Norfolk, Virginia; and visited with U.S. troops in the field in Europe.

The subcommittee listened to 34 major witnesses. In addition to senior officials from the Department of State and the Department of Defense, it heard from such distinguished former Government leaders as the Honorable George W. Ball, former Under Secretary of State; the Honorable John J. McCloy, Chairman of the General Advisory Committee on Arms Control and Disarmament and former U.S. Military Governor and High Commissioner for Germany; and Gen Lauris Norstad, former Supreme Allied Commander, Europe. The subcommittee also received testimony from academic leaders such as Dr. Timothy W. Stanley, Executive Vice President, International Economic Policy Association; Dr. Morton H. Halperin, Senior Fellow, The Brookings Institution; and Dr. David P. Calleo, Professor and Director of European Studies and Research Associate, Washington Center of Foreign Policy Research. A complete list of witnesses appears in the appendix of this report.

From the Defense Intelligence Agency and from commanders in Europe the subcommittee received extensive classified material concerning Warsaw Pact forces as well as the capabilities of U.S. and other NATO forces.

The printed hearings, which cover 1,095 pages, will prove a valuable source of detailed information for those who truly wish a better understanding of the problems facing the Alliance.

To the extent feasible, the subcommittee reviewed problems within the U.S. forces in Europe which might have an impact on the readiness of those forces; however, the subcommittee wishes to make clear that because of the importance of its primary objective there was not time to make an exhaustive study of all of the areas where problems have arisen.

The subcommittee will, in the course of this report, however, have some brief recommendations to make regarding improved living conditions for U.S. forces in Europe. Some problems not peculiar to Europe, but which have surfaced there, have been studied by other subcommittees of this committee or the Congress; i.e., drugs.

At the meeting where the subcommittee report was adopted, the vote was 4 to 0. However, the remaining member of the subcommittee has submitted minority views which are included in this report.

II. THE NEED FOR NATO

"The many acting together can achieve a result which if they acted separately would be beyond the reach of any or of all."—President Dwight D. Eisenhower

The value of the North Atlantic Treaty Organization would appear to be self-evident and its continuation beyond question. But perhaps the lack of reiteration of the necessity and value of the Alliance and the importance of the American contribution to the Alliance has led to its being widely questioned, often in irrational terms. Proposals are sometimes made based on assumptions which seem to ignore some simple, elemental truths about NATO's existence.

NATO has been, to a certain extent, a victim of its own success. NATO has been the longest, the most important and the most successful military alliance in our history. It has kept pace in Western Europe; the NATO area has had 25 years without a war. Under the protection provided by NATO most of the countries of the Alliance have achieved not only economic recovery from World War II, but a high level of prosperity in recent years. The nations of Western Europe have achieved an economic and political unity previously unrealized in European history. More important, NATO provides the environment for moving toward a greater unity in the future which is the best long-range hope of providing Western European security without extensive U.S. participation.

The nations of Western Europe are protected from Soviet pressure in a way that would simply be impossible if they were not united militarily.

The need for NATO then is a paradox, as any successful deterrent is a paradox—its existence eliminates the necessity for its use.

As General Goodpaster told the subcommittee:

"It is a little hard to understand. People ask me, 'Do you think there is going to be a war in Europe?' And I say that really, I don't think there is going to be a war in Europe, because I think we are going to have sense enough to keep up the strength of our forces here; and as long as we do, I think the chances are very, very low that we will have a war, either a deliberate one or one the Soviets will stumble into. They are not interested in stumbling into something that would risk their devastation.

"But 'so long as we maintain our forces,' that is the key to the thing. And what we are telling people, then, is to maintain forces for a war that probably won't occur. And the paradox is, as I put it sometimes, if you have got the strength, you don't need it; but if you haven't got it, you need it."

The dangers of Finlandization

One only has to look at the map to realize that war alone is not the only thing that NATO prevents. Equally, it forestalls the loss of freedom through Soviet pressure without having to resort to war. Many of the smaller nations of Western Europe, no matter how brave, no matter how determined, could not stand up to Soviet pressure if they were left alone. The gradual Finlandization of many of these countries, the slow absorption into the Soviet hegemony, would be virtually inevitable without collective defense.

The value of a free Western Europe to the United States would appear to be equally self-evident. Without the independence and security that NATO provides, the U.S. position in the world, strategically and economically, would be seriously reduced.

After consideration of the freedom of the citizens of Western Europe themselves, it should not be forgotten that the nations of the NATO Alliance constitute the principal world market for U.S. industry outside the United States. And no other area of the world could replace that market.

The long-term U.S. industrial investment in Western Europe is estimated at $30 billion. In cooperating to ensure the success of NATO, we are, among other things, providing a security for critically important American economic interests.

As will be shown later in this report, the Western European nations provide the major portion of the men, the airplanes and the naval forces of the Alliance. If the Alliance did not exist, the cost to the United States to keep up its strategic position would increase in some areas, most notably in the maintenance of naval forces. And regardless of how much the expenditure for U.S. forces were increased, the strategic position of the United States would be inevitably weakened.

It is without question, therefore, that the Alliance must continue. It is equally apparent that at the present time the Alliance cannot continue without a substantial U.S. contribution.

The subcommittee must point out that no responsible person from whom it has heard, no witness, or no published critic of America's role in Europe, has proposed dismantling the Alliance. The proposals of some critics might result in the dissolution of the Alliance, but such is not the stated intention of any of those making proposals.

The question is what should the U.S. contribution be to the continuation of the Alliance. And each proposal for change must be examined in the light of the risk involved for the permanence of the structure. The subcommittee, therefore, has attempted to take the long view. It *may* be that some of the proposals for reductions in U.S. forces in Western Europe would work. But the subcommittee has repeatedly asked itself: What are the risks involved in taking such actions compared to alternate actions which may be taken at lesser risk and which would prove of equal or greater benefit to the United States in terms of the burden it carries? It is for this reason the subcommittee has emphasized, as stated earlier, that the commitment must not be looked at just in terms of troop levels, but in terms of all forces, and of monetary and intangible contributions.

III. THE NATURE OF THE THREAT

"None of us are opposed to a détente, but it ought to be a true détente. And how do you get a true détente? That means the other fellow gives up his aim of acting against you and he reduces the capability that he has to act against you. When he has done that, then we can hear him talking."—Gen. Andrew J. Goodpaster.

It has been said that a "threat" is the product of capabilities joined to intentions. The present tendency is to judge the threat basically in terms of intentions and not of capabilities. In what is said to be the new environment of détente, where hopeful signs of more stable relations in Europe have ap-

peared, there is the tendency on the part of many intelligent people to assume that the Soviet Union is entirely reconciled to the status quo and no longer retains any long-range hunger for hegemony over Western Europe. In some quarters détente is viewed not as a result that grew out of strength, but as a reason for beginning the dismantling of that strength. Such a view grows, as the Honorable George W. Ball told the subcommittee, out of "the normal desire of people to achieve that state of grace which is vaguely thought of as 'normality'—as though there could be anything normal in a world where one-third of the world's population is still locked behind an Iron Curtain and the wall still stands in Berlin."

The question, "Why do we need 300,000 troops in Western Europe a quarter century after the close of World War II?" is a non sequitur. The American forces are in Europe not to fight an old war, but to prevent a new one.

The subcommittee sought to determine whether the threat to NATO has decreased or whether proposals for reductions in our NATO forces have been based on the supposition that the danger of war has decreased because Soviet intentions have changed.

There has been no evidence, in fact no claims made, that Soviet capabilities have decreased. The evidence from our hearings both in this country and in Europe, and indeed from outside witnesses as well, has been that Soviet capabilities have increased. Soviet and Warsaw Pact forces in the central region have not decreased in strength, and over the years their equipment has been considerably modernized to substantially improve their fighting power. Soviet naval forces on the southern and northern flanks have been dramatically strengthened, both in numbers and quality, and are ever more active.

The subcommittee studied the Warsaw Pact forces and the development of those forces both in hearings in this country and in meetings with military commanders in Europe. The great bulk of the information gathered by the subcommittee must necessarily remain classified. The following is a brief, unclassified rundown of Warsaw Pact forces.

Dimension of the threat

The threat the Pact forces pose spans the spectrum of modern warfare—from the strategic to the tactical—from air warfare to the under-the-sea variety.

Soviet forces make up approximately 45 percent of the total Warsaw Pact forces in peacetime and would make up 75 percent in wartime. It is important to note, however, that all Warsaw Pact forces have the advantage of standardization—in military doctrine, operational procedures and equipment—imposed by Soviet commanders and instructors.

Nuclear forces

The Soviet strategic rocket forces and navy would support Warsaw Pact operations in Europe. At the nuclear strategic force level, the Soviets have available for targeting in Western Europe over 600 intercontinental, intermediate- and medium-range ballistic missiles, submarine-launched missiles, as well as equally impressive numbers of medium bombers stationed in the western U.S.S.R. At the tactical nuclear level the Soviets have increased their delivery capability and number of weapons that would be available to support a conventional offensive.

Central Europe

In the area of East Germany, Poland, Czechoslovakia, and Hungary the Soviets have stationed about 15 tank divisions with an equivalent number of mechanized divisions. This present total of about 30 divisions represents a net increase in the last 10 years by a total of 5 divisions (those now stationed in Czechoslovakia). These ground forces are supported by about 4 Soviet tactical air armies as well as an array of artillery and other combat-support units.

In this central and perhaps most important area of Soviet interest (at least in terms of forces earmarked for operations in a specific area), the Eastern European countries of East Germany, Poland, Czechoslovakia, and Hungary add about 25 high-readiness divisions and at least 10 more of reduced manning and equipment. After a relatively short period of time the Soviets with their Eastern European allies could amass in this area more than 80 divisions, with well over a million men, supported by more than 19,000 tanks and well over 2,500 tactical aircraft.

To provide tactical nuclear support for this force in the central European area, there would be an augmentation of the present complement of tactical nuclear launchers to bring their total number up to well over 500. Artillery pieces in this central area would number about 10,000 (number includes launchers—multiple tube and heavy mortars). This concentration, generally opposite West Germany, has necessitated stationing in the Federal Republic of Germany the forces of 6 Allies (Britain, France, Belgium, Canada, the Netherlands, and the United States) to bolster the West German Armed Forces.

Northern sector

In the North, as part of an offensive against NATO, the Soviets would probably move against the northern province of Norway. There are approximately 10 Soviet divisions in varying degrees of readiness located in the Leningrad military district which would be available for an operation against NATO. These forces would be supported by a small tactical air force and have supporting forces similar to those in the central region. Two of these divisions are stationed normally in an area opposite northern Norway; the remaining ground forces could be in position ready for an attack on Northern Norway well within the time limit required by their counterparts in the central region. The total force would probably number well over 150,000 men.

In the waters off the northern tip of Norway the Soviet Northern Fleet has year-round access to the ice-free Barents and Norwegian Seas. This fleet numbers well over 150 large surface warships and general-purpose submarines and over 200 aircraft. The fleet, operating from this base area, would provide the main Soviet threat to NATO shipping in the Atlantic and could attack NATO naval and amphibious forces committed to European operations. Norway would be strategically important to the Soviets in an attack against NATO as a secure land base for this fleet; the Allies would then be denied a base of operation to interdict the Soviet fleet close to its home.

The Soviet Baltic Fleet has the mission of controlling the Baltic Sea and its approaches. This fleet numbers over 70 large surface warships and submarines and over 150 aircraft.

Southern sector

The Warsaw Pact operations against NATO's southern region may include forces from Bulgaria and possibly Romania, as well as the Soviet Union. The Bulgarian and Romanian ground forces number over 15 divisions. The Soviets could reinforce their Eastern European satellites in this area with more than 5 divisions for operations against Greece and Turkish Thrace. The key strategic areas would, of course, be the Bosporus and Dardanelles. Additionally, the Soviets could launch an attack in Eastern Turkey with more than 15 divisions.

Soviet frontal aviation with their Bulgarian counterparts (Romanians have only national air defense forces) could support the attack with several hundred aircraft. The Black Sea Fleet and the Soviet Mediterranean Squadron provide the naval contingent of the Warsaw Pact threat against the southern flank of NATO. The Black Sea Fleet numbers over 80 large surface warships and submarines. The Black Sea Fleet air force has over 200 combat-ready aircraft including a number of antiship-missile-equipped Badgers. This fleet provides some of the logistic support for the Soviet Mediterranean Squadron.

The Soviet Mediterranean Squadron has numbered between 45 and 55 ships of various types with peaks up to nearly 70. The typical composition of this squadron is: 16–19 surface combatants including 1 or 2 cruisers, guided-missile frigates and destroyer types; minesweepers and tank landing ships; about 10 submarines; and a group of logistic support units. The surface-to-surface missiles on Soviet ships and submarines provide a particularly serious threat to the 6th Fleet. Amphibious units could carry a naval infantry battalion landing team. Support for the squadron is primarily derived from the effective use of fleet anchorages and secondarily through the use of facilities in the UAR and Syria.

The Soviets maintain more than 20 divisions in the interior areas of the U.S.S.R. west of the Ural Mountains as a strategic ground-force reserve. This force would add more than 200,000 troops, over 5,000 tanks and hundreds of combat aircraft to the battle area if committed.

Summary

The Warsaw Pact maintains over 55 divisions in Germany, Poland, and Czechoslovakia, most of which could be combat ready in less than 2 days. On the NATO flanks there are almost 10 divisions that could be available for combat operations against NATO in the same time frame. After several weeks of preparation an additional 65 or more divisions could be available for operations against NATO, supported by tactical equipment and large formations of artillery and rocket forces. The Soviet forces are being modernized. The Soviet tactical nuclear capability continues to improve.

The Warsaw Pact force does have weaknesses primarily in its maintenance and support area. About half of the Warsaw Pact divisions need extensive filler personnel and equipment to bring these formations to combat readiness. Additionally, some question the reliability of the Eastern European armed forces which may not necessarily and wholeheartedly support Soviet forces in an active military confrontation with the West.

The Warsaw Pact force is offensive-oriented; its size and posture go beyond any reasonable and conservative estimate based on Western military judgment of what would be required to defend Eastern Europe and the U.S.S.R.

The military capacity of the Warsaw Pact poses the historical kind of threat that large standing military forces have always posed for their weaker neighbors. Smaller nations have been more inclined, historically, to accommodate the political and economic policies of nations with impressive military standing forces. An exception to this historical accommodation process has been allowed by the peacetime alliance of NATO.

One other point is worth noting. Although NATO's capability has increased in the last few years, the military risk to the Alliance is greater now that it was 5 or 10 years ago. The improvement in the political atmosphere has already been taken into account in determining the minimum level of forces required to meet the threat. Any reasonable interpretation of conditions, therefore, would suggest that the strength of NATO as a whole should not be independently reduced.

IV. NATO'S MILITARY STRUCTURE AND THE RELATIVE BALANCE OF FORCES

The extensive public debate on American forces in Europe has sometimes led to the impression that the United States makes the main contribution of strength to the NATO Alliance. Such is not the case. The Allies contribute 90 percent of the manpower, 80 percent of the naval power (in terms of numbers of vessels) and 75 percent of the airpower of NATO.

The subcommittee examined in great detail the relative effort made by the European members of NATO and talked extensively with military commanders about the readiness and capability of European NATO forces. The following table provides in unclassified form a rundown of NATO forces:

MAJOR FORCES—NATO[1]

GROUND FORMATIONS

	Northern and Central Europe	Southern Europe
Ground forces available to commanders in peacetime (in division equivalents):		
Armored	9	6
Infantry, mechanized and airborne	15	31
Tanks: Main battle tanks in operational service—Peacetime	6,000	2,100
Aircraft—Tactical aircraft in operational service:		
Light bombers	64	----
Fighter/ground attack	1,200	450
Interceptors	400	250
Reconnaissance	400	150

NAVAL FORCES

Category:	
Attack carriers	8
ASW carriers	4
Surface attack: Cruisers/destroyers	10
Antisubmarine: Destroyers, frigates, escorts	280
Motor torpedo gunboats	136
Attack submarines:	
Nuclear	35
Diesel:	
Long/medium range	90
Short range	60

[1] Figures exclude France.

Relative balance of forces

There have been widely differing public interpretations of the relative balance of forces between the Warsaw Pact and NATO, varying from those who say, on the one extreme, that NATO forces are superior to Warsaw Pact forces (and hence, U.S. troops could safely be withdrawn) to, on the other extreme, those who say that the Warsaw Pact advantage is so great that the NATO conventional strategy is not viable even with the present substantial U.S. forces in Europe (and hence, U.S. forces might just as well be withdrawn).

The subcommittee discussed with military commanders the relative balance of forces in terms of manpower and, more importantly, of relative firepower. Much of this discussion concerns sensitive military information and must remain classified. The sum and substance, however, is that the Warsaw Pact has superior forces but the margin is not so great that it prevents the NATO forces from presenting a very real deterrent to aggressive action. In terms of pure numbers, in many areas of comparison the forces confronting NATO are two or three times greater than NATO in-place forces. In tanks, for example, the Pact has a 3-to-1 advantage, which is only partially offset by superior NATO antitank capability. In numbers of aircraft the advantage is about 3 to 2. In some instances qualitative advantages on the part of NATO forces make up for lack of numbers, but this should not be overstated. In addition, there are also some areas where NATO forces would be at a disadvantage because of the use of older equipment.

For the general reader the following unclassified comparisons, taken from material issued by the Institute for Strategic Studies in London, should prove of interest.

FORCE COMPARISONS

Type of division	NATO[1] approximate figures	Warsaw Pact approximate figures	Number of divisions: NATO[2]	Number of divisions: Warsaw Pact
Armored:				
Men	14,500	8,250	14	61
Tanks[3]	300	325	----	----
Mechanized/motorized infantry:				
Men	15,500	10,000	21⅓	94
Tanks[3]	250	175	----	----
Light infantry:				
Men	17,000	----	23	----
Tanks	50	----	----	----
Airborne: Men	10,000	7,000	1⅓	8

[1] The divisional formation varies from country to country in numbers of men and firepower, but by and large they are modeled on a structure of 3 brigades.

[2] French land forces in Federal Republic of Germany and in Metropolitan France are excluded.

[3] In global terms, the ratio of main battle tanks between NATO and the Warsaw Pact stands at about 1:3.

Note: As regards conventional artillery, the Warsaw Pact have a definite margin of superiority in firepower.

Categories	NATO approximate figures	Warsaw Pact	(Of which U.S.S.R.[1])
Tactical aircraft in operational service: Light bombers	64	280	230
Fighter/ground attack	1,650	1,520	1,150
Interceptors	650	3,050	1,550
Reconnaissance	550	540	340
Total	2,914	5,390	3,270

[1] There are also large number of aircraft stationed in western U.S.S.R., under national command, which have not been included in these tables. Aircraft of the U.S. Air Forces, stationed in the United States and programed to reinforce NATO forces, are also excluded from the tables.

The present NATO forces could be expected to deny the enemy—to use Winston Churchill's words—"the fruits of war without the cost of war." In essence NATO presents the other side with the sobering prospect that he faces the high probability that he will gain nothing without suffering the heavy cost of war and the longer the struggle, the greater the punishment, including the eventual devastating power of nuclear weapons if that is what it takes.

Flexible-response strategy

Prior to 1967 the strategy of the Alliance was based on so-called limited nuclear warfare. The strategy acknowledged that NATO forces would go immediately to the use of tactical nuclear weapons as necessary. The viability of such a strategy was always open to question. It must be remembered that the difference between a tactical nuclear weapon and a strategic nuclear weapon depends a little bit on where you are standing when the mushroom cloud forms. What might be a tactical nuclear weapon for someone in the United States or Great Britain would be a strategic nuclear weapon for a European in the forward area.

Thus far in every cold-war crisis American Presidents have found that almost any alternative is preferable to the use of nuclear weapons.

Since 1967 NATO strategy has been based on a theory of flexible response, sometimes referred to as "the pause strategy." The theory intends that NATO will have the flexibilty to respond with a level of power necessary to check the enemy; and part and parcel of the strategy is that adequate conventional forces can hold the enemy for at least a limited period of time and give the leadership time in which to determine whether nuclear weapons have to be used, or more desirably, during which the enemy will be presented with the emphatic demand to remove his forces or face nuclear attack.

It should be understood that while the flexible-response theory calls for using conventional forces as long as appropriate, the theory is not to be confused with that of gradual escalation, which has proven to be illusionary. The subcommittee satisfied itself very clearly on this point in discussion with the Supreme Allied Commander, General Goodpaster.

It is also important to note that the flexible-response theory allows appropriate forces for stopping the kinds of incursions that might occur short of a general assault. The prospects of war are generally viewed in terms of a massive attack across the German border by all of the Warsaw Pact forces. If there were not strong, united NATO forces prepared to respond, a more likely action would be movement by a small force against one country or one section of a country, following some real or trumped-up provocation, with the hope that forces could move in quickly to take over a certain amount of territory and then present Western leadership with a *fait accompli* and thus the awful choice of surrendering the territory already lost or resorting to nuclear weapons which threaten far greater destruction there and elsewhere.

It has to be conceded that we have no assurance that conventional forces will hold out indefinitely. It may be that after a period of time in a general attack the only way to stop advancing Warsaw Pact forces would be with the use of tactical nuclear weapons.

NATO planning recognizes this, and it is important that the leaders in the Kremlin recognize it.

It is for this reason that the subcommittee stressed in the beginning that the NATO commitment is, as much as anything, a commitment of national will. Although there would be strong reasons to restrain the Soviet leadership from escalating the war to a strategic nuclear exchange—among other reasons, because of the foreseeable destruction of the Russian homeland—nobody can say with any certainty what stability could be assured once nuclear weapons were used.

But the subcommittee is persuaded that this strategy is the most logical in terms of defending and preserving Western Europe. Anything that adds to the possibility of preventing nuclear warfare, anything that gives to the President a better alternative, that gives to him some additional measure of time in that terrible moment when the decision on nuclear response must be made, is worth the price.

V. U.S. TROOPS IN EUROPE

Two points should be understood at the outset in discussing the frequently asked question, "why do we have 300,000 U.S. troops in Western Europe":

(1) There is nothing sacrosanct about the present number of U.S. combat forces committed to NATO.

(2) We do not have 300,000 combat troops in Western Europe; we have about 260,000 in the combat and combat support roles committed to NATO.

There are about 310,000 American military personnel in Europe, but some 50,000 are personnel in a variety of assignment and billets not directly tied to NATO. The 50,000 is made up, generally speaking, of small numbers assigned to a variety of tasks, the major categories being communications and security.

In determining whether the number of forces maintained in Europe can be reduced, the subcommittee realized that the answer is inextricably tied to the question of whether the total number of U.S. forces oriented toward NATO and therefore the total num-

ber of active-duty U.S. forces could be reduced.

Total ground forces committed to NATO

The United States presently has 4⅓ Army divisions in Europe plus 2⅔ divisions in this country for which equipment is prepositioned in Europe and airlift is available for immediate deployment in time of crisis. In addition, the United States is committed to provide additional numbers of divisions within 30 days, additional numbers beyond that in 60 days and further numbers in 90 days in line with agreed-upon NATO strategy.

The forces that are committed to NATO include 9 of a total of 13 Army divisions.

Thus the NATO-oriented forces take up a substantial part of the U.S. active-duty Army. For example, some of the forces committed in principle towards NATO are actually now stationed in the Pacific; and some of the forces would have to come out of our Reserve and National Guard divisions.

Our international treaty commitments require us to maintain certain forces to be available in times of emergency in those parts of the world where we have such commitments. There is a real question of whether there would simply be enough forces to meet contingencies that could arise simultaneously; that is, both in a NATO area and in another part of the world where a crisis might be related to a NATO crisis.

By the end of fiscal year 1973 the U.S. Armed Forces had been reduced by more than 1.2 million men below what they were at the end of fiscal year 1968. The reduction in the U.S. Armed Forces will be equal to more than twice the total number of men that were in Vietnam at the high point of our military involvement.

The U.S. Army now numbers below 850,000 men, less than half the size of the Soviet Army. As it began fiscal year 1973, the U.S. Army numbered 13 divisions. In recent testimony before the full Committee on Armed Services, the Chief of Staff of the Army said that 1½ of these divisions were undermanned. By contrast, the Russians maintain about 40 divisions on the Chinese border alone.

In considering our worldwide treaty commitments and in the absence of any marked revision in those treaties, it does not seem to the subcommittee the facts justify a substantial reduction of the total number of active-duty Army personnel below what is presently planned for fiscal year 1973. The subcommittee notes that Subcommittee No. 2 of the Committee on Armed Services, after extensive review earlier this year, determined that no reduction should be made beyond the manpower levels requested in the fiscal year 1973 budget.

It would seem, therefore, that no persuasive argument can be made for both bringing forces back from Europe and demobilizing them. Such an unwarranted cut would leave the Army unable to carry out its strategic commitment for active forces.

Maintaining NATO forces in the United States

In this regard the subcommittee notes that most of the critics of our position in Europe advocate withdrawing troops from the Continent. But the subcommittee has seen no valid, documented argument maintaining that the total number of U.S. forces available for a NATO conflict in time of actual war can or should be reduced.

In determining whether to maintain the troops in Europe or to maintain them in the United States—since it is evident that withdrawal does not mean demobilization—three things have to be considered:

(1) the military advantage of having the troops stationed in Europe;

(2) the psychological impact of withdrawal upon the NATO partners; and

(3) the effect or cost if troops are withdrawn.

The subcommittee has examined many statistics relating to the costs involved in bringing back and maintaining various gross numbers of troops in the United States as compared to maintaining them in Europe. The Defense Department generally estimates that the cost of maintaining the troops in the United States would be higher than the cost of maintaining them in Western Europe. A large element of this is the cost of housing, since housing is provided free in Western Germany—and Defense states new housing would have to be constructed in the United States and the cost of maintaining additional prepositioned equipment in Europe or maintaining additional airlift or sealift.

The subcommittee has seen some estimates which conclude that the cost would be roughly comparable or slightly higher to maintain the troops in the United States. The subcommittee has seen no estimates which would indicate that a substantial total budget saving would be gained by maintaining troops in the United States as compared to maintaining them in Europe.

The subcommittee does not believe it is necessary to go through the kind of dazzling statistical footwork to which it was treated at various points in its hearings. While it questions some of the costs included in the Defense Department estimates, the subcommittee is satisfied that essentially the budgetary impact would be, in all probability, a slight increase by having the troops in the United States or, at the very best, an equal cost in terms of the total budget.

The subcommittee is satisfied that no significant amount of saving could be shown by simply bringing back the troops to the United States and keeping them on active duty here.

In straight-dollar terms therefore, removing the troops to the United States is not justified.

There is one substantial cost, however, related to having those troops in Europe which would, of course, be obviated if they were not there: This is the balance-of-payments deficit which ensues which is roughly $1.5 billion a year. In a later part of this report the subcommittee discusses how it believes this problem should be attacked since, as the ensuing discussion will show, removal of troops from Europe is not one of the most desirable means of solving this problem when all of the factors involved are considered.

The psychic epoxy

It is apparent to anyone who reads the newspapers that this is a time of uncertainty and reassessment in Western Europe, both in terms of its own future and in terms of its judgment of the long-range intentions of the United States.

The Presidential missions to Moscow and Peking; the great publicity attending proposed cuts in NATO forces in the Senate; the revaluation of the dollar and the suspension of redemption of dollars with gold, which left some European countries with a great store of U.S. dollars; the German Ostpolitik; and the general mood of and great desire for detente and for future trade with the East; and other developments taken together make this the worst of times for a unilateral reduction of U.S. forces.

Everywhere that it traveled the subcommittee was impressed by the deep concern felt by European leaders as to the continuing viability of the American commitment. Subcommittee members were informed repeatedly, both by Europeans and by U.S. leaders in the field, that the Europeans would consider a substantial U.S. withdrawal at the present time as a sign that the Americans had decided to pull out of Europe and this was the beginning of the process of disengagement.

All of the American commanders and diplomatic personnel in Europe reiterated how closely the Europeans follow developments on the NATO debate in the United States. As one commander put it, "They count the votes." From the European point of view, the direct U.S. negotiations with the Soviets concerning strategic armament raise some doubt as to the continued protection of the interests of Western Europe. In strictly military terms the conventional defense of Western Europe becomes more important in an atmosphere of strategic parity where the parity has the imprimatur of a treaty. However, the Europeans need to be reassured that in a political sense the importance of Western Europe is not downgraded in U.S. planning.

It must also be remembered that the policy has been stated by the President that the United States will maintain and improve its forces in Western Europe and not reduce them without reciprocal reductions on the part of the Warsaw Pact, given a similar effort by our allies. The President, in his February 1972 report to Congress, noted: "With such mutual reductions now on the agenda of East-West diplomacy, this is precisely the moment not to make unilateral cuts in our strength." The "existing strategic balance" which the President gave as one of the reasons for our policy has now been, to some extent, solidified. The President's statement of policy was also reaffirmed by the Secretary of State at the NATO Ministerial Conference in December 1971.

As is acknowledged hereinafter, the NATO Allies in the past have neglected to meet their NATO commitments and are still, in the opinion of the subcommittee, not doing all that they should do. At the same time it must be acknowledged that over the last 2½ years the Allies have taken significant steps to enhance the level of their participation, particularly through actions taken at the ministerial meeting in December 1971. This increased effort can significantly improve NATO's military power and deterrent capability. A substantial withdrawal by the United States, especially if precipitately carried out, could encourage an abandonment of these planned improvements by our allies and an irresponsible weakening of the Alliance.

Over and over the subcommittee was told that even small reductions, if made precipitately and unilaterally, would damage U.S. credibility with our allies and lead to the inevitable conclusion that larger cuts would follow. It is an unfortunate fact that the kind of modest reductions which, at certain times, would be feasible and which were made at various times in the 1960's would have an adverse psychological impact in the present environment out of all proportion to the actual military effect of such reductions.

It must be remembered that U.S. strategic forces are the bedrock which gives NATO conventional forces viability; and European leaders are quite candid in their statement that U.S. forces in place in Europe are an earnest of the U.S. commitment to defend NATO, whatever level of defense is required. It must be conceded that without U.S. forces in Western Europe, any action against the Alliance nations that would require a strategic nuclear response by the United States would create enormous pressure to withhold such a response. With U.S. forces of substantial numbers involved in the engagement from the beginning, the assurance of a nuclear response is much less in doubt.

In short, U.S. forces in place in Europe are the psychological epoxy of the Alliance, the glue that holds NATO together.

All of the above is not to say that the subcommittee is unalterably opposed to any change in our force levels in Europe. Quite the contrary is true. The subcommittee discusses further on in this report the prospects of mutual and balanced force reduc-

tions and of other steps which might eventually lead to reduction in European forces.

Trend in troop deployment

A study of U.S. troops in Europe will show that the trend has been downward. The U.S. military personnel in Europe have been reduced by over 100,000 from the peak force during the Berlin crisis of 1961 to slightly over 300,000 now. Current U.S. Army Europe strength is about 22 percent below the level 8 years ago.

After the 1961 Berlin crisis, a phasedown eliminated 15 percent of military and civilian spaces (reduction completed by the end of June 1964). In 1965 the Secretary of Defense reduced line-of-communication units, eliminating another 4,000 spaces.

With the withdrawal of France from the military arm of NATO, the U.S. logistics element was cut by another 16,000 men.

The U.S. dual-basing concept grew out of the 1967 trilateral negotiations with the United Kingdom and the Federal Republic of Germany. The United States and the United Kingdom were experiencing unacceptable balance-of-payments problems and were seeking means of reducing the imbalances without a commensurate reduction in their commitments to NATO. The three nations agreed that the United States and the United Kingdom would redeploy selected units to the United States and the United Kingdom, with the understanding that the units would remain committed to NATO and available for prompt return in the case of need. The United States also agreed that no further redeployments were justified at that time.

NATO in-place forces were further reduced when Canada, in 1969, cut its land and air forces in Europe from 10,000 to 5,000.

Both the United States and the United Kingdom recognized that there were no military advantages to the dual-basing concept. However, the redeployment of some troops, along with other balance-of-payments measures, such as the Federal Republic of Germany's efforts to increase offset payments, were deemed necessary from an economic standpoint.

The return of units agreed upon in 1967 was completed during the late summer of 1968. The code name Reforger was assigned to redeploying Army units and Crested Cap to redeploying Air Force units. Major Reforger units (consisting of approximately 28,000 troops spaces) include the following:

Unit	*Stationed*
1st Infantry Division (Mechanized) less 1 brigade in Federal Republic of Germany	Ft. Riley, Kansas
3d Armd. Cavalry Regiment	Ft. Bliss, Texas
3 artillery battalions	Ft. Sill, Oklahoma
1 artillery battalion	Ft. Knox, Kentucky

Crested Cap forces consist of the 49th Tactical Fighter Wing which includes 4 tactical squadrons (96 F–4 aircraft and 3,400 personnel) normally based at Holloman Air Force Base, New Mexico.

The 1967 trilateral agreement stipulated that selected elements of the Reforger/Crested Cap forces would return to Western Europe once a year to conduct exercises. Since then 4 exercises (1969, 1970, 1971 and 1973) have been conducted and a fifth exercise is planned during fiscal year 1974. The costs to implement the previous exercises ranged from $14 to $19 million.

The costs for the 1973 exercises were Reforger, $12.9 million, and Crested Cap, $4.9 million. Overseas personal spending avoided *annually* from dual-basing Reforger/Crested Cap forces total $93.2 million.

In spite of the estimated $93.2 million foreign-exchange savings, there are definite economic setbacks. For example, it is more expensive to maintain dual-based forces in the United States than if they had remained in Europe. It is necessary to maintain two sets of heavy equipment (tanks, armored personnel carriers, artillery, etc.) for dual-based ground forces. One set for day-to-day training is kept in CONUS and a second set is prepositioned in Europe for use in times of crisis.

This practice is less costly than acquiring and maintaining the additional transport that would be needed to move one set of equipment across the Atlantic each time Reforger/Crested Cap exercises are conducted.

Witnesses in Europe testified that the dual-basing has "degraded" the overall in-place defense capability in Europe. General Burchinal summed up the feeling expressed by most U.S. commanders in Europe:

"Dual-based forces are no substitute for in-place forces in or near their combat positions on a daily basis. And there is always the possibility that there could be political objection to their return to Europe during a period of tension on the grounds that this in itself would be a provocative or escalating act."

In 1968 and 1969 the Defense Department launched a program called Redcoste (for reduction of costs, Europe) which took another 16,000 personnel out of Europe.

It is against the background of this kind of continual chipping away in numbers that commanders in Europe have resisted further cuts. General Davison, the U.S. Army commander in Europe, said that his combat forces are at the minimum required to defend the sector of the front for which he is responsible.

The Reforger/Crested Cap effect has created a situation where all of the U.S. troops in Europe are on the line. The command is not able to have one division in reserve in place in Europe, but rather that reserve is held back in the United States.

The enduring attraction of rapid redeployment

Nothing seems to hold such enduring attractiveness for would-be defense planners as the idea of rapid redeployment of forces to "hot spots" around the world. The continuing reference in the literature of those who advocate NATO troop withdrawals to "light mobile forces" and "rapid reinforcement" gives evidence of the superficial manner in which realities of such operations have been studied.

The deterrent value of in-place forces just simply cannot be duplicated with any manners of plans for strategic augmentation. A potential enemy is always less likely to attack a standing force of several divisions than he is to attack a lightly defended area which has a promise of forces at some time in the future.

All of the experts who have had experience in operations to rapidly redeploy large forces of a divisional level or higher across the oceans when questioned by the subcommittee expressed considerable skepticism about the feasibility of such operations as the basis for a sizable part of defense forces.

To begin with, it must be understood that a substantial part of our force committed to Europe is already based in the United States on the premise of rapid redeployment, as explained above.

While it is true that the U.S. forces have improved their capacity for redeployment substantially in recent years, most notably with the addition of the C–5A, the idea that even greater numbers of forces could be rapidly redeveloped beyond what is now planned for is seriously questioned by the subcommittee.

In its own on-the-spot investigations the subcommittee has been struck by a variety of factors which would affect the feasibility of future large-scale redeployments. Some of these are factors over which military planners would have no control; they are geographic and demographic. The area of Western Europe where redeployment is to take place is relatively small and densely populated. West Germany is about the size of Oregon. With France presently not part of the military alliance of NATO, virtually all planning for rapid redeployment, in the central region, must contemplate the use of airfields in West Germany. There are insufficient numbers of airfields, and they are insufficiently dispersed. And because of the intractability of the French, the line of communication (that is, the line of resupply) runs parallel rather than perpendicular to what would be the front lines.

A number of existing military factors would further complicate the problems. One is the presence of substantial Russian advantage in airpower, which would be of a particular advantage with the supply line and the augmentation points so close to the front lines. Another is the lack of adequate shelters at airfields which are vital to the survivability of our aircraft. The NATO countries are just beginning a substantial program of building shelters and are at least a year behind the Warsaw Pact nations in this regard. The Soviets learned well the lesson of the Arab-Israeli six-day war and have a substantial aircraft-shelter program going throughout Eastern Europe.

The subcommittee is deeply concerned that our antiaircraft defense capability is deficient generally throughout Europe and particularly deficient in defense of rear-area airfields. One primary reason for this deficiency is delay in getting the Improved Hawk and other surface-to-air defense systems developed and deployed to Europe. Because of the great numbers of aircraft in possession of the Warsaw Pact, improvement in the type and number of antiaircraft systems must be pursued to prevent those systems from being overwhelmed and to provide adequate defense of our forces, their airfields and their supply depots.

Another unfavorable impact that the demography of West Germany entails is the shortage of areas for dispersal of supplies and prepositioned equipment, and more of these are in large central depots than desirable. The danger of these depots coming under attack, with the consequent destruction of equipment designed for augmentation forces would appear to be obvious. There is a limit to how much more prepositioned equipment could be placed in Western Europe as long as France remains outside of the military alliance and, therefore, a severe limit on the additional numbers of forces that could be held in the United States for rapid redeployment.

Even with our present redeployment schedule, significant improvements are required. To greatly expand the augmentation requirement does not appear feasible.

Ratio of combat to support troops

Almost as alluring and enduring as the idea of rapid redeployment to armchair strategists is the belief that vast reductions could be made in our forces, in Europe and elsewhere, by cutting out "support" troops without any loss of combat capability. It must be admitted that the subcommittee flew off to Europe with visions of such vast support reductions.

This is another area where the facts are easily oversimplified and thus unknowingly distorted. The armed services do not help the situation a great deal by their description of various activities, as will be shown below.

It is generally stated that we have a higher support-to-combat ratio than our NATO Allies and a much higher ratio than the Warsaw Pact forces. It is also alleged that out of 260,000 troops in Europe, we only have about 70,000 in combat divisions and, therefore, a great many more in unnecessary support activities.

The subcommittee does not want to be in the position of saying that reductions could

not be made in support areas not directly related to combat activities. For example, it would clearly not hurt our combat potential if some reduction were made in the large establishment which supports commissaries and exchanges in Europe—though under present economic conditions we would not want to see these privileges lost to military personnel on the Continent.

It is also frequently alleged that wholesale reductions could be made in what is called "sustaining support" without any loss of fighting power. This is based on the thought that every division has one man in combat support and one man in sustaining support for every combat trooper and that among the combat troopers a high percentage are what are called complementary support troops.

A close examination of the European forces shows that a much higher percentage than generally realized are engaged in essential combat-related jobs, whether they are referred to by a support title or not.

Approximately 41 percent of the Army's strength in Europe is in what are called combat units. It would be a mistake, however, to refer to the remaining 59 percent as being in noncombat jobs and therefore expendable as far as readiness is concerned.

The U.S. Army forces in Europe are broken down into combat, combat support, and combat service support. After the "combat" troops, who make up only 41 percent of the forces, combat support troops account for 27 percent. This latter category includes artillery personnel, air-defense units which fire the Nike and the Hawk—who, in point of fact, would probably be the first troops to direct fire at the enemy in an engagement—and helicopter and other gunship crews. So the troops in this category are called "combat support," but they are in the fundamental sense combat troops—they are putting fire on the enemy and they contribute substantially to firepower of the division. When these two categories are taken together, combat and combat support, that means more than two-thirds of the personnel are actually involved in combat activities related to delivering firepower at the enemy.

The next category, combat service support, sounds even further removed from the battle than combat support. But it involves many of what are essentially logistic units such as engineers, troops that move ammunition forward, transportation units, and equipment maintenance personnel. In other words many of these people are crucial to the successful maneuvering of the combat forces. Other personnel in the combat service support category include personnel manning rear-area depots, hospital personnel, those responsible for mortuary service and so on. While many of these people may well be in rear areas, the service they perform is essential.

General Burchinal, Deputy Commander in Chief of the U.S. European Command, told the subcommittee, "I could pretty well claim over two-thirds of our forces are right in the line of fire and a large portion of the remaining forces operate in the battle area."

The subcommittee must say that the manner in which the Army identifies its personnel adds to the confusion on the ratio of support to combat troops and does not appear very desirable in terms of the personnel themselves. Surely it does not do much for the morale of a soldier to be told that he is a part of the support element rather than a combat element when he is firing guns at the enemy and they are firing guns at him.

The subcommittee was impressed by the fact that virtually all the commanders in Europe, when questioned on this point, indicated they believed they had absorbed all the reductions that could be taken in support forces and that if further cuts were made in their forces, they would have to make them in frontline-division troops.

"We have to build forces for sustained combat, initially in a defensive role, and this requires support," General Burchinal told the subcommittee.

Most of the reductions that have been made to date in forces in Europe were the result of efforts to reduce the support superstructure. It should also be remembered that a higher percentage of support forces are going to be required for U.S. troops in Europe than for Soviet troops in Europe for two very good reasons:

One is the length of the logistic train. U.S. forces have to be resupplied and reinforced across an ocean, which requires more personnel to handle the transportation of equipment and supplies and requires a high percentage of in-place equipment and supplies with, in turn, the necessity for personnel management and control of these items.

The second very simple reason is that U.S. forces have a much higher standard of living and much higher expectations in the matter of facilities and support than Soviet troops; and this, in turn, is going to require a higher percentage of personnel running support activities.

Efforts along the line of Redcoste are continuing. The subcommittee believes that these efforts should continue and that additional savings on a regular basis can be made if constant management attention is given to the program. However, the subcommittee must conclude that wholesale withdrawal of many thousands of support troops *from the forces committed to NATO* would inevitably have some adverse impact on the combat capability of our NATO forces.

Headquarters personnel and complexity of command structure

The subcommittee was concerned about what it believed was the high percentage of personnel in headquarters assignments in a number of locations in Europe. Also, the subcommittee was concerned about what appeared to be inflated rank structure in headquarters. While the total manpower savings would be relatively small in terms of the forces as a whole, reduction and improved management should be pursued wherever possible.

The subcommittee was informed during its visit to Wiesbaden of the reorganization of the Air Force headquarters structure which allowed the elimination of over 400 slots. The reorganization is complete and has accounted for a saving of over 600 slots. In this case the saving in military personnel is not a net saving in total number of people in Europe but is a reduction in higher-level headquarters with the additional billets being distributed to units in the field allowing for improved readiness without any net increase in the total personnel authorization.

The subcommittee applauded the move and expressed to commanders throughout Europe its belief that similar efforts should be made in other headquarters.

Since the completion of its travels and its hearings, the subcommittee has been pleased to learn that more than 3,000 positions have been identified in U.S. Army Europe which can be taken out of support assignments and used to improve the combat capability of the forces.

In May of last year the Secretary of Defense announced measures which will strengthen the combat capability of our forces in Europe without any increase in the total strength of U.S. Army Europe. An airborne battalion combat team of over 1,000 men has been activated and is being filled; and, in addition, 2 tank battalions, 2 attack helicopter companies and 1 Chaparral-Vulcan air-defense battalion have been formed. The personnel slots for these units will come from a streamlining of command, control, and logistics organizations. Scheduled for elimination are the Combat Support Command for U.S. Army Europe, the U.S. Army Materiel Command for Europe, the Advanced Weapons Support Command, and the Management Information Systems Support Agency.

By providing the billets to local commanders to increase their combat forces, a real incentive is provided for improved management in the staff and headquarters area.

The subcommittee is pleased with this reorganization, which is along the lines of the views expressed by the subcommittee during its European visit.

The subcommittee did not have time to review all of the intermediate-level headquarters as thoroughly as it would like, but it believes that further effort by the Department of Defense would find other areas where personnel and dollars could be saved by streamlining.

Such moves improve readiness not only by providing more manpower to the combat units, but, in some cases, by providing a needed simplification of command lines.

The subcommittee is concerned about the complexity of the command structure in NATO and the necessity for communicating quick decisions through many layers of command. Some of the complexity is inevitably because of the nature of the situation. That is to say, there is one line of command for U.S. forces for a non-NATO crisis which would be inevitably somewhat different from what would be faced in a NATO crisis. The subcommittee recognizes that separate structural lines have to be maintained and in some cases staff work has to be performed both for a NATO headquarters and for a solely U.S. headquarters.

However, the subcommittee continues to believe that the complexity of command structure could be a potential source of danger in times of crisis and could hinder rather than enhance the rapidity of NATO's response. When it is remembered that NATO is a community of nations with officers from many different armed forces and with different languages, there is a special requirement for the clearest command lines possible.

The subcommittee urges the Department of Defense to restudy the command setup in Europe with a view to eliminating those senior command positions which are duplicative and which involve the employment of nonessential staff personnel.

Irreplaceable deterrent

American forces, while providing 10 percent of ground forces overall for NATO, provides about 25 percent of NATO strength in the central region, the area perceived as the most likely arena of combat and the area where American combat troops are concentrated. The American troops there simply could not be replaced by a like number of European troops and still provide the deterrent value now possessed. The European troops, even if they were as well trained and as strong in firepower as American troops, would not be accepted as a deterrent by the Russians to the degree that American troops would and, therefore, would not be so accepted by the Western Europeans. The incentive would thus not exist for the Europeans to go to the expense, fiscal and political, that providing such a replacement entails.

Admittedly, after all that the United States has done for the preservation of Western Europe over three generations and two wars, it is somewhat galling to be told that our European friends will believe that a partial reduction is necessarily the beginning of the end of our commitment and that we will not be there in a crisis.

But to attempt to give an ironclad commitment without adequate forces continuously available, in an age where the commitment carries the possible necessity of using nuclear weapons, is simply unrealistic.

Short of reductions on the other side, the forces must be there in the beginning—and a considerable portion of them must be American.

VI. EUROPEAN COMMITMENTS AND OBLIGATIONS

"Unless the countries of Western Europe use the years or months—between now and a possible American reduction of strength or

withdrawal—they may find themselves in a desperate position.

"It is ridiculous to pretend that countries which spend no more than an average of 4.1 percent of their Gross National Product on defense cannot provide more formidable defense forces—the forces on which all their democratic institutions, social benefits and modern luxuries, which they prize so much, depend in the final count. We may conceivably see the day again when, as in 1940, the people of Western Europe will curse the names of the men who failed to provide for a proper defense of their homelands."—Brig. Gen. C. N. Barclay, British Army.

The United States, by most measurements, makes a greater effort for defense than any of its NATO Allies except Portugal. The United States spends a greater percentage of its gross national product on national defense worldwide; it spends a significantly greater amount per capita than the other 14 partners; it has more men under arms per 100,000 citizens than most of the NATO partners. Central-region Allies, at last check, had approximately 8 men under arms per 1,000 population The United States had 12. The minimum term of enlistment for a U.S. serviceman is longer than the term of service for many Euopean Allies. Allied forces have terms of service for 12 to 60 months.

As everyone knows, NATO has provided the framework under which Europe has achieved remarkable economic recovery; and in the last decade, in particular, most of the countries of the Alliance have achieved great prosperity. The NATO European partners now have a combined GNP in excess of $700 billion per year for a combined population which exceeds 310 million.

The question is naturally asked, therefore, why Europe—with a greater population than ours and a GNP close to ours—cannot provide a higher level of the military forces for the Alliance.

The subcommittee concludes that the European partners could do more and should do more in terms of total contribution to the Alliance.

The contribution of the European partners, however, must be looked at in perspective. The lack of equal burden-sharing by the Europeans comes about as a result of past neglect. During the 1960's, as the economies of many European countries improved markedly, no effort was made to increase their NATO contribution. This was particularly true during the time the Alliance operated on the theory of nuclear retaliation; that is, up to 1967. With no great weight given to conventional response there was not a great deal of incentive for the European partners to increase their forces.

With the introduction of flexible response in 1967, greater emphasis has been placed on conventional forces. Initially, some of the NATO partners did not fully accept the flexible-response theory, or at least did not exert the effort required to make it work.

There is no question that some of the European partners felt comfortable with the assurance of American nuclear backup and were content with a situation which allowed the United States to carry a heavy share of the load, particularly the financial burden. The withdrawal of France from the military wing of the Alliance complicated the planning and the supply lines of the NATO forces and for a time shifted attention away from the relative efforts of the partners.

It is also clear that American policy planners did not expend the effort they should have during the 1960's to impress upon European partners the urgency of carrying their full share of the burden.

The obligation of the European partners

A review of the 23-year history of NATO is a sorry record of American Presidents calling for greater efforts by the European nations and having the call fall on deaf ears. Every President since Harry S. Truman has issued statements to the effect that we would carry out certain commitments to NATO, contingent upon relative effort by the European nations. The United States has carried out the commitments promised. European nations frequently did not do so.

America simply does not have the financial capability to spend a greater percentage of its resources on the security of Western Europe than Western Europe spends, nor are its citizens willing to demand more service from its young men in the defense of NATO than other nations demand.

It must be understood by the European partners of the Alliance that the time of unequal burden-sharing is past.

The European partners have fallen short in maintaining levels of war-readiness materiel (WRM) called for by NATO strategy. This has led many to question whether they sincerely support the theory of flexible response. The subcommittee was shocked to find a few instances where a lack of reserve war materiel would make some units of the armed forces of some nations unable to carry out their missions for even a brief period. These deficiencies simply have to be corrected if the United States is to continue its contribution at the present level.

Almost all of the experts the subcommittee talked to—commanders in Europe, former Government officials, officials in Washington, and academic experts—agreed that the European partners were not doing as much as they could, and should do more. However, no clear prescription as to how to bring about the desired level of effort was forthcoming.

The NATO treaty is unique and does not give to the NATO Council or to the Military Committee any authority to force contributions from members. Each member of the Alliance pledges itself to consider an attack on one member an attack on all and to make its contribution to the joint defense. However, the level of that contribution is essentially self-determined and the Military Committee of NATO can encourage but it cannot demand.

Levels of effort

The subcommittee was struck with the great variations in the levels of effort made towards national defense by the European partners. In some cases, the percentage of GNP spent on national defense is as high as that of the United States. It was particularly interesting to the subcommittee that the countries of Turkey, Greece, and Portugal, which are the poorest of the Alliance, spend the greatest share of their resources on national defense, except for the U.K., in each case about 6 percent of their GNP. It seems to the subcommittee that their far more prosperous northern allies could make an equal sacrifice of resources. Turkey, in particular, maintains a large standing army although that places great strain on its resources.

It was not lost on the subcommittee that when military assistance to the Greek Government was reduced, the Greeks voluntarily increased their own spending for National defense to more than make up for the amount they had lost—evidence that the partners can make a greater effort when they have to.

NATO NATIONS—DEFENSE EXPENDITURES

	Total defense expenditures (millions of U.S. dollars) 1972 (forecast)	Defense expenditures as percent of GNP [1]	Percent of GNP related to NATO missions [2]
Belgium	999.0	3.3	(3)
Canada	2,138.0	2.5	(3)
Denmark	460.0	2.6	(3)
France [4]	7,194.0	4.2	(5)
Federal Republic of Germany	8,995.0	4.0	(3)
Greece	557.0	5.3	(3)
Iceland [6]			(5)
Italy	3,349.0	3.1	(3)
Luxembourg	11.6	1.1	(3)
Netherlands	1,516.0	3.8	(3)
Norway	499.0	3.8	(3)
Portugal	608.0	8.3	(3)
Turkey	691.0	5.0	(3)
United Kingdom	8,022.0	5.8	(3)
United States	79,528.6	7.5	(3)

[1] GNP is based on the "factor cost" concept which differs from the "market value" concept normally used to calculate U.S. GNP. The factor cost approach attempts to net out from GNP certain components of market cost which, strictly speaking, have not added to the actual value of the good or service, but which are nevertheless included in its selling price (e.g., indirect business and/or manufacturing taxes). GNP is calculated on the factor cost basis in order to eliminate the effects of differences in tax rates, which vary from country to country.

[2] Data on defense expenditures is provided by NATO nations and collated and analyzed by international staff and OECD. Nations do not break out defense cost data to show percentages related to NATO commitments. National defense is considered by European nations as defense as part of NATO.

[3] No data available.

[4] Not in NATO integrated military organization.

[5] Possesses no defense forces.

Having said all the above, the subcommittee emphasizes that it does not wish to downgrade the effort of the European partners. The defensive effort of European NATO nations is substantial, as outlined earlier. There is burden-sharing now, but the subcommittee believes there has to be some shifting of the burden to achieve greater equity. Without such burden-shifting, the U.S. NATO commitment could be in danger of losing the public support in this country that it requires. The subcommittee believes the most desirable way of doing this is by a change of the financing of the military forces of the Alliance as described further on in this report.

Factors inhibiting greater contribution

It is recognized that there are factors which limit the level of NATO efforts by European partners.

For one thing, the level of German forces has been restricted by treaty.

The subcommittee also concedes that a simple comparison on the basis of GNP is not always fair because one cannot simply make a comparison of the total GNP of the United States and the total GNP of Western Europe.

For all the strides towards unity, Europe is still a collection of independent nations with great variations in size, economic capability, rate of economic growth, traditions, and attitudes towards each other. A nation with a far smaller economy than the United States could not be expected to spend even the same relative percentage of its GNP on defense.

Eight of the 15 member nations of NATO have populations smaller than New York City.

But there has been over the last 18 months, spurred partly perhaps by awakening criticism in the United States, a new attitude towards their NATO commitment emerging on the part of the European Allies. It has brought about a series of dramatic increases in spending for defense programs. If carried forward, it bids fair to substantially enhance the conventional capability of NATO. And, together with adjustments in the financing of forces, could right the balance in NATO burdensharing.

EDIP

At the start of its hearings, the subcommittee was informed of the adoption by the 10 European Alliance partners of the special

European Defense Improvement Program (EDIP) which was to add approximately $1 billion to their defense outlay over a 5-year period.

EDIP was designed to improve capabilities in problem areas identified in the NATO AD–70's study. That study defined major problem areas of the Alliance and identified those places where the conventional capability of NATO was seriously deficient in relation to the Warsaw Pact.

The AD–70's study (for Alliance Defense in the 1970's) was issued in conjunction with the communique of the North Atlantic Council in 1970 and signified a reversal of the trend among European partners in meeting their commitments. The study included this statement concerning the American commitment and the related efforts of European partners:

"The commitment of substantial North American forces deployed in Europe is essential both politically and militarily for effective deterrence and defense and to demonstrate the solidarity of NATO. Their replacement by European forces would be no substitute. At the same time, their significance is closely related to an effective and improved European defense effort."

The EDIP was explained to the subcommittee with much fanfare by representatives of the Department of State and the Department of Defense as justification that the Allies were indeed ready to take over their fair share of the burden. While the subcommittee appreciates that the EDIP was a step in the right direction, it continued to be somewhat skeptical since the program is spread over a 5-year period.

The Allies currently spend a total of approximately $33 billion annually on defense. On analysis, the EDIP additions amount to only three-quarters of 1 percent a year on the combined defense budgets of NATO partners. When the effects of inflation are taken into account it will be seen that three-quarters of 1 percent will be hardly enough to keep spending levels constant.

However, the commencement of EDIP was, although only a small percentage increase in total budgets, important for what it said about the change in attitude of the European partners towards their commitment. The initiative for the program was largely European though admittedly encouraged by the United States.

The EDIP has three elements:

(1) A special equipment contribution of $420 million to the NATO common infrastructure fund to accelerate work on aircraft survivor measures and NATO Integrated Communications System.

(2) Additions and improvements to various European forces costing between $450 and $500 million. These are all forces to be committed to NATO.

(3) Improvements to collective defense capability costing $79 million.

The subcommittee found that, in general, NATO Allies live up to their quantitative force commitments. However, there are qualitative weaknesses and deficiencies; and while these deficiencies are a long way from being corrected, many of the Allies had included in their annual defense budgets programs unrelated to the EDIP add-ons to bring about improvements of the problems identified by AD–70's.

Ministerial meeting of December 1971

At the annual meeting of the NATO Council of Ministers in Brussels in December of 1971 significant steps were taken to increase the level of effort of European partners which have received inadequate attention in the United States. The Eurogroup agreed to increase their defense budgets to provide a total net increase of approximately $1 billion per year. As indicated earlier, the EDIP was spread over 5 years. However, the latest effort by the Eurogroup, coming in 1 year, is a substantial increase by the Allies.

It amounts to a 5- to 6-percent increase in previously planned defense budgets on the average; and even after the effects of inflation are taken into account, it amounts to an increase of 3 to 4 percent in real dollars.

Even more encouraging than the EDIP program is this sign that a new spirit is taking hold in the Alliance.

The subcommittee is particularly pleased about the spending on the aircraft-shelter program. By 1975 the major portion of NATO tactical aircraft will be protected by shelters.

This is one of those areas where the subcomittee believes qualitative improvements are clearly more advantageous than improvements in numbers. The cost of sheltering aircraft is roughly 5 percent of the cost of the equipment protected.

Our NATO Allies have increased their defense expenditures by 30 percent in the period 1970–1973. Great Britain plans an increase in defense spending of more than 5.5 percent in real terms this year. Germany also expects to increase its defense expenditures in real terms this year. These are significant additions to the allied defense effort. The extensive equipment improvement programs of our Allies continue on schedule. The Eurogroup of 10 NATO nations continues to improve cooperation among its members. While much remains to be done, almost all the Allies are taking their responsibilities very seriously indeed.

Ministerial meeting of June 1973

Dr. James R. Schlesinger, Secretary of Defense Designate, and special representative to the semiannual NATO defense minister's meeting, spurred allied interest by saying that the United States would find it difficult to maintain its commitment if some of its partners were whittling down the effectiveness of their own conventional forces. Each must continue to pull his own appropriate part of the load. According to Dr. Schlesinger, conventional defense is within NATO capabilities and, further NATO has an adequate deterrent today. He also proposed that the Allies develop a multilateral program to compensate the United States for the heavy expenses of its NATO burden. The NATO defense ministers undertook to concentrate on AD–70 force improvements and to allocate more resources for the modernization and reequipment of NATO forces, and agreed that specific proposals by the United States be studied within the framework of AD–70.

Offset agreement

The West German Government has made a valuable contribution to the cost of maintaining U.S. forces in West Germany through provision of what is commonly referred to as the German Offset Agreement. The previous agreement expired June 30, 1971. After extended negotiations a new agreement was signed in December 1971 covering the period of July 1, 1971 through June 30, 1973. Total U.S. benefits under the agreement come to slightly over $2 billion.

Prior to the readjustment in the exchange rate between the dollar and the German mark, it was estimated that a gross balance-of-payments outflow of approximately $2.5 billion would be experienced in the 2-year period July 1, 1971, to June 30, 1973 for maintaining U.S. forces in Germany, including personal spending by U.S. military personnel and their dependents.

As of March 1, 1973, it was estimated this figure could well approach $2.9 billion for the 2-year period without considering other changes.

Under the fiscal years 1972–73 offset agreement total funds involved amounted to approximately $2,065 million (at exchange rate of 3.22 DM per $1). Provisions of this agreement are:

Military procurement.—$1,227 million; part of this procurement to be financed from funds on deposit at present with the U.S. Treasury in the name of the Federal Republic of Germany. Remainder of procurement to be financed by new funds transferred by the Federal Republic of Germany directly to suppliers or to the U.S. Treasury. Included is the purchase of roughly $730 million worth of F–4's.

Bundesbank credit.—$621 million; credit to be in the form of purchase by Deutsche Bundesbank of special 4½-year U.S. Government Securities which will carry a 2½-percent interest rate. While the subcommittee appreciates the effort the German Government makes, it is recognized that a low-interest loan is only a temporary relief in balance of payments and will eventually, when repaid, contribute to the balance-of-payments deficit.

Payment of interest.—$31 million; the Federal Republic of Germany will turn over to the U.S. Government funds equivalent to the amount of interest due on the securities purchased by the Deutsche Bundesbank.

Barracks rehabilitation.—$186 million; specific projects will be agreed between the Federal Republic of Germany and the United States. Disbursement of funds will be by the Federal Republic of Germany in portions related to progress of projects.

Condition of U.S. troop barracks

The subcommittee is particularly pleased by the German commitment of direct funds for rehabilitation of barracks used by U.S. troops in Germany. The subcommittee examined troop-housing facilities both of the large kaserne type and for small units in the field.

The facilities for single personnel in many areas are simply deplorable.

The subcommittee believes it is inexcusable that this condition has been allowed to continue for so long. It makes no sense to spend billions of dollars on improved pay and fringe benefits to increase retention only to have troopers living in intolerable barracks.

The subcommittee wishes to stress that it is important that all of the money provided by the German Government be used for capital improvement and that it not be used as an excuse to divert funds from the day-to-day operation and maintenance budget for troop housing. The subcommittee has brought its views on this subject to the attention of Subcommittee No. 2, which drafted the military-construction authorization bill, and is pleased that that subcommittee recognizes the importance of the barracks-improvement program.

The subcommittee would also point out that there will be requirements for additional funding beyond the amount pledged by the German Government to complete all of the rehabilitation badly needed. The subcommittee strongly urges that such additional funding be pursued by the Defense Department through follow-on authorization requests.

VII. BURDEN-SHIFTING NEED: A NATO COMMON FUND

" 'Budgetary' costs can and must be clearly distinguished from the balance-of-payments costs of our NATO deployments. The former are not out of line with the comparative economic strength of the United States and should continue to be borne exclusively by the United States, so long as the European allies maintain and continue to improve their own forces. The balance-of-payments costs, however, are an inequitable and intolerable burden on the United States during a period of chronic and growing deficits in our overall balance of payments. They can and must be eliminated as a main contributing factor in the international financial crisis."—Dr. Timothy W. Stanley.

As indicated earlier, the subcommittee believes that an area where burden-shifting should take place which would most desirably benefit the United States and at the same time give the greatest assurance of protecting the deterrent capabilities of the Alliance is in the area of the economic contribution.

It has been pointed out that in terms of percentage of ground, naval and air forces, the Allies make a relatively greater contribution.

In terms of their national budgets, the total defense expenditures of NATO nations less that of the United States amounts to $32,900 million. This is 4.2 percent of their total gross national product.

The United States, by contrast, spends about 6 percent of its GNP on defense and less than 2 percent of its GNP in support of the NATO Alliance.

COST OF U.S. FORCES

The overall cost of the U.S. commitment to NATO is approximately $17 billion.[2] This includes all costs for U.S. general-purpose forces and support programs for NATO except for a proportionate share of the development cost of weapons systems, since these systems are not developed for NATO alone. Included in this figure is the cost of those forces held in the United States including Reserve Forces in the United States which would be called to active duty and committed to NATO in a crisis.

The actual cost of the forces in Europe and their U.S.-based support—including purchase of equipment and a proportionate share of U.S. training and logistic support—is approximately $7.7 billion, including all naval forces in the Mediterranean.

The direct cost of U.S. forces stationed in Germany and elsewhere in Western Europe is approximately $4 billion. This covers pay and allowances, and operations and maintenance costs for forces in Europe, including the 6th Fleet.

It should not be assumed that bringing back the 310,000 personnel to the U.S. would save $4 billion annually. Keeping these forces on active duty in the U.S. *without the ability to carry out the NATO commitment* would require roughly 90 percent of the $4 billion annually. To maintain these forces in the U.S. and maintain the capability to carry out the commitment—that is, maintaining additional prepositioned unit equipment in Europe or additional airlift and sealift—would require expenditure at least equal to and probably greater than the $4 billion. Even then, as pointed out elsewhere in this report, the capability and deterrent value of the forces would never be equal to in-place forces in Europe.

As the subcommittee stated earlier, in terms of our total defense budget the cost of NATO is not in itself seriously out of line. However, of the U.S. defense expenditures in Europe, approximately $1.5 billion represents a deficit in the U.S. balance of payments. This deficit has been absorbed by the United States for many years, and the combined effect of our overseas deployments in Europe and elsewhere and our foreign aid programs have consistently created a substantial deficit as the following table shows:

Net annual balance-of-payments deficits, 1960–1972

(Net liquidity balance)

CY	Billion
1960	—$3.403
1961	—2.251
1962	—2.864
1963	—2.713
1964	—2.696
1965	—2.477
1966	—2.151
1967	—4.683
1968	—1.610
1969	—6.122
1970	—3.851
1971	—22.002
1972[1]	—13.974

[1] Projected.

For many years the United States paid insufficient attention to the effect of this deficit because it was more than offset by a favorable trade balance. In 1971, however, the United States suffered a deficit in its balance of payments in relation to commercial trade for the first time since 1894. It is the opinion of the subcommittee that our balance-of-payments deficit due to Government operations received insufficient attention over the years from international policy planners.

The subcommittee is aware that the long-term investment of U.S. business in Europe, while presently contributing to a deficit, will eventually contribute to a favorable return to the United States.

This fact notwithstanding, however, the subcommittee believes it is intolerable that the United States should annually suffer a balance-of-payments deficit of over a billion dollars for the purpose of stationing our forces in Western Europe primarily for the defense of Western Europe when European members of the Alliance suffer no adverse economic impact or possibly enjoy a balance-of-payments windfall as a result of this deployment.

Working of the fund

The subcommittee believes the answer to the problem would be to change the financial arrangements of the Alliance and to establish a common NATO fund which would assure that no nation suffers a deficit or enjoys a surplus in its balance of payments because of military deployments which benefit all of the members of the Alliance jointly.[3]

Those with a balance-of-payments surplus as a result of such deployments should contribute the surplus to the fund, and those with a deficit should be able to draw from the fund to recover the cost of the deficit. In some cases, there might be two types of payments. For example, Great Britain would be reimbursed for the deficit suffered by its commitment to station troops in Western Europe but at the same time would be charged for the surplus it enjoyed as a result of the U.S. forces stationed in Great Britain.

The subcommittee also believes that factors should be built into the arrangement of the fund so that some financial contribution is made by those members which do not have forces stationed on their soil but enjoy substantial protection because troops are stationed in neighboring, more forward countries. In other words, the subcommittee believes that some arrangement should be worked out so that all of the partners pay something and the burden should not fall entirely on the nations where the troops happen to be stationed. For example, Norway, as a matter of policy, allows no stationing of foreign troops on its soil and hence enjoys no surplus in the balance of payments as a result of U.S. forces being stationed in Europe. At the same time, Norway benefits to a great extent by having U.S. forces stationed in Germany; and Norwegian leaders are most anxious that U.S. forces not leave Western Europe. It is only fair, therefore, that they should also make a contribution to equalizing the balance-of-payments burden.

In the case of France—which has excluded NATO forces from its soil but which, by the fortunes of geography, enjoys the protection that NATO provides—the subcommittee believes that if she is going to have the privilege of continuing to take part in the decision-making of the Alliance, France should make its financial contribution to equalizing the balance-of-payments burden.

Similarly, the subcommittee believes that strenuous efforts must be pursued to get the French to pay the cost of facilities left in France for which they owe substantial funds to the United States and to the overall NATO Alliance.

What the subcommittee has in mind here is a supranational fund established under the auspices of the NATO Council of Ministers. There would be somewhat of a precedent for the procedure in the NATO infrastructure arrangement which finances the construction of facilities. Financing the deployment of troops is equally justified.

The subcommittee does not think it would be appropriate at this time to attempt a detailed statistical analysis of how the fund would operate. It is recognized that implementation of the fund would have to be in conjunction with the settlement of related economic problems of the Alliance. But the subcommittee believes the idea must be pursued and should be on the agenda for the next Ministerial meeting of the Alliance.

One of the most lasting impressions of the subcommittee's long study is that the seriousness of the U.S. economic burdens is not sufficiently appreciated, not only by European leaders, but by sometimes myopic U.S. representatives abroad. The common fund would be of great value in easing these economic burdens. It would be surely more politically palatable in European than straight payments on a nation-to-nation basis. It would be an important aid in making acceptable to the American people the continued value of NATO commitments. But most importantly, it is an economic necessity for the United States.

VIII. PROBLEMS OF THE PERIPHERY

Almost anywhere that one looks on the periphery of NATO's European territory one finds problems or potential problems which stress the imprudence or reducing NATO forces on the central front. The subcommittee would just like to briefly review some of those here.

THE MEDITERRANEAN

The Soviet Union has made a frantic buildup in its naval forces in the Mediterranean in recent years, a buildup which has received considerable publicity. While the Soviet forces still do not match the awesome power of the U.S. 6th Fleet, it is at a point where it presents a considerable challenge to that fleet and could divert some of the support the 6th Fleet might otherwise give to forces in the central region in an engagement. The Soviets on any given day have a greater number of ships in the Mediterranean than the United States; and while the balance of naval power is still in NATO hands, the Soviets' relative position has been substantially strengthened over the past few years.

Not only the numbers, but the quality of their forces has improved markedly. Their command and control is better than it was, and more effective ships are appearing in their Mediterranean fleet. They include both nuclear-and conventional-powered attack submarines (some with cruise missiles); modern cruisers and destroyers equipped with surface-to-surface and surface-to-air missiles; modern ASW forces combining subsurface, surface and air elements; and landing ships with embarked naval infantry. The Soviet employ naval auxiliaries and merchant ships to support the fleet.

We should not underestimate our own power—and above all, we should not lead the Soviets to underestimate it. The 6th Fleet is an incredibly strong fighting machine.

However, it must be recognized that the Soviets are making a subtle and concerted effort to establish a line of bases along the African littoral; and if they are successful in setting up these support bases, it would give the Soviets the capacity to extend tactical airpower over Mediterranean waters—a capacity they greatly desire to offset U.S. carrier aviation. At the same time such a development inevitably increases the power that the Soviets could bring to bear and, there-

[2] Does not include strategic nuclear forces.

[3] The subcommittee is indebted to Dr. Timothy W. Stanley, executive vice president of the International Economic Policy Association, for first making the suggestion on which this recommendation is based. His detailed discussion will be found in the printed hearings.

fore, the influence they would have in the Middle East.

At the time of the subcommittee's visit, Soviet-built reconnaissance Badgers and ASM-equipped aircraft were at Egyptian bases, considerably enhancing fleet capability. Several thousand Soviet advisors were in the area, primarily in Egypt, but also in Iraq, Syria and Algeria. It is too early to tell what the effect on Soviet Mediterranean forces will be as a result of recent Egyptian expulsion of Soviet advisors.

The ocean environment of the Mediterranean compounds the always complex problem of submarine detection. Consequently, Soviet submarines there, which regularly follow the 6th Fleet, are a particularly serious threat; and a greater effort must be made to checkmate these undersea forces. The nuclear-powered attack submarine is our most effective means for the long-range detection, localization, and destruction of enemy submarines in the Mediterranean environment. Additional submarines, therefore, is the Number I requirement of the 6th Fleet.

NORTHERN FLANK

While much publicity attends the Soviet developments in the Mediterranean, the subcommittee wishes to call attention again, as it did earlier in this report, to the extensive Soviet naval developments on NATO's northern flank. In this northern area of the Norwegian Sea and the Barents Sea there is no standing NATO naval force prepared to counteract the considerable naval presence that the Soviets could bring into the area in a crisis. Due to the effect of ocean currents, Soviet entrance to the Norwegian Sea is open year round. The possibility of this considerable force moving to outflank NATO from the north is always present. The subcommittee is especially concerned that the contingency forces which would be called upon in an emergency to reinforce the northern flank area might not be adequate and might be sorely needed in another critical area.

YUGOSLAVIA

Yugoslavia is a nation of different ethnic groups which, throughout history, have been more in conflict than in harmony. There have already been some signs of unrest in the country, and the West should be concerned about what might develop when Marshal Tito dies. Now 81 years old, Tito has set up a 23-man executive committee to run the country after he is gone. Whether the group can hold the federal system together after he departs the scene is uncertain.

In this regard the subcommittee shares the concern expressed by the Honorable George W. Ball and shares his belief that this is still one more reason that militates against reduction of deterrent NATO forces. The following excerpt from Mr. Ball's testimony before the subcommittee is worthy of special attention:

"Now what we do know is that the KGB has been working actively, particularly with the rightwing refugee extremist groups, and that the Soviet Union has done something it hasn't always done before; it has conscripted some agents from Eastern European countries to assist in this process. We have already seen the beginnings of hostility and fragmentation within the past few months.

"Now the government was able to suppress some trouble in Croatia. The people who had been involved have been largely removed from the party in Croatia but I question whether there is going to be permanent stability. There is more rivalry between the Croats and the Serbs than we have seen in many, many years and without the strong guidance of this really remarkable leader, I don't know what is going to happen. What has disturbed me—and it is not a scenario of my own invention—is that when Tito dies, there is a breakdown of the structure of the elaborate 23-man committee. A separatist group starts an uprising, let's say, in Croatia or wherever. The fighting actually starts and then some separatist leader under inspiration from the KGB asks the Red Army to come and help them out. We could then find a situation that the Russians would welcome more than anybody could imagine; it could mean the realization of their fondest dreams and they could invoke the Brezhnev doctrine to justify what they were doing.

". . . I am told that there was a speech that Brezhnev made in a factory in Belgrade which made it pretty clear that he wouldn't hesitate to invoke the Brezhnev doctrine. Having watched the situation in Czechoslovakia in the summer of 1968, I could, therefore, see history repeating itself in a way that would pose terrible questions for the West. Almost certainly the Yugoslavians would fight if the Red Army came in; I think they'd take to the hills. How long they could hold out, I don't know.

"But then what could NATO do? It isn't within the NATO area.

"What would the United States do? And what would happen if the Red Army did take over the country?

"Particularly, what would happen to the politics of Italy if the Red Army were only a few miles away across the Adriatic in view of the deterioration of the political center in Italy and the fact that they are in political disarray already.

"I am not saying all this is going to happen, but I think it is something that we should be prepared for. And anything that suggests diminution of our troops in Europe would only encourage the Soviet Union."

MIDDLE EAST

It is a curious fact that some of those who are most vocal for troop withdrawal from Europe are most insistent that we commit ourselves to support of Israel in a Middle East crisis. It would seem to be obvious that bringing forces back from Europe takes them further away from Israel.

But more important—and independent of our precise national commitment, if any, to Israel—a weakening of NATO forces, particularly U.S.-deployed forces, inevitably reacts to give the Soviets a freer hand for adventures in the Middle East. It should be remembered that the 6th Fleet is part of our NATO commitment, and any reduction that includes the 6th Fleet weakens the friendly forces—the Western sea forces—on Israel's open flank.

IX. PURSUIT OF CHANGE

The subcommittee believes that U.S. troop strength in Europe should be maintained subject to the burden-shifting in regard to the cost of the deployment as proposed through a common NATO fund. The subcommittee here is speaking principally of the basic combat forces committed to NATO. This recommendation does not mean that the subcommittee is opposed to any force reductions or that the subcommittee believes such reductions should not be pursued. There are circumstances under which reductions would be acceptable and some under which they would be desirable. The benchmark in determining the desirability of reductions is the caveat that they be made in such a way as to not reduce the fighting power of the Alliance or at least in such a way as to not reduce the relative balance and therefore the deterrent value of NATO's present military structure. This section discusses some ideas as to how a change might be pursued under such a framework and outlines some of the factors that must be kept in mind in pursuing any change.

MUTUAL AND BALANCED FORCE REDUCTIONS (MBFR)

The NATO Alliance advanced the concept of mutual and balanced force reductions in the Declaration of Reykjavik in 1968 and reaffirmed its support of the concept in the 1970 Rome Ministerial Communique which invited interested states to hold exploratory talks on MBFR in Europe, with special reference to the Central Region.

Initially the proposal received no response from the Warsaw Pact. However, in April 1971 Leonid Brezhnev indicated that the Soviets were prepared for discussions on troop reductions. His remarks were greeted with euphoria by some NATO leaders. The Soviets meanwhile had previously advanced the idea of a European Security Conference; and while the purpose and framework of the conference was left somewhat vague, it is the view of the subcommittee that the Soviets were hoping to gain from such a conference an arrangement with Europe which would further detach Western European nations from their association with the United States and which would therefore weaken the NATO Alliance. In the fall of 1971 the NATO ministers went so far as to designate their former Secretary General Manlio Brosio as explorer to discuss procedures with Moscow. The Soviets ignored him.

Subsequently, in May 1972, the President, in concluding his visit to Moscow, participated in a joint statement with Soviet leaders indicating both sides were prepared to work towards mutual force reductions in Europe and to take part in a Conference on Security and Cooperation in Europe (CSCE).

The joint communique said:

"Europe

"In the course of the discussions on the international situation, both Sides took note of favorable developments in the relaxation of tensions in Europe.

"Recognizing the importance to world peace of developments in Europe, where both World Wars originated, and mindful of the responsibilities and commitments which they share with other powers under appropriate agreements, the USA and the USSR intend to make further efforts to ensure a peaceful future for Europe, free of tensions, crises and conflicts.

"They agree that the territorial integrity of all states in Europe should be respected.

"Both Sides view the September 3, 1971 Quadripartite Agreement relating to the Western Sectors of Berlin as a good example of fruitful cooperation between the states concerned, including the USA and the USSR. The two Sides believe that the implementation of that agreement in the near future, along with other steps, will further improve the European situation and contribute to the necessary trust among states.

"Both Sides welcomed the treaty between the USSR and the Federal Republic of Germany signed on August 12, 1970. They noted the significance of the provisions of this treaty as well as of other recent agreements in contributing to confidence and cooperation among the European states.

"The USA and the USSR are prepared to make appropriate contributions to the positive trends on the European continent toward a genuine détente and the development of relations of peaceful cooperation among states in Europe on the basis of the principles of territorial integrity and inviolability of frontiers, non-interference in internal affairs, sovereign equality, independence and renunciation of the use or threat of force.

"The US and the USSR are in accord that multilateral consultations looking toward a Conference on Security and Cooperation in Europe could begin after the signature of the Final Quadripartite Protocol of the Agreement of September 3, 1971. The two governments agree that the conference should be carefully prepared in order that it may concretely consider specific problems of security and cooperation and thus contribute to the progressive reduction of the underlying causes of tension in Europe. This conference should be convened at a time to be agreed by the countries concerned, but without undue delay.

"Both Sides believe that the goal of ensuring stability and security in Europe would be served by a reciprocal reduction of armed forces and armaments, first of all in Central Europe. Any agreement on this question should not diminish the security of any of the Sides. Appropriate agreement should be reached as soon as practicable between the states concerned on the procedures for negotiations on this subject in a special forum."

The successful negotiations in Moscow created an atmosphere which made MBFR negotiations and a CSCE more likely than at any time in the past. In the fall of 1972 arrangements were worked out for a general scenario for separate talks on both MBFR and CSCE. Initial or exploratory talks on CSCE began in November in Helsinki, and MBFR exploratory talks began in Vienna in late January 1973. These two sets of talks are to move into the full conference or negotiation stage later this year, assuming satisfactory progress in the initial discussions.

The subcommittee acknowledges the difficulty involved in the MBFR concept. It involves the most intricate and complex kind of negotiations—far more difficult, for example, than the SALT negotiations. To begin with, it is difficult to get a handle on general-purpose forces, and there is the previously mentioned wide variation in estimates as to the existing balance of forces. Some general agreement on the relative balance would be required—at least on our side, or at least in our own Government—before one could assess the impact of possible reductions.

There would also be great difficulty in determining what would be a mutual reduction. For one thing, any reductions on the part of the United States would mean bringing troops back 3,000 miles across the ocean, whereas the Soviets would be withdrawing troops several hundred miles across land (the very line to which the Soviet troops would withdraw might well be a matter of contention). It would therefore seem that more Soviet forces in numbers would have to be removed to get an equivalent reduction. For example, if you moved one Soviet tank back 400 miles and one American tank 3,000 miles back across the ocean, you would be handing the Soviets an advantage.

The number of personnel in U.S. and Soviet divisions varies substantially (roughly 16,000 for a U.S. division and roughly 9,000 for a Soviet division). In addition, the firepower varies and the relative capability of various kinds of weapons systems varies widely.

While considerable strides have been made in the areas of verification, there could still be some difficulty resolving numbers and movements of troops; and there could still be some uncertainty because of the capability of Warsaw Pact forces to move rapidly back into East Germany.

The subcommittee was amazed to learn that in discussions of MBFR other NATO nations have considered various reductions in their own forces and that U.S. representatives had been something less than adamant in opposing such an idea in the initial phase of negotiations. In view of the relatively greater cost of the burden borne by the United States and in view of the more desirable impact of lessening tension, the subcommittee strongly believes that any initial reductions of an MBFR agreement should involve the withdrawal of American and Soviet forces. It is Soviet forces and not East European indigenous forces that are the greatest threat to NATO. What would contribute most to the lessening of tension is the reduction of Soviet and U.S. forces.

For all the difficulty, however, the subcommittee believes that the possibility of mutual reductions should be pursued and that the hand of NATO should not be weakened while negotiations are going on, or during the time when negotiations are likely getting underway.

The importance of not reducing forces at such a time applies not only to MBFR, but to various other negotiations which are being conducted by the West German Government and by the United States. Reducing the balance of power at such a time would weaken our hand and reduce the benefits that might flow to the West from such negotiations.

A strong and certain U.S. contribution to NATO is the best incentive that can be given to the Soviets to take part in mutual and balanced force reductions. While there is a good deal of skepticism about the success of MBFR, two years ago there was a great deal of skepticism about the success of SALT. If a possibility of improving the atmosphere for world peace without endangering the stability of Western Europe through negotiations exists, then we have a moral obligation to pursue it.

Atlantic Conference

The subcommittee believes that planning should begin now for possible long-range changes in NATO that can be expected to come about following the present period of intense negotiations. Such planning should include possible changes that could be agreed upon by the Alliance in the absence of MBFR or other agreements.

The subcommittee was surprised to find that as far as it could learn no such planning is currently going on in our Government, either in the Department of Defense or in the Department of State. The subcommittee could find no instances in the past where representatives of our State Department or our Defense Department had specifically put forward to NATO councils proposed increases in ground troops of NATO European partners or where they had proposed original reductions in U.S. forces in NATO. Such reductions in the past decade in U.S. forces in Europe have been instigated by higher-level officials and have not been proposed by those representatives responsible for initial recommendations on NATO policy.

At the June DPC Ministerial meeting Dr. Schlesinger asked the allies to consider the possibility of a multilateral solution aimed at alleviating the added costs to the United States of stationing U.S. forces in Europe. The NATO ministers subsequently directed the NATO Permanent Representatives to study the issue and to offer whatever recommendations they thought appropriate to the DPC.

There are two other important purposes that could be served as a consequence of such planning:

To assure—and to assure that citizens of Western Europe know—that NATO is given the priority it deserves in U.S. policy.

To make certain that any change in long-range U.S. commitments would be made only after full consultation and joint planning with our allies and in such a manner that they would have ample time to adjust their own plans.

The subcommittee is somewhat concerned that, up until the past year at least, the executive branch has given a higher priority to other areas of the world than to NATO. The executive branch, in the subcommittee's view, has also been deficient in explaining and reemphasizings to the American people the continued importance to the United States of our NATO commitment.

A meeting of heads of NATO nations, a so-called Atlantic Conference was proposed to the subcommittee by the Honorable John J. McCloy, former High Commissioner for Germany, as one desirable means of bringing NATO planning back into sharper focus. In such a conference the medium, so to speak, would be the message. The act of initiating the conference would signal the importance placed on the Alliance.

Even if a full-membership conference is not considered desirable at this time, the subcommittee can see merit in the outward manifestation of our priority assigned to Europe that a Presidential visit to NATO would provide.

BUILDING BLOCKS TO FORCE REDUCTIONS

In his appearance before the subcommittee, Gen. Lauris Norstad, USAF (Ret.), former Supreme Allied Commander, Europe, disclosed that he had once proposed the idea of "deep inspection" as a means of easing tension along the border between NATO and the Warsaw Pact. The deep inspection would involve numbers of officers from NATO inspecting the forces in place for several hundred miles beyond the border and officers from the Warsaw Pact inspecting equally deep into NATO area. This would be an extension of the present limited inspection procedure under which four-man liaison teams from each side visit the other side on a regular basis.

The purpose of the deep inspections is to be aware of force location and troop movements to provide an additional assurance against surprise attack. Cutting out the chances of surprise attack would be the equivalent of having additional forces. You could safely keep more of your forces removed from the forward lines.

The strategy of flexible response assumes some warning time before an attack could be mounted; and present verification methods give assurance that we would have at least some warning, if n. all the warning the strategy considers desirable.

The deep inspection would provide what General Goodpaster refers to as a confidence-building measure and would be a useful building block towards an eventual mutual and balanced force reduction.

While present national means of verification—which the Soviets accept as justified in relation to strategic weapons in the SALT agreements—may obviate the need for some deep inspection, the psychological advantage of having inspectors physically present on the ground would be of considerable advantage. It is the recommendation of the subcommittee, therefore, that the idea be pursued in more detail.

Similar steps which may be taken prior to the start of MBFR negotiations should be sought. An agreement to give notice of prior movement of sizable troop units would be one example. Hopefully there are others which could contribute to reduced tension.

TEMPORARY WITHDRAWAL

The subcommittee considered, but rejected, a proposal of making a temporary percentage withdrawal of our NATO forces as a device for compelling Western European partners to do more. The subcommittee does not believe that this is a wise and mature way of dealing with allies or improving mutual confidence in the Alliance. It might well encourage the opposite of its intention; that is, a decreased effort on the part of the Allies. And it would be particularly undesirable at the present time because it would be a weakening of our forces and, therefore, a weakening of the hand of NATO during negotiations.

THE METHOD OF CHANGE

One of the deepest impressions retained from a thorough study of NATO is the interdependence of NATO countries—particularly their economic interdependence—and the interrelationship of policies. It is very easy to make neat and clean-looking recommendations concerning this aspect or that aspect of the military alliance. But it is simply unrealistic to plan on actions being taken without taking account of the ripple effect on other policies.

As an example, under other circumstances the subcommittee might have recommendations concerning a change in the extensive commissary and exchange organization in Western Europe. But with the fluctuations in dollar and deutschmark values, a curtailing of these facilities at the present time would have a severe and unfair effect on

the income of military families in Europe and would also encourage the spending of more dollars on the foreign economy with an attendant adverse balance-of-payments effect.

Similarly, the subcommittee is not recommending any large reductions in the number of dependents in Europe. Looked at in the context of the European deployment alone, at first blush it would appear that recalling many of the more than 200,000 dependents in Europe would reduce the cost of our NATO deployment and would create a significant saving in balance of payments. It would also appear to simplify the tactical military requirements, since the removal of the dependents would be a serious task in a time of crisis, and the subcommittee is not convinced that adequate planning has been done for this eventuality. However, the Congress has tremendously increased personnel costs in recent years by increasing military pay and allowances in order to achieve an all-volunteer force. Particularly, in 1971 military pay and allowances were increased some $2.4 billion. Many of the troops stationed in Europe are assigned there after an unaccompanied tour in Vietnam or Korea; and to ask them to spend another two or three years in an unaccompanied tour would have an adverse impact on retention and would be, in simple terms, unfair to career men. It makes no sense to spend billions of dollars to create an all-volunteer force and then impose the kind of restrictions on family life that encourage men to get out of the service. While it may be that in some instances in some billets shorter unaccompanied tours would be desirable and could result in the reduction of some dependents in Europe, in the main our forces stationed there are best accompanied by their families.

After forces have been withdrawn from Vietnam and reduced in Korea, accompanied-tour policies can be reviewed again.

Information given to the subcommittee indicates that some of the problems that were occurring in Western Europe in terms of drug use, racial tension, disciplinary problems generally and related morale matters are on the way to improvement. Statistics presented to the subcommittee by Gen. Michael S. Davison, Commander, Central Army Group, and Commander in Chief, U.S. Army Europe, and 7th Army, which will be found in the hearings, indicate that the crime rate over the last year has been substantially reduced and the retention rate has improved. The retention rate in U.S. Air Force, Europe, has remarkably improved.

In the view of the subcommittee, however, serious problems still exist in the area of motivation and assignment of personnel. Assignment of personnel out of the field for which they are trained is one of the worst contributors to bad morale, and the subcommittee was distressed to find this still happening in the European Command.

One of the most important things General Davison has done which has brought about morale improvement, while at the same time improving the readiness of our Army in Europe, is to get increased training time in the field. The observation of the subcommittee members over the years is that General Davison is right in his statement that soldiers like to soldier and that discipline and morale problems do not occur nearly as often when the troops in the field are doing a soldier's job. Problems occur in the barracks or when troops are inadequately occupied and do not feel they are doing useful work.

As an example, the subcommittee was singularly impressed by the high morale of U.S. personnel at Dyiabakir, Turkey, who—though stationed in an outpost most young Americans would consider a God forsaken corner of the world—were sustained by an awareness of the importance of the mission they were performing.

One change which has contributed to a generally improved picture in Europe is the greater stability of assignments, both in terms of officers and enlisted personnel, but particularly as regards senior noncommissioned officers and company-grade officers. In the past the turbulence in assignments created by the Vietnam requirements has often resulted in company and battalion leadership changing every few months; officers would not get to know their men like they should and there was no time to provide the continuing leadership required.

SUMMARY

We have previously mentioned the profound changes now taking place in Western Europe with the prospects of a European Security Conference and MBFR negotiations; the Berlin Accords; the West German treaty with Poland; the entry of England, and Denmark into the Common Market; and with the economic impact of the devaluations of the dollar and the earlier evaluation of the mark.

It is no secret that the long-range dream of American policy planners has always been for greater political unity for Western Europe, for such holds the best guarantee both of greater security for Europe and a lessening of the need for an American contribution to that security. The expansion of the Common Market must certainly be seen as an important step towards building that greater political unity, for the Common Market is not meant, as one observer put it, to create merely a federation of grocers. NATO continues to provide the necessary framework in which that greater political unity and greater self-ensured security can come about.

But those who would try to build the economy and the political unity of Western Europe without the military foundation of NATO are like the character in *Gulliver's Travels* who was attempting to build a house from the roof down.

As General Norstad told the subcommittee, "The greatest assets of NATO are faith, hope, and charity. NATO is a movement, and the most important thing is the spirit of that movement. But something built up over the years can be destroyed very quickly."

Unilateral actions not taken in consort with our allies which could lead to the unraveling of the Alliance are the kind of destructive actions which should be avoided. Even if all negotiations failed, even if it eventually became necessary to make changes in deployment, such changes would need to be made very gradually over an extended period and only after joint planning.

The method of change is, to a large extent as important as the change itself. And the measuring device of the desirability of change should always be what contributes most to the stable deterrent value of the Alliance and to the political stability of Western Europe.

X. MINORITY VIEWS OF HON. LES ASPIN

Senator HICKENLOOPER. In other words (Mr. Secretary) are we going to be expected to send substantial numbers of troops over there as a more or less permanent contribution to the development of these countries' capacity to resist?

Secretary ACHESON. The answer to that question, Senator, is a clear and absolute "No".—Hearings before the Senate Foreign Relations Committee on the NATO Alliance, April 27, 1949.

Twenty-five years after the end of World War II, American forces are still in Europe. Why? That question is legitimate because it calls attention to a situation which was not foreseen when NATO was established. U.S. Forces may have been necessary in 1949 when Europe was weak. But now Europe is strong, economically and industrially, stronger in some respects than the United States, with almost as large a GNP and more population. Yet we are told it is still necessary for American troops to help defend Europe. Why?

There is no doubt that the European allies can do more for their own defense. When they talk about the difficulties of doing more, it is political barriers, not economic or population barriers that they are talking about.

NATO COUNTRY COMPARISONS

	Percent of GNP going to defense	Length of compulsory service in armed forces (in months)	Percent of population in armed forces
Belgium	3.3	12–15	1.1
Canada	2.5	(1)	.4
Denmark	2.6	12	.9
France	4.2	12	1.1
Germany	4.0	15	.7
Greece	5.3	24	2.1
Iceland			
Italy	3.1	15–24	1.0
Luxembourg	1.1	(1)	.3
Netherlands	3.8	16–21	.9
Norway	3.8	12–15	.9
Portugal	8.3	24–48	2.7
Turkey	5.0	18–20	1.5
United Kingdom	5.8	(1)	.7
United States	7.5	(1)	1.1

[1] Voluntary service.

As the above table shows every one of our NATO allies except Portugal spends a smaller percentage of GNP on defense than does the United States, and only three of the NATO allies have a larger percentage of the population serving in the armed forces. The principal European powers, France, Germany, and Britain, are considerably behind the United States in the former category. In fact, it would take only marginal increases in resources devoted to defense for the European allies to replace all U.S. troops stationed in Europe.

What is more, the allies can replace U.S. troops at roughly half the cost to the United States. The Germans alone could replace half our divisions and half our air wings and still keep defense expenditures to under 6 percent of the GNP. That figure would still be less than the United States is spending on defense and, more significantly, less than the Germans themselves were spending in 1963.

With all of the pressure that our NATO allies have put on the United States to maintain her commitment, they themselves have reduced their own contribution. France pulled out of the alliance in 1966. Canada, in 1969, cut its European forces in half saying in effect, "we are not pulling out of the alliance, but Europe should do more." Germany has reduced the length of conscription in her armed forces and cut her defense budget. The Danes have cut the length of conscription in their armed forces and are contemplating further reduction. Norway does not allow any foreign soldiers on her soil even to help defend Norway. Other countries (Malta and Iceland, for example) take actions directly counter to the interests of the NATO alliance.

Yet we are constantly told of the "deep concern felt by European leaders to the continuing viability of the American commitment." We are told that "the Europeans would consider a substantial U.S. withdrawal at the present time as a sign that the Americans had decided to pull out of Europe and this was the beginning of the process of disengagement."

We are told that if we reduce our forces, our allies will reduce theirs and ultimately it will break up the alliance. There is the danger of Finlandization—where every country will make its own terms with the U.S.S.R. and gradually be absorbed into the Soviet hegemony.

The situation appears to be this: because we are maintaining our defense commitment

we are unable to convince our allies of the necessity of increasing their share of the burden. But we cannot withdraw our forces because such an action will trigger our allies to reduce their forces and come to terms with the Soviet Union. All of this sounds like our troops are not only helping to protect our allies, but are protecting our allies from themselves. If this is all true, perhaps it is better that we find out now rather than later.

The fix that we have gotten ourselves into is simply this: it appears that we are more committed to the defense of Europe than the Europeans themselves. Resisting the temptation to draw parallels with Vietnam, it is nonetheless clear that we have gotten into this fix partly or largely because of our own doing.

In the first place, we have made the mistake of keeping a disproportionate number of the NATO high command positions in U.S. hands. How can we expect the allies to look on NATO as their defense when SACEUR has always been an American?

Second, incredible as it may sound, apparently the United States has never taken the position that the allies should increase the quantity of their forces. All U.S. pressure apparently has been directed toward getting the allies to improve their forces qualitatively.

But third, and perhaps most important, we have become so committed to European defense largely because for years we have been arguing with our allies—successfully—against cutting troops in Europe for the wrong reasons. It was the United States that first insisted that it was not only possible to defend Europe with conventional weapons in a conventional war, but it was highly desirable to do so.

It was the United States who first argued that the Warsaw Pact did not have overwhelming superiority in conventional arms. If NATO was heavily outnumbered, we could cut our forces to a small contingent and save a good deal of money. But if we look at manpower on both sides we see that there is a rough balance. The Warsaw Pact has many more divisions than NATO but they are smaller in size than NATO divisions and in manpower there is rough equality. This is not to say that there are no imbalances. The Warsaw Pact has more tanks, for example, but the measurable differences are slight and if war were to break out the immeasurable differences—morale, training leadership, et cetera would be the deciding factors.

Second, it was the United States who also first argued against the proposition that the NATO forces can rely on nuclear weapons (tactical nuclear weapons) if war comes and so can cut manpower requirements. A nuclear deterrent by itself, it was recognized, is not a credible deterrent. As has been said repeatedly, when a crisis comes almost any alternative will look better to a decisionmaker than the nuclear alternative. Because the distinction between tactical and strategic nuclear weapons is so blurred the use of tactical nuclear weapons is likely to lead to total destruction on all sides. As both sides are aware of this, nuclear weapons alone are not a credible deterrent.

During the sixties the United States took up these arguments with the NATO allies saying (a) that it was possible to have a conventional capability to defend Europe (indeed we had such a capability all along) and (b) because of the limitations of nuclear weapons it was indeed highly desirable to have this capability. In 1967 the allies finally agreed and the doctrine of "flexible response" became the NATO doctrine at least on paper.

But such a victory was not clear cut nor was it without its costs. The low stocks of ammunition and other supplies which the allies have on hand gives some indication that whatever they may have agreed to on paper the allies have not fully accepted the flexible response doctrine in practice. Also, and more significant, the United States having argued for so long and so hard in favor of a flexible response doctrine is in a very poor position to withdraw even some of its forces and jeopardize the conventional capability at just the time when the allies were beginning to accept it.

But in spite of this dilemma that we now find ourselves facing there are still some very good arguments for developing now a long-run strategy for diminishing our presence in Europe. These arguments are of course in part related to Europe's capability to do more for herself and are certainly in part related to a growing sentiment within the United States for our troops to come home.

But one of the other factors that should be important in encouraging us to redefine our European presence is that right now a war in Europe is a very unlikely war. No one can argue that tensions in Europe have been reduced—the Berlin accords, the Moscow summit, the SALT agreements, West Germany's Ostpolitik all attest to that. In speculating about where war is going to break out, Europe is now about last on the list. There is a war going on in Southeast Asia, there has been trouble and could be more trouble in the Mideast and the Indian Subcontinent, but it is almost impossible today to concoct a scenario for war breaking out in Europe. This could of course change, but it can be argued that we should take advantage of this situation while it is here.

Not everyone will agree. First it will be argued correctly that the Warsaw Pact maintains a formidable warmaking capability. As long as this warmaking capability exists we cannot reduce our forces. But it has also been pointed out correctly that "threat" involves not only "capability" but also "intent." The Warsaw Pact's war capability exists only in part as a counter to NATO forces. The Soviets also keep forces in East Europe to maintain a European presence and as a police function over Eastern European countries. While the Soviets are facing a formidable challenge on their Chinese border and are maintaining control over restive European allies—for example, Czechoslovakia—the threat of a Soviet invasion of West Europe is not very great.

Second, it will be argued that NATO is the reason why the threat in Europe has diminished and this reduction in threat proves that NATO is working. Therefore we cannot now reduce our forces. If this argument is true it is going to be very difficult to reduce our forces any place at any time. Certainly we cannot reduce our forces if the threat is increasing. According to this argument we cannot reduce our forces when the threat is diminishing. It seems then that neither can we reduce our forces when the threat stays the same. When can we reduce forces? Apparently never. This argument is sometimes called the "heads I win tails you lose" argument.

However, it is possible to recognize that NATO is an important contributing factor to the stabilization in Europe without arguing that it should go on forever unchanged. Taking advantage of the détente by reducing our forces can, if it is done in the right way, actually encourage the détente and lead to further accords and agreements.

The third argument against force reduction says that to reduce our forces unilaterally will jeopardize the chances for mutual and balanced force reductions (MBFR). As negotiations on MBFR are now underway to reduce forces now would be a very bad thing. But the possibility of MBFR has been dredged up every time. Congress has considered cutting troops in Europe and nothing has ever come of it. The problem is that MBFR is so complicated. A soldier from one country may not be an equal fighting force to a soldier from another country—how do you establish ratios between all the countries? Moving a Soviet soldier several hundred miles to Russia is not the same as moving an American soldier several thousand miles to the United States—how do you establish distance ratios? These kinds of questions we have not yet settled among our NATO allies. It seems unlikely that we will settle them with the Warsaw Pact in the very near future.

What the United States should do is take advantage of the current détente with Russia and begin planning now for a phased withdrawal of forces from Europe. Some forces should remain as a commitment to NATO defense but not more than half of those there now. To give the NATO allies the chance to make up the deficit by increasing their own forces the withdrawal should be done by stages and perhaps scheduled to begin at some date in the future. Negotiations with the allies should determine the timing, but the planning should begin now. The phasing down should be flexible enough to react to and encourage the proper responses from the Soviet Union. If the Soviets increase the pressure the withdrawal should be reversed but if there are affirmative responses this procedure may be able to avoid the tangled problems of MBFR. All of this flexibility is important and therefore preferable that it be done by the executive than by the legislative branch.

Whether the forces taken out of Europe should be disbanded or earmarked for another contingency depends on what needs there are for other contingencies. We have a tremendous commitment of resources to the European contingency—nine out of 13 active Army divisions, six out of nine reserve divisions. Proper defense planning should lead to allocation of resources based upon probable need. If there is a 90-percent probability that we will have to fight war A and a 10-percent probability that we will have to fight war B we should allocate roughly 90 percent of our resources to A and 10 percent to B. But our conventional forces now are overwhelmingly earmarked for Europe a low probability contingency.

This is the point of the controversy over the question of troops in Europe. The main point is not just the 310,000 U.S. troops on European soil but the whole question of what amount of resources should we buy and allocate to the European contingency. To raise that question strikes at the heart of a great deal of vested interest

For instance the Defense Department has a very large stake in the European contingency. Planning for general purpose forces is much more primitive than planning for strategic forces. Trying to determine "how much is enough" in numbers of divisions, tactical air wings and aircraft carrier task forces is far from an exact science. Right now most of the Army's active and reserve divisions are justified in the budget by being earmarked for Europe. If we accept that view that war in Europe is not just around the corner, it may be pretty hard to justify all those divisions.

The Army has an additional stake in the European contingency. Planning for wars in Europe is more comfortable. Wars in Europe are more "normal" and not aberrations like the horror that was and is Vietnam. Battle plans are practiced and weapons are designed with a war in Europe in mind.

The State Department too is not free from this kind of attitude. The presence of U.S. troops in Europe gives the State Department leverage in bargaining in international economics as well as a whole range of other issues.

The question then of troops in Europe is not just a question of a few thousand men on European soil. But to argue for a reduction of those few thousand men leads inevitably to questions being raised about a whole host of vested interests. That is what

makes the reduction of troops in Europe so difficult and so important.

APPENDIX

Major witnesses

Ball, Hon. George W., Former Under Secretary of State.

Bray, Maj. Gen. Leslie W., Jr., USAF, Director of Doctrine, Concepts and Objectives, Office of the Deputy Chief of Staff for Plans and Operations.

Bringle, Adm. W. F., Commander in Chief, U.S. Naval Forces, Europe.

Burchinal, Gen. David A., Deputy Commander in Chief of the U.S. European Command.

Burke, Maj. Gen. William A., USA, Director of Systems, Office of the Assistant Chief of Staff of Force Development.

Calleo, Dr. David P., Professor and Director of European Studies and Research Associate, Washington Center of Foreign Policy Research.

Cobb, Maj. Gen. William W., Commander, U.S. Forces, Berlin.

Davison, Gen. Michael S., Commander, Central Army Group, and Commander in Chief, U.S. Army, Europe, and Seventh Army.

Downey, Rear Adm. Denis-James J., Deputy Director of Strategic Plans and Policy Division, Office of Chief of Naval Operations.

Duncan, Adm. Charles K., Commander in Chief Atlantic and Commander in Chief, U.S. Atlantic Fleet.

Earle, Hon. Ralph, II, Defense Advisor to the U.S. Mission to NATO.

Fluckey, Rear Adm. Eugene B., Commander, Iberian Atlantic Area.

Goodpaster, Gen. Andrew J., Supreme Allied Commander, Europe, and U.S. Commander in Chief, Europe.

Halperin, Dr. Morton H., Senior Fellow, The Brookings Institution.

Hightower, Maj. Gen. John M., USA, Chief, Joint U.S. Military Aid Group to Greece.

Hillenbrand, Hon. Martin, Assistant Secretary of State for European Affairs.

Jones, Gen. David C., Commander in Chief, U.S. Air Forces, Europe.

Klein, Hon. David, Assistant Chief of Mission, U.S. Mission to Berlin.

McCloy, Hon. John J., Chairman, General Advisory Committee on Arms Control and Disarmament.

McGough, Maj. Gen. Edward A., III, Commander, 16th Air Force.

McQuilken, Capt. William Reginald, Commander, U.S. Naval Activities, U.S. Naval Station, Rota, Spain.

Miller, Vice Adm. G. E., Commander 6th Fleet, and Commander, Striking and Support Forces Southern Europe.

Milton, Gen. T. R., USAF, U.S. Military Representative, NATO Military Committee.

Morse, Hon. John H., Deputy Assistant Secretary of Defense for European and NATO Affairs.

Norstad, Gen. Lauris, USAF (retired), Former Supreme Allied Commander, Europe, and Former Chief, U.S., European Command.

Rivero, Adm. Horacio, Commander in Chief, Allied Forces Southern Europe.

Roberts, Brig. Gen. Francis J., Chief, European Division, Plans and Policy Directorate, Organization of the Joint Chiefs of Staff.

Scherrer, Maj. Gen. Edward C. D., USA, Chief, Joint U.S. Military Mission for Aid to Turkey.

St. John, Maj. Gen. Adrian, USA, Director of Plans, Office of the Deputy Chief of Staff for Military Operations.

Stanley, Dr. Timothy W., Executive Vice President, International Economic Policy Association.

Starry, Brig. Gen. D. A., USA, Director of Manpower and Forces, Office of the Assistant Chief of Staff for Force Development.

Stewart, Maj. Gen. Richard R., USAF, Deputy Director for Intelligence, Defense Intelligence Agency.

Tasca, Hon. Henry J., U.S. Ambassador to Greece.

Vest, Hon. George S., Deputy Chief of Mission at USNATO, Brussels.

COMMUNIST PARTY, U.S.A.

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, recently the National Broadcasting Co. presented a special 1-hour television program in which it examined the activities of the Communist Party, U.S.A., an organization which is under firm control and direction of the Soviet Union. This is the first time in recent years the media have placed the spotlight on the activities of the Communist Party.

One of the salient points made in the NBC presentation was the fact that while the New Left flashed onto the American scene and then quickly vanished, the Communist Party, the epitome of the Old Left, has endured. From a low point in the 1950's, the Communist Party was described as staging a comeback with its members actively carrying on efforts to infiltrate virtually every phase of our society. The party hopes to disarm Americans ideologically, to make them feel that communism does not represent a danger to our democratic institutions.

Perhaps the most significant revelation in the television program was the statement of Communist Party national leader, General Secretary Gus Hall, as to whether the Communist Party anticipates using violence in connection with its coming into power in the United States. Although the Communist Party in recent years has steadfastly maintained an official position that it will come into power through nonviolent means, Gus Hall, when asked by NBC commentator Frank McGee if there is a strong possibility that a Communist takeover would be violent, answered:

I think so. I think there's strong possibilities that there will be violence. We do not rule out nonviolence, but, I think if you take history in the United States and the nature of capitalism and monopoly capitalism, that one has to say that there'd be a strong possibility of violence.

In my capacity as chairman of the House Committee on Internal Security, I was privileged to make a brief appearance on the NBC program. I pointed out the financial assistance CPUSA has received from its Kremlin masters. In addition, I called attention to the fact that the Communists have achieved some success in their efforts to infiltrate the Federal Government. This particular fact has been a matter of grave concern to me and the Committee on Internal Security has made a comprehensive study of this situation. Following extensive committee hearings over a 2-year period, I, along with committee member RICHARDSON PREYER, introduced two bills, H.R. 6241 and H.R. 8865, which are designed to remedy weaknesses and deficiencies in the Federal civilian employee loyalty-security program.

The NBC television commentator, in mentioning the efforts of the House Committee on Internal Security to cope with the Communist menace, probably left a misunderstanding in regard to the committee's public source files which I would like to correct. It was stated that the committee is said to maintain files on three-quarters of a million Americans. The fact of the matter is that the public source material in the committee's files is maintained on organizations within its mandate. The committee only develops information on individuals insofar as they are involved in the activities of such organizations. It has been estimated that the committee's index cards to public source material may number close to 750,000. However, this does not represent 750,000 different names. Many names might have dozens or more index cards so that the total number of different names would be far less than 750,000.

It was most interesting to note during the television program that a recent poll taken by a research concern showed that an overwhelming percentage of the American public contacted felt that Communist Party members should not hold Federal jobs, should not hold defense jobs, should not be employed as schoolteachers, and should not be allowed to be candidates for public office. In addition, a majority of Americans contacted felt that Communist Party members should be registered with the Attorney General and that the Communist Party should be outlawed.

It would be difficult to single out any period since the Communist Party was organized in which the optimism of the party has surpassed that of the present time. Gus Hall has declared that the party is experiencing its greatest upsurge. It means for the first time the Communist Party has discarded its defensive posture and is working openly and defiantly to destroy our system of free enterprise. It means that those who choose to downgrade the internal threat of the Communist Party are sadly underestimating the zeal and dedication of party leaders.

Mr. Speaker, I feel that it is important that all Americans inform themselves about the nature of the Communist Party in this country in order to develop a greater understanding of its goals and methods of operation. The NBC television program presents much factual data which will help enable citizens to comprehend the true nature of the Communist Party and thus help to alert them to the necessity of preventing the Communist menace from making further inroads into our society.

I include at this point a transcript of the NBC television program on the Communist Party. Where necessary for accuracy I have inserted my observations concerning the commentator's statements.

COMMUNIST PARTY U.S.A.—TELEVISION PROGRAM

ANNOUNCER. Tonight Frank McGee reports on the Communist Party, U.S.A.

MCGEE. Tim Wheeler is a communist, an Amherst graduate, a newspaper reporter. He's accredited to Congress and to the White House.

Albert Lima is a commuter. He lives in Oakland, works in San Francisco. He's a Communist Party organizer.

Patricia Bell is on the way to meet with copper miners. She's a Communist Party recruiter in Tucson, Arizona.

At a demonstration in Birmingham a policeman argues with Jim Baines, Communist organizer for Alabama. That is part of the American Communist Party from 1971 to 1973. For more than two years we've been filming this tightly disciplined band of professional revolutionaries, officially known as the Communist Party, U.S.A. It has survived the tough laws, the social ostracism and the internal battles of the 1950's. It's outlasted the young radicals of the 1960's. The new left looked on the old left as bureaucratic, stodgy and irrelevant and hoped for spontaneous revolution without organization, without leadership and with hardly an ideology. The new left made its mark then vanished. The epitome of the old left, the Communist Party has endured. Its leadership and institutions are intact. Its press is in high gear. The Daily World in New York and the weekly People's World in California. The party supports two publishing houses which issue an avalanche of books and pamphlets on the theory and practice of communism. It runs or supports 14 bookstores in cities across the country, many of them near urban campuses.

There are about 30 state and district offices of the Communist Party and these are connected to hundreds of sub-groups in cities and towns. These days the communists are visible once again (unintelligible chants from demonstrators.)

Their events are no longer hidden in dark urban corners. This was a birthday party for national chairman, Henry Winston, held in the grand ballroom of the New York Hilton.

From Massachusetts to California and from Minnesota to Texas, the Communist Party is stirring itself out of 20 years in the shadows. Once more it's trying to shape American history and to do it without severing the umbilical cord that unites it with the Communist Party of the Soviet Union. In a decade when other radicals are organizing into special interest groups the communist policy remains. If the cause fits, join it. Demonstrations against the Vietnam War, against the government of Greece, Wounded Knee. This one called for Civil Rights in Northern Ireland. The demonstrators were non-communist Irish-Americans, all but one, Jack Brady, who, when this was filmed was treasurer of the group. He is not Irish, he is a communist.

By themselves the communists are too few to make a show of power but they are growing and they work hard. Some put in up to 70 hours a week on Communist Party work. This is 26th Street in Manhattan. It's between Broadway and the Avenue of the Americas. It's a seedy old neighborhood of offices and shops and a few apartments. It's just down where the garment district mixes in with the green plaid wholesalers, and it's here at 23 West 26th Street that the Communist Party, U.S.A. maintains its national headquarters. It is said that the F.B.I. or somebody kept watch from across the street but for the most part hardly anyone pays any attention. There are exceptions as when members of a Jewish organization demonstrated and held an impromptu debate with the communists. (Unintelligible shouts back and forth).

And there was the time during the last national election campaign somebody set off dynamite in front of the building. There have been several such incidents, but on any normal day outsiders remain unaware of the building's significance. Non-communist traffic in and out of the building is infrequent. It's no Madison Square Garden. There are some security precautions but not quite as stringent as those practiced by the average local telephone company. The inside could be called working-class functional. Cubicles serve as offices for some of the staff, commission chairman, administrators and secretaries. For a national headquarters there is a noticeable lack of files. The reason, danger of disclosure but this creates problems. The national office can't communicate with local branches because it doesn't have their addresses.

[Comment by Mr. ICHORD. The Party's national office is known to be in frequent communication with its district and state offices, which are the arteries used to pump the Party line to the far-flung membership.]

In the third floor conference room an educational subcommittee meeting was underway. The building used to belong to the Vanderbilts. It has a basement and four floors. The top floor, the attic, is occupied by the Party's chief administrator, General Secretary Gus Hall. Hall rules the Party but technically he's not at the top. The National Convention and the Central Committee are the highest policy-making levels but a small powerful political committee makes day-to-day decisions. The chain of command continues downward from the National Secretariat to the Regional offices and at the grassroots there are about a thousand clubs. Once they were called cells.

[Comment by Mr. ICHORD. This is an exaggeration. The Party has about half that number.]

The Communist Party had at one time assigned this member to a club in the Bronx. He was also an F.B.I. undercover man. He was and still is an elementary school principal. Charles Fitzpatrick performed his three roles for eleven years, then he testified before a Congressional committee. His Party club was at a low income housing area called Claremont Village. There was a church nearby. The Party instructed him to contact the minister, to use the church for a communist-sponsored event but his long-term assignment, five years, was to talk to thousands of families in the housing project. It was a patient door-to-door soft-sell effort to make friends for the Communist Party.

FITZPATRICK. Two main purposes were to introduce ourselves into the community and at the same time we—there was formed within the Claremont Village houses a—what is known as a concentration club. The second major aspect was begun to make contacts. Contacts were made through the Daily World, by knocking on door bells (sic). That was done on a weekly basis for over five years. Teams of comrades would go in, knock on doors, at that time we were doing it on Thursday evenings, knock on an apartment door, introduce ourselves as neighbors, Bronx neighbors, and interest them in reading the party's paper. The word communist, the Communist Party was never used by—in our contacts.

Then the next level of our activity would be that well as we knocked on the door and we found, we tried to ascertain what the individual did for a living, did they belong to a trade union, where did they work, what sized family? Any personal things, the youngsters that go to school, so that—I mean we made notations on cards. (1) Did they accept our paper? Yes, it would say—accepting our paper—we had a code for that. For the next thing to follow up. How was Tom feeling? He might have been sick. How's everything going in the union? And we would give the paper twice for free. The third time we tried to sell it. If they didn't have the money, then we would come back and collect and people always paid. The hope there was to get them to subscribe to the party's paper.

MCGEE. The party's major newspaper is The Daily World published in New York since 1968. It's the successor to the Daily Worker which stopped publishing in 1958. That was after an argument broke out within the party over the Soviet intervention in Hungary.

The newspaper, the printed press, is central to the work of the Communist Party, from the national office on down to the individual clubs. In fact, the party's constitution requires that all members take part in circulating the newspaper. To communist parties in other countries, their own press is vital. Pravda, for example, is published by the Communist Party of the Soviet Union and its daily circulation is 7 or 8 million copies.

In America, the party's west coast paper, the People's World, was edited in San Francisco. It recently moved to Berkeley. The editor is Carl Bloice of the party's Central Committee. He was away during the filming. In his absence Associate Editor Judy Basten headed the staff. The daily staff conference sets editorial policy but guidance also comes from the party leadership, including national headquarters.

BASTEN. For example, Gus Hall who is the General Secretary of the Communist Party is the only other United States political leader, other than President Nixon, to have spent time with Brezhnev from the Soviet Union, you know, so this fact makes you realize that in addition to wanting political guidance, to help in developing the policy that will be reflected in this paper, Gus Hall is the man who probably has information that is exclusive and essential in developing a political analysis which is gonna help us and we will be calling the national Communist Party headquarters for help and guidance in developing our policy.

MCGEE. This is the Daily World newsroom in New York. The staff includes a Marxist sports editor, and an active member of the communist youth group. The cartoonist, Bill Andrews is a communist from Arizona. He is supervised by Carl Winter, the co-editor. Winter, a member of the party political committee, was among the top eleven communists convicted under the Smith Act in 1949. Winter has a news staff of about 30 people including one in Moscow. Two news agencies service the paper; one is TASS from Moscow. The paper loses ¾ of a million dollars a year. It claims a daily circulation of 30,000, but it averages closer to 10,000 of which 1,000 copies a day go to Moscow.

[Comment by Mr. ICHORD. This is misleading in that it conveys the impression that only 1,000 copies are sent abroad. It is known that in the past other communist-bloc countries took thousands of copies and there is every reason to believe that this practice continues today.]

Chairman Richard Ichord says the American party gets Russian subsidies. He was [sic] Chairman of the House Committee on Internal Security.

ICHORD. Several committees in Congress have taken testimony from former members of the Communist Party, U.S.A. to the effect that money has been passed from the Soviet Union to the Communist Party, U.S.A. and we have every reason to believe that this continues to be the practice. I do have specific information that the Soviet Union is indirectly financing the propaganda activities of the Communist Party, U.S.A. For example, I have here a receipt signed by a representative of the "Daily Worker" receipting the amount of $20,000 from the Soviet Union.

MCGEE. Whatever subsidies the Party may receive from abroad the American Party comes close to paying its own way and that represents no little sacrifice on the part of its members since there are so few of them.

[Comment by Mr. ICHORD. This is grossly inaccurate. The Party over the years has scarcely been able to raise some 25% of its total expenditures. The commentator previously noted that the "Daily World" loses some three-quarters of a million dollars a year.]

Publicly, the Party claims a membership of 15,000, a figure which the F.B.I. also cites.

[Comment by Mr. ICHORD: This membership figure is a highly inflated one. Party

leaders have admitted that there have been no registrations conducted of Party membership in the past fifteen years and that they really don't know what the membership is at present.]

We estimate that the dues-paying, club-attending, membership is much smaller, fewer than half the claimed total. In recent years no one probably knew the exact membership total at any given time. The Party is still clandestine; it keeps few records. This is likely to change. Membership cards are being issued for the first time in a quarter century.

The Party today is surfacing. Mail is said to be increasing. Some people ask about joining and others send money.

[Comment by Mr. ICHORD. One of the paradoxes at the Party's national convention last year was the fact that it was held behind closed doors and was not open to the press. This was done in spite of publicity alleging that the CP is a legitimate political party operating in the open. The exclusion of the press is a tacit admission that the CP is still a clandestine, conspiratorial organization and that freedom of the press has no place in the communist world.]

VOICE I. And this letter that has these three dollars, it comes from Mason City, Iowa.

MCGEE. The national party also gets its share of the dues which are routed through the Regional offices. Official dues are $6.00 to $24.00 a year. That accounts for only a small percentage of the party needs.

VOICE I. Publicly came out in support of the Communist Party candidates.

HALL. The party budget, of course, is not simply the national organization, it involves the papers, the daily paper here and the weekly paper on the west coast; it involves the theoretical magazine, Political Affairs, and Youth Movement and so on. And when you put it all together, you know, all these budgets, you know, related to the party, that it's really a sizable amount, and it sometimes surprises me actually because I think if put all together it would most likely be about a million and a half, or maybe two million, I'm not so sure. And that's a big budget and it takes a lot of effort to raise that much money.

MCGEE. Members are always involved in fund raising events. This is a communist luau. The host is Archie Brown, a communist labor leader in San Francisco. The luau raised money for the People's World. Once the party ran night clubs and other businesses. Today it relies on socials, contributions, dues and the generosity of friends who remember the party in their will.

In Chicago there was an evangelical flair to fund raising which took place at the convention of the communist youth arm the Young Workers Liberation League. Jay Schaffner, one of the leaders of the league drew contributions from local YWLL chapters, trade unions, a group of Russians and from his own parents.

SCHAFFNER. . . . let's hold em up. Let's hold these cards so (unintelligible) . . . let's hold em up. If I hold a ten that's ten ones so let's hold em up. The faster these come in the more you gotta dig. That's ten dollars from the Glinchy Sisters Branch of the YWLL in Illinois.

MCGEE. This Angela Davis rally in New York raised money in two days. There was an admission charge and later donations were collected from communists and non-communists alike. The Angela Davis Campaign was interesting for more than just fund raising alone. It marked the continuation of an old tradition, that of the Communist Party successfully winning wide support for a dramatic cause. A personified cause. There was for example the celebrated espionage case with Julius Rosenberg and his wife Ethel who were sentenced to die for passing atomic secrets to the Russians. The campaign to save the Rosenbergs had broad appeal. It filled stadiums and halls. Many years earlier there would be mass demonstrations for Sacco and Vanzetti, when the foreign born element was strong in the Communist Party, and anti-foreign feelings were strong in the country. These feelings equated Marxism with foreignism and with the feared event in 1917 that shook the world, the Boleshevik Revolution.

In 1919 it had inspired a minor event in Chicago, the birth of the Communist Party in America. Throughout the day it organized, the Communists were under pressure from the Federal government which considered them subversives. They went underground. Communist citizens were arrested and aliens were deported. Since then the Communist Party ruled that only American citizens may become members of the Communist Party of the United States. The 30s were the high point for the Communist Party. It helped organize the unemployed, was instrumental in creating a new industrial unionism and enlisted important intellectuals. The Communist Party inserted itself into the mainstream of radical and liberal life in the country including the New Deal.

Young American communists went abroad to fight in the Spanish Civil War, becoming a major component of the Abraham Lincoln Brigade. During the 30s the Communist Party, helped by fear of Fascism dominated the American left. The honeymoon came to an abrupt halt in August 1939 when Stalin and Hitler signed a non-aggression pact. For some American communists, saturated with years of anti-fascism, the signing was hard to swallow. But the leader of the party, Earl Browder, shifted with the Soviet move. Years later he recalled that a coded radio message from Moscow guided him in explaining the new line. He received the message as soon as the pact was signed. A new policy was against war and foreign entanglements, putting the party in league with American isolationists. That proved only temporary. When Germany invaded Russia the party threw out its talk of non-intervention. After Pearl Harbor American communists enlisted in the Armed Forces by the thousands. At that time there were no greater patriots.

GATES. I volunteered for the American Armed Forces on December 16, 1941 and I enlisted on this day, the 16th and it so happened that after I was sworn in that they let you go home for a few days. And that same evening that I was sworn in there was a meeting of Communist Party officials—a rather large meeting in New York City with some 1500–2000 people there. And I announced to this meeting that I had just joined the American Armed Forces and I then asked everyone to rise and I saluted the flag and I led the audience in reciting the Pledge of Allegiance to the American Flag. There's an amusing sidelight to this; I repeated this story when I testified at the trial of communist leaders in 1949 and sometime after that Congressman Broyhill introduced a bill to the Congress changing the Pledge of Allegiance by having the phrase "Under God".

If you will read the Committee testimony, Congressman Broyhill stated at that time that the main reason that he was adding—proposed adding—this phrase to the Pledge of Allegiance was because of the use that communists like John Gates, and he named me specifically, were making of the Pledge of Allegiance, and in order to insure that communists couldn't any longer recite the Pledge of Allegiance, they added the words "Under God."

MCGEE: So you're responsible.

In the 1940's the Communist Party had interests which went beyond the war. They extended them to organized baseball. Communists were part of a widespread effort to integrate major league teams. The campaign ended with the hiring of Jackie Robinson.

[Comment by Mr. ICHORD. The CPUSA, like its Soviet masters, attempts to take credit for social improvements. The Party exploited this issue to its advantage. However, the breaking of the color barrier in major league baseball has been attributed primarily to the efforts of Branch Rickey and Jackie Robinson, neither of whom had any connection whatsoever with the CP.]

The communists organized demonstrations and "Daily Worker" writers pursued an aggressive integration policy. A petition campaign produced tens of thousands of signatures. A leader of the petition drive was a New York City Councilman, Peter Cacchiones, a communist. He and another communist City Councilman, Ben Davis, introduced resolutions demanding integrated baseball.

By the mid-40's Earl Browder headed what appeared to be an Americanized party. He's the man who called communism "20th century Americanism." In fact, he put an end to the Communist Party which was transformed into a more congenial sounding group called the Communist Political Association.

Browder is still alive in New Jersey but when he dissolved the Communist Party in 1944, he sealed his fate as a communist. In 1945, the French communist leader, Jacque Duclos wrote a magazine article criticizing Browder. It was viewed as representing the top authority, Moscow. The impact on the American Communist Party was enormous. The Duclos article ran counter to Browder's view of the post-war world predicting harmony between the United States and the Soviet Union. It moved the American communists to reinstate the Party and to throw out Browder as their leader. The article anticipated the cold war which in a short time dominated world politics along with the hot one in Korea. These produced shock waves at home leading to McCarthyism, growing anti-communist ideology and the expulsion by the labor federation of left-wing trade unions.

[Comment by Mr. ICHORD. The CIO in 1950 expelled nine labor unions because they were held to be directed toward the achievement of the programs and purposes of the CPUSA, not because they were "left-wing".]

Feeling the pressure, the Communist Party once more began seeking refuge underground. They stopped issuing Party membership cards after 1948. Since then and until 1973, there have been no card-carrying communists. In 1948, eleven members of the Communist Party's national board were indicted. It resulted from their action to re-establish the Party three years before. The charge, under the Smith Act, was that they conspired to organize a group that advocated the violent overthrow of the United States. They were found guilty and sentenced to prison terms. Four of them, including Gus Hall, jumped bail. He was later captured in Mexico. A Smith Act defendant, John Gates, recently told how the Party, nervous and suspicious, turned on one of its leaders, John Lautner.

GATES. I'm talking about the year 1950 and what happened with this particular man was that we had gotten a message from the head of the Communist Party, Hungary—Rakosi—a great hero in the World Communist pantheon. This Rakosi sent back word that this man, John Lautner was a stool pigeon, an agent of the F.B.I. This John Lautner in later years testified at various communist trials in which he told the story of a lurid incident where he was lured into a basement of a house in Cleveland, Ohio and stripped of his clothing and a gun put to his head and threatened with execution unless he immediately divulged who he was working for and how long he had been working for them and how much he was being paid, etc.

When he testified at these trials this was always denied by the communist defendants at these trials. However, I can say that every word of what this man testified to about this incident is the absolute truth. I can say that because I helped to organize the whole

incident. I was the one who arranged for him to be transferred to Cleveland for this purpose and helped to devise this tactic of threatening him with his life unless he would tell us the truth. When he didn't admit to the guilt we then expelled him, forthwith, from the Communist Party.

McGEE. What happened to the Communist Party during the McCarthy years was serious enough, what happened just afterward almost finished off the party.

First there was Khrushchev's denunciation of Stalin causing deep disillusionment among American party intellectuals. Next, the Soviet armed invasion of Hungary produced further agonies among the party faithful. The hard-core which survived the harshest of the McCarthy years now became badly split. Novelist Howard Fast and Daily Worker editor John Gates, and many others left the party. The Daily Worker, the focal point of the dissent, stopped publication, and the party appeared to be on its death bed at the end of the 50s. Those years created a new lexicon of invectives making rational talk of communism difficult with witch hunt, redbaiting, better dead than red, pinko, comsent, fellow traveler. That period voiced a negative ideology in America that has hung on to the present. A whole set of beliefs and attitudes and reflexes concerning the communist threat domestic and foreign. That period institutionalized the low appeal and gave new dimensions to the security check.

These are current reports of the House Committee on Internal Security which replaced the House Committee on Un-American Activities. The Internal Security Committee is one of the more generously financed committees of Congress. Most of the reports result from hearings on a number of groups considered subversive. These include the Communist Party, the Trotskyist communists and the Maoist communists. The Committee has six full-time investigators. The Committee maintains an impressive array of files. We are told that we were the first newsmen allowed into the Committee's file room but our cameras were not permitted. These sketches are based on what our staff people saw. The files are said to hold information on ¾ of a million Americans; data from magazine articles, newspaper clippings, pamphlets, documents and so on. Each file is keyed to an index card in one of two enormous power-operated rotating drum files. More than 20 executive offices use the cards as reference. Committee staff members said the F.B.I. and the Civil Service Commission keep full-time representatives there. People seeking federal jobs are among those checked.

ICHORD. There is a need for screening applicants for federal employment. We've been advised that there are Communist Party members who are presently employed by the federal government. For example, the Post Office Department admitted that it did have present Communist Party members, present Trotskyite communists and members of other revolutionary groups among its employees. Bear in mind that 85% of the employees of the United States are in what is called nonsensitive positions, they really are not subjected to any kind of an extensive screening process.

VOICE II. Are we talking about dozens of people or hundreds or thousands?

ICHORD. We're talking about dozens of people that are known to be—by the agencies—to be communists. Many of the heads of the agencies will admit that they do not know how many members they have, and this is understandable because they just do not have the machinery to so determine.

McGEE. In the late 40s and early 50s Americans held strong opinions against communists in federal jobs. In fact, they were against communists almost anywhere. A nation-wide poll was conducted for us several weeks ago by Opinion Research Corporation of Princeton, New Jersey. It was our intent to find out what Americans think of communists today. We asked whether communists should be prohibited from holding federal jobs or jobs in defense industries. 83% replied that communists should be prohibited. On the question of communists teaching in public schools—79% said they should be barred. We asked whether the Communist Party should be outlawed—61% said that the party should be outlawed. Should communists be required to register with the Justice Department? 82% said that they should be required. Should communists be prohibited from running for public office? 74% believed they should be prohibited. Do Americans consider the communist threat greater from abroad or from within? 20% said the foreign threat is greater; 32% said the domestic communist threat is greater.

The poll shows that the American attitude changed little in 20 years. It is still a firm anticommunist attitude. It is true that communism has faded into the background of consciousness so there is less of it as a political issue. The enforcement of anti-communist laws has all but vanished, the emotionalism has subsided. What we have is tolerance, what we do not have is acceptance. For example, communists trying to qualify candidates for the 1972 elections gathered hundreds of thousands of petition signatures, yet in the presidential election Gus Hall's national vote total was only 25,000.

Among steel workers communist pamphleteers were tolerated. In organizing these workers, however, the party made hardly a dent. There's only a handful of Communist Party members in the entire state of Texas but it can operate in the open even in front of a shrine, the Alamo. Communists are acting as if there is greater acceptance. New Communist schools are planned, old ones are adding courses. Communist schools are also used as social centers. They are places where Communists and non-Communists can meet for fun and politics.

(Song).

In recent years there were two mass activities in which the small Communist Party exerted considerable influence. One was the campaign against the Vietnam War. The Communists did not initiate the anti-war movement and they never controlled it, however the Party was an important voice in one of the two major branches of the movement, the People's Coalition for Peace and Justice. Party members were on its top policy-making committee. The second major anti-war federation was the National Peace Action Coalition. In this group another Communist organization, the Socialist Workers Party, played a major role. The SWP is a Trotskyist organization. In the anti-war movement and in almost everything else it's a rival of the Communist Party. But where the rival factions were able to effect a temporary truce the resulting demonstration was likely to be massive. The other arena in which the Communist Party showed impressive organizational ability was the Angela Davis campaign. In this case the Party started it, attracted large numbers of non-Party people, and guided the campaign on a national and international scale. The Party had a hand in writing her speech. (Angela Davis and applause). But there was the problem of security. It showed in the form of this bullet-proof shield for Angela Davis in New York.

In Detroit, metal detectors checked for weapons at entrances. The Communist Party has been living with security problems for the past fifty years. Gus Hall says he operates on the assumption that informers are present. One dramatic event was recently described in Party Affairs, a publication for Communists only. It told about an assassination attempt on Gus Hall's life in St. Louis. But there's another kind of security concern that's more pervasive, whether a Party member should reveal himself as a Communist to his neighbors, fellow workers, and the public. The old red-baiting fears persist, and not without reason. The one group that the Party wants to attract is the working class, but trade unions make up a strong line of resistance to the Communists. Many unions have prohibitions against Communist members or officers, or both.

There are Communist teachers who were not admitted. There are Communist shopworkers afraid to distribute the Daily World. There's an officer of a large mid-Western union in heavy industry who is also a member of the Communist Party central committee and the Party is fearful about revealing it. Among the basic industries, the Communist Party has singled out steel as its most important organizing target. Mike Bayer is the Communist organizer in the mill areas of Indiana. He said there are Communist shop clubs in his area, but he would not give details. Chicago is the traditional center for the Party's labor activity. Communists were instrumental in forming a national rank and file group called Trade Unions for Action and Democracy or TUAD. But it's difficult for TUAD and the Party to publicly admit that the two groups are interrelated. To do so presumably TUAD might suffer the same handicaps the Party has in dealing with workers.

Yet the ties do exist as exemplified by Hall's companion, Fred Gaboury, the head of TUAD. That meeting, a Communist youth convention, was held at this hotel in Chicago. Congressional investigators tried to listen in electronically, but the attempt was stopped by the hotel management. Electronic tapping is an old concern for the Party.

ARNOLD JOHNSON (CP Official). There are, I gather, about five different outfits that have the tap on the phone. People have said that, people in general, even you can get sometimes somebody's complaining about it. Even telephone people that say, "Well there's so damn many taps on your phone," that it creates a problem. Sometimes you can pick up a phone and you see a little bit more truth in your house where you do see, you can hear when the record starts playing and when it goes off and then sometimes my record goes off and also the phone goes off and you can't get service.

McGEE. But we're not on the phone now. You are talking about another kind of——

JOHNSON. Oh, you can, you can tap this, this can be closed. There's no problem for them on that. They can tap without an open phone.

McGEE. Electronic surveillance and infiltration, whether real or imagined have produced a detached kind of cynicism within the Party. But another problem, internal discipline, produces a tough and ready response. The Party was born fractured, it grew up arguing and splitting. Tens of thousands of members defected. Some became loudly critical of the Party. The Party in turn heaped heavy abuse on them. Criticism of Communist policies from inside the Party has continued and the Party's been dealing with it rather quietly. When Soviet troops invaded Czechoslovakia in 1968, some members of the Party criticized the action.

A book recently published written by Al Richmond, a communist newspaperman, recalls his opposition to that invasion. It also recalls a visit by Gus Hall to the People's World where Richmond was the editor. Subsequently, Richmond resigned as editor. He left quietly, without an angry blast. Gilbert Green has been a leader of the Communist movement since the thirties. He is popular, respected for his abilities. He, too, criticized the Soviet moves in Czechoslovakia and also was taken to task by Hall. Green remained active in the Party, although he left his post as chairman of the New York State Communist Party after that episode. Gus Hall shortly afterward became an international spokesman or a semi-official apologist for the Soviet adventure in Czechoslovakia with his

booklet called "Czechoslovakia at the Crossroads". It's been translated into several languages.

Paul Novick has been a member of the Party since 1921. He is editor of the Yiddish language daily, The Morning Freiheit, which used to be closely allied with the Party. In 1968 the paper interpreted the six-day war as a defensive move for Israel. That went against Soviet policy. So Novick has been under constant attack from the Party for his policy and for other divergent views. He was removed from the Party's national committee. In his letter to the Party, Novick refused to back down. He also defended his credentials as a Communist. He was ordered to resign or be expelled. The order came from a three-man Communist tribunal. Novick refused to resign. The Party has not announced his expulsion. When these pictures were taken he said he didn't know his status. He no longer attends Party meetings. He no longer pays Party dues. Serious discipline problems do not seem to exist among the young Party members, where the Party is having its greatest gains. But there's a generation missing.

There are basically two kinds of Communists in America, old ones and young ones. For about twenty years, few new members entered the Party so today there are few in their middle years, those who could be expected to take over the top leadership jobs. Because of the age crisis, young Communists are drafted to take over high positions in the Party. Unlike the older members who came up during the labor struggle of the thirties, the younger members joined for other reasons. One example, Alva Buxenbaum, born in Louisiana, president of her PTA in Brooklyn, chairman of the Communist Party's women's commission.

ALVA BUXENBAUM. You know the first thing that the Southerner, you know, racists said was, you know, Communist conspiracy when you objected to being discriminated against, when you stood up for your rights as a black person, you know, you were immediately called a Communist. Well, I figured then maybe they're not so bad. (Laughter) You know, if they're fighting for my rights and for my equality, you know, there must be something there and if, if my enemies who were the Southern racists, didn't like Communists, well why didn't they? (Laughter) Must be something there that maybe I, you know, I think I must have come from a family that, you know, has been, you know, my father who was socially active and who, in fact was killed by racists and because he was involved in civil rights movement and struggling for what is right and that made a tremendous impression on me as a child. That he, you know, should be murdered changing the conditions for my people.

MCGEE. People inside and outside the Party have grappled with the question of violence as it relates to Communism. Earlier in the report we made reference to bomb attacks on Party officers. In recent months there've been physical beatings involving members of the Communist youth movement. In Philadelphia, their group was attacked by representatives of a rival Marxist organization. At a college campus in New York a member of the Young Socialist Alliance, a Trotskyist group, said he was assaulted by an official of the Communist youth group. Because fighting among rival Marxist groups is increasing, physical defense is becoming a topic of growing importance. There is also an official Communist idea of violence in America. General Secretary Gus Hall spoke of it when he outlined his scenario for a Communist revolution in America.

GUS HALL. I think what we're going to have and we are already having is a continuous development of people's movements and an upsurge in specific areas but they kind of unite against the monopoly power in the United States. They kind of unite against the big monopoly grip, you know, that's on the United States and therefore what will happen is a, is a coalescence of an anti-monopoly kind of a, a, a, movement. I think it will result in a new party and ah, and ah. Now when that coalition develops, and I'm convinced that it will, it will be a challenge for big business. They're going to resist and, and that will, that will sharpen the contradiction between this people's coalition.

The communists will be a part of that and hopefully in the leadership of that coalition, that's our aim, and, and it will sharpen and sharpen and depending on how sharp the resistance to this type of an anti-monopoly actions will be, I think the revolutionary situation will develop and as a result of that, it will either be the election of that type of a Congress and Senate and President. And in other words there will be a logic to this development that will finally kind of force the majority to say that, that the whole idea of the economy being run for the profits of corporations is out of date, it's old-fashioned, and you have to socialize the industry and nationalize it, and therefore the idea of socialism will take firm hold of the majority of the people, and whether it be violent or non-violent, will really depend on how the monopoly forces resist this process.

If they go in to violence, there'll be violence, but if not, it can be relatively, you know, peaceful and, of course we say that, that we will seek the most peaceful way possible and what that really means is that we will try to organize and mobilize the maximum number of people behind this idea and the more behind it, the more peaceful it will be. That's just a kind of a logic to a thing. I think that's the path toward socialism in the United States.

MCGEE: Do you think it will be non-violent?

HALL: Oh, absolutely——

MCGEE: Non-violent?

HALL: It's hard to say. That's very difficult.

MCGEE: Is there a strong possibility that it would be violent?

HALL: I think so. I think there's strong possibilities that there will be violence, and ah, we don't rule out, you know, non-violence, but, but I think if you take history in the United States and the nature of capitalism and monopoly capitalism, that one has to say that there'd be strong possibilities of violence.

MCGEE: Since Communism is commonly seen as a foreign plot, two points should be made. The Communists here are rooted in the American experience, the older ones in the labor movement and the younger ones in the civil rights, new left and black power movements. Their day-to-day activities are with domestic projects such as working in neighborhood tenants' councils. However, on another level the Party is cemented to the Soviet Union. In moments of crises, the view from Moscow prevails. In normal times, the American communists are tied voluntarily to the Soviet Union. It seems a marvel, an ideal that anti-Sovietism is translated into anti-Communism.

The bond is emotional and tangible as when funerals are held in Moscow for American Party leaders such as Elizabeth Gurley Flynn. When Angela Davis of the American Party's central committee visits the Soviet Union, when the leader of the American Party extravagantly hails Russian advances, when in New York a Russian delegate gives warm greetings to another leader of the American Party. The American Party draws spiritual strength from the international Communist movement and the Soviet Union in turn has ideological representatives in the most powerful capitalistic country in the world, and if for no other reasons than those alone, the Communist Party, USA is not likely to go away.

IMMIGRATION REVISION BILL

(Mr. HUTCHINSON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HUTCHINSON. Mr. Speaker, at the request of the Department of State, I have today introduced an immigration revision bill. Mr. KEATING joins me in the introduction.

Since the enactment of the 1965 Immigration amendments, experience has made clear the necessity for certain modifications, particularly with reference to the Western Hemisphere. The imposition of a numerical ceiling upon the Western Hemisphere for the first time resulted from Senate amendments in 1965 to the legislation originating in the House of Representatives to phase out the most favored nation immigration policy. As a consequence, no preference system was established for immigrants from the Western Hemisphere.

The administration proposal would make some revisions in the existing preference system applicable to the Eastern Hemisphere and make it effective for the Western Hemisphere also.

Some refinements and changes in our immigration law are urgently needed. The Immigration, Citizenship and International Law Subcommittee of the Committee on the Judiciary has completed hearings upon the subject of Western Hemisphere immigration and is ready to propose specific legislation. I am confident these suggestions from the Department of State will receive prompt and careful consideration.

I am inserting in the RECORD at this point a copy of the transmittal from the Department of State, a brief summary of the bill and a tabulation of highlights of the bill.

DEPARTMENT OF STATE,
Washington, D.C., July 6, 1973.

The Honorable CARL ALBERT,
Speaker of the House of Representatives

DEAR MR. SPEAKER: I have the honor to transmit a bill designed to make certain needed changes in the present system of immigrant selection and of numerical limitations, as well as in the provisions for admission of alien refugees and in the operation of the provision of law designed to protect American labor from possible adverse effects of the admission of alien workers. These proposals comprise those changes which we consider to be the most urgently required, although not necessarily all possible changes which might be desirable.

Experience since the amendment of the Immigration and Nationality Act in 1965 has shown that the implementation of section 212(a)(14) of the Act, which is designed to protect the American labor market, is unduly burdensome to the government, to employers seeking the services of alien workers and to alien workers seeking to immigrate to the United States. We propose to amend this section so as to simplify and expedite its implementation in individual cases while preserving the same degree of protection for the interests of American labor.

Several considerations have influenced our proposal to make new provision for the admission of refugees. The accession of the United States to the Protocol Relating to the Status of Refugees and continuing changes in world conditions have rendered anachronistic the existing geographic and ideological requirements for classification of aliens as refugees for immigration purposes. Ex-

perience with the law as amended has demonstrated that the numerical limitation on the admission of refugees should be separately established outside the regular immigration system so that the admission of refugees neither affects, nor is affected by, regular immigration and that there should be clarification of the Attorney General's authority to parole into the United States groups or classes of alien refugees. We propose to accomplish both of these objectives by appropriate amendments and to increase the limitation on the admission of refugees from 10,200 to 25,000 (15,000 from the Eastern Hemisphere; 10,000 from the Western Hemisphere) annually in view of the broader nature of the definition and of its applicability in the Western Hemisphere.

We propose to reduce the over-all limitation on Eastern Hemisphere immigration from 170,000 to 155,000 because of the separate allocation of 15,000 visa numbers for the admission of Eastern Hemisphere refugees.

We propose to make more equitable provision for immigration of aliens born in dependent areas of the world by increasing the limitation of their immigration from 200 per area to 600.

We have also concluded that certain changes in the preference system are desirable to make it reflect more completely the goals of the 1965 amendments—reunification of families and response to needs of the American labor market. We, therefore, propose certain modifications in the definitions of the preference classes and in the allocation of percentages among the preference classes to bring about these changes as well as certain other adjustments necessitated by the proposals to amend section 212(a)(14) and to remove refugees from the competition with other prospective immigrants.

With respect to immigration from the Western Hemisphere, we have found that since the imposition of the 120,000 numerical limitation effective July 1, 1968, the demand for immigration has consistently exceeded the limitation. One of the results of this has been a drastic reduction in immigration by natives of Canada because of the unavailability of visa numbers.

We propose that Canada and Mexico, our two closest neighbors, be removed from the general limitation on Western Hemisphere immigration and that a separate limitation of 35,000 per year be established for each. For the rest of the Western Hemisphere, we propose a numerical limitation of 70,000 and establishment of foreign state limitations identical with those for countries of the Eastern Hemisphere.

Finally, we propose to remove the outstanding remaining inequity in our immigration system by applying the modified preference system to the Western Hemisphere as well as to the Eastern Hemisphere.

The Department of Justice and Labor participated in the drafting of this proposed legislation and concur in its submission for the consideration of the Congress.

The Office of Management and Budget advises that enactment of this legislation would be consistent with the objectives of the Administration.

Sincerely yours,

MARSHALL WRIGHT,
Assistant Secretary for Congressional Relations.

BRIEF SUMMARY OF ADMINISTRATION'S IMMIGRATION BILL

Section 1—Eliminates the designation of Western Hemisphere natives as "special immigrants" and replaces this group with "immediate relatives" as presently defined in section 212(b) of the Immigration and Nationality Act.

Section 2—Defines the term "refugee" in accordance with the U.N. Protocol thereby eliminating any geographical and ideological qualifications refugees are presently limited to those fleeing communism and certain areas of the Middle East and it also only applies to individuals from the Eastern Hemisphere.

Section 3—Establishes separate numerical ceilings on immigration from the Eastern and Western Hemisphere. Establishes a 170,000 ceiling for the Eastern Hemisphere (155,000 immigrants plus 15,000 refugees) which is comparable to the present ceiling for this hemisphere.

Establishes a 70,000 ceiling on Western Hemisphere immigation exclusive of Canada and Mexico which would each be allotted 35,000 visas per year. Applies the preference system to the Western Hemisphere. Provides for the admission of 10,000 refugees from the Western Hemisphere each year. This results in a grand total of 150,000 admissions each year from the Western Hemisphere.

Dependent areas would no longer be charged against the foreign state limitation of the governing country and instead would be charged only against the numerical limitation of the hemisphere in which the dependent area is located.

Section 4—Increases the numerical limitation on immigration from dependent areas from 200 to 600 per area.

Section 5—Revises the preference system in the following manner:

(1) reduces the percentage for 1st preference from 20% to 10% (unmarried sons and daughters of U.S. citizens);

(2) increases the 2nd preference (spouses and unmarried sons and daughters of permanent residents) from 20% to 24% and includes parents of permanent residents over 21 in this category;

(3) increases the percentage of 3rd preference from 10% to 12% and restricts this category to members of the professions, allows a fall down of unused 1st and 2nd preference visa numbers;

(4) increases the percentage for 4th preference (married sons and daughters of U.S. citizens) from 10% to 12%;

(5) reduces the percentage for 5th preference from 24% to 20% and restricts this category to unmarried brothers and sisters of U.S. citizens;

(6) increases the percentage for 6th preference from 10% to 12% and restricts this category to skilled workers, allows a fall down of unused visa numbers to the 6th preference;

(7) eliminates the present 7th preference and replaces it with: a) non-workers, investors, self-employed professionals, and artists; provides that 6% of the appropriate hemispheric limitations shall be reserved for this category;

(8) eliminates the nonpreference category and establishes a new 8th preference for unskilled workers and provides remaining 4% of visas for this category; and

(9) provides that unused visas from the above categories shall be made available to those in oversubscribed preference categories based solely on the filing date of the petition and without regard to the preference class.

Section 6—Makes various changes in the petition procedures and eliminates the requirement that a petitioner take an oath.

Section 7—Establishes a new refugee section independent of the preference system. Provides for 25,000 refugee numbers—15,000 for natives of the Eastern Hemisphere and 10,000 for natives of the Western Hemisphere. Provides that refugees shall be initially admitted as permanent residents.

Section 8—Revises the labor certification procedure by requiring the Secretary of Labor to make an affirmative finding that there is not a shortage of workers in the alien's occupation in order to exclude such alien (although not specifically required, it is contemplated that the Secretary's findings would be contained in lists of non-certifiable occupations which would be published periodically).

Provides specific authority for the parole of alien refugees by the Attorney General. Such parole authority would include "individual" as well as "class" parole of refugees. Requires consultation with the Congress prior to the exercise of such parole authority. Provides for the adjustment of status of parole "refugees" after a period of two years presence in the United States.

Section 9—General Savings Clause.

Section 10—Establishes a 90-day delayed effective date.

HIGHLIGHTS

1. The Eastern Hemisphere ceiling is left at 170,000 (155,000 under the preferences plus 15,000 refugees).

2. The Western Hemisphere proposed ceiling is 150,000 (70,000 plus 35,000 each for Canada and Mexico under the same preference system as the Eastern Hemisphere plus 10,000 refugees).

3. The preference system percentages are reshuffled:

a. First preference is cut from 20% to 10%.

b. Second preference is increased from 20% to 24% with parents of adult permanent residents added.

c. The third preference is increased from 10% to 12% plus falldown and a specific requirement that the professionals have an employment offer.

d. The fourth preference is increased from 10% to 12%.

e. The fifth preference is cut from 24% to 20% and limited to married brothers and sisters.

f. The sixth preference is increased from 10% to 12% plus falldown and limited to skilled workers.

g. The seventh preference (no longer for refugees) provides 6% for aliens not to be employed, investors, employed professionals and highly skilled artists.

h. The non-preference is abolished and 4% is allotted for unskilled job workers with job offers.

i. Any unused numbers go to the oversubscribed preferences in the order that petitions are filed.

4. Refugees are redefined in accordance with the Convention and are to be admitted as permanent residents and not conditional entrants. Group refugee movements under parole are authorized after appropriate consultation with the Congress.

5. The labor certification section is rewritten as recommended by the Labor Department so that those requiring certification are ineligible only if the Secretary of Labor finds that there is not a shortage or the aliens admission would be inconsistent with manpower policies and programs.

REHABILITATION PROGRAMS ARE NEEDED FOR ALCOHOLISM—CHRONIC MILITARY PROBLEM

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, alcoholism is one of the most pervasive and untreated diseases afflicting this Nation. Our Nation's military veterans represent a large part of the population afflicted with this disease and often it began during military service. Alcoholism has been determined to be the No. 1 chronic problem within the military. The tremendous growth in drug rehabilitation facilities far exceeds the effort on behalf of alcoholism, probably because drug addiction is more in the headlines and seems more sinister.

Currently, the Veterans' Administration offers only residence-oriented detoxification programs to our veterans. While these programs are worthwhile, efforts should not terminate here. There remains a large number of veterans suffering from alcohol abuse who are not ready to be thrust back into society as productive and self-sufficient citizens because they need additional guidance in the forms of halfway houses, therapeutic communities, and outpatient clinics.

Furthermore, there are vast numbers of veterans who are not eligible for, or who do not require, residence-oriented rehabilitation programs, but who desperately need other, less intense treatment.

While no such programs are now in existence, S. 284 would require the availability of such services and programs. The bill was passed by the Senate in March of this year, and was forwarded to the House Veterans' Affairs Committee where it awaits hearings. Because the problem is of such a crucial nature, I urge the support of my colleagues in expediting action on this bill.

ELIGIBILITY OF DEPENDENT CHILDREN FOR FEDERAL ASSISTANCE

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, today I am introducing legislation which will reaffirm the intent of Congress to determine eligibility for Federal assistance to dependent children exclusively on the basis of need. It will prevent Federal funds from being used by industry as a means of blackmail during labor disputes.

On July 12, Secretary of Health, Education, and Welfare, Caspar Weinberger, announced new regulations allowing individual States to deny aid to families with dependent children benefits to the children of strikers. These regulations are a total perversion of congressional intent, and I informed Secretary Weinberger of my objections in a letter dated July 17. Of the over 10,000 comments which the Secretary received on this matter, almost two-thirds were in favor of continued benefits to strikers. The new regulations ignore this expression of public sentiment.

If the new regulations are permitted to go into effect, children of strikers in many States will be denied the same assistance which is offered to the children of convicted criminals. It is inconceivable that the Federal Government should punish a child whose parents are lawfully exercising their right to strike while assisting one whose parents have broken the law.

Secretary Weinberger's decision is just one more example of the executive branch establishing policy in opposition to the will and intent of the Congress. It is our responsibility to stand up to this action and see to it that the best interests of the people are adhered to.

My bill would make it clear that participation in a strike or other labor dispute is not proper grounds upon which to exclude someone from the aid to families with dependent children program. It will not change the intent of present law, just clarify it.

I ask immediate action on this legislation. Only quick and decisive action can prevent the new regulations from unjustly harming our Nation's children. I am sure we all can agree that children are the innocent victims of all labor disputes. We cannot permit their exploitation as management hostages.

Government aid to hungry children should not be suspended during a strike while Government aid to industry remains in effect. Let us be both humane and just.

PHASE IV OF THE ECONOMIC STABILIZATION PROGRAM

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, yesterday the President announced details of what is popularly known as phase IV of the economic stabilization program. Because of the widespread interest of Members in this matter and in order to make it a part of the RECORD, I insert at this point four documents issued by the White House as follows: First, a statement by the President; second, the text of an Executive order further providing for the stabilization of the economy; third, a Presidential proclamation regarding agricultural imports; and fourth, a fact sheet summarizing the phase IV program:

STATEMENT BY THE PRESIDENT

The American people now face a profoundly important decision. We have a freeze on prices which is holding back a surge of inflation that would break out if the controls were removed. At the same time the freeze is holding down production and creating shortages which threaten to get worse, and cause still higher prices, as the freeze and controls continue.

In this situation we are offered two extreme kinds of advice.

One suggestion is that we should accept price and wage controls as a permanent feature of the American economy. We are told to forget the idea of regaining a free economy and set about developing the regulations and bureaucracy for a permanent system of controls.

The other suggestion is to make the move for freedom now, abolishing all controls immediately.

While these suggestions are well meant, and in many cases reflect deep conviction, neither can be accepted. Our wise course today is not to choose one of these extremes but to seek the best possible reconciliation of our interests in slowing down the rate of inflation on the one hand, and preserving American production and efficiency on the other.

The main elements in the policy we need are these:

First, the control system must be *tough*. It has to hold back and phase in gradually a large part of the built-in pressure for higher prices which already exists in the economy.

Second, the system must be *selective*. It must permit relaxation of those restraints which interfere most with production, and it must not waste effort on sectors of the economy where stability of prices exists. The control system should also be designed to accommodate the special problems of various sectors of the economy under the strains of high use of capacity.

Third, the system must contain sufficient assurance of its *termination* at an appropriate time to preserve incentives for investment and production and guard against tendencies for controls to be perpetuated.

Fourth, the control system must be backed up by firm steps to *balance the budget*, so that excess demand does not regenerate inflationary pressures which make it difficult either to live with the controls or to live without them.

We have had in 1973 an extraordinary combination of circumstances making for rapid inflation. There was a decline of domestic food supplies. The domestic economy boomed at an exceptional pace, generating powerful demand for goods and services. The boom in other countries and the devaluation of the dollar, while desirable from most points of view, raised the prices of things we export and import.

These forces caused a sharp rise of prices in early 1973. The index of consumer prices rose at an annual rate of about 8 percent from December 1972 to May 1973. The freeze imposed on June 13 put a halt to this rapid rise of prices. But many of the cost increases and demand pressures working to raise prices in the early part of the year had not yet resulted in higher prices by the time the freeze was imposed. Thus a certain built-in pressure for a bulge of price increases awaits the end of the freeze. Moreover, aside from this undigested bulge left over by the freeze, the circumstances causing the sharp increase in early 1973 will still be present, although not on so large a scale. The demand for goods and services will be rising less rapidly than in the first of the year. The supply of food will be rising, although not fast enough. Our position in international trade is improving and this will lend strength to the dollar.

All in all, the tendency for prices to rise in the remainder of 1973, a tendency which will either come out in higher prices or be repressed by controls, will be less than in the first half of the year but greater than anyone would like. Particularly, there is no way, with or without controls to prevent a substantial rise of food prices. However, by 1974, we should be able to achieve a much more moderate rate of inflation. By that time, the good feed crops in prospect for this year should have produced a much larger supply of food, and total demand should be rising less rapidly than in 1973.

This more satisfactory situation on the inflation front will be reached if three conditions are met:

First, we do not allow the temporary inflationary forces now confronting us to generate a new wage-price spiral which will continue to run after these temporary forces have passed. To do this we must hold down the expression of those forces in prices and wages.

Second, we do not allow the present controls to damp down 1974 production excessively, a program that is most obvious in the case of meats and poultry.

Third, we do not permit a continuation or revival of excess demand that will generate new inflationary forces. That is why control of the Federal budget is an essential part of the whole effort.

The steps I am announcing or recommending today are designed to create these conditions.

THE PHASE IV CONTROLS PROGRAM

Our decisions about the new control program have been reached after consulting with all sectors of the American society in over 30 meetings and after studying hundreds of written communications. The advice we received was most helpful and I want to thank all those who provided it.

The Cost of Living Council will describe the Phase IV controls program in detail in

statements and regulations. These will take effect at various times between now and September 12. They will include special regulations dealing with the petroleum industry, published for comment. Here I will only review the general features of the program, to indicate its basic firmness and the efforts that have been made to assure that production continues and shortages are avoided.

The controls will be mandatory. The success of the program, however, will depend upon a high degree of voluntary compliance. We have had that in the past. Study of the reports on business behavior during Phase III shows that voluntary compliance was almost universal. Nevertheless, the rules we are now proposing are stricter, and it is only fair to those who will comply voluntarily to assure that there is compulsion for the others.

Except for foods, the freeze on prices will remain in effect until August 12. However, modifications of the freeze rules will be made to relieve its most serious inequities.

The fundamental pricing rule of Phase IV is that prices are permitted to rise as much as costs rise, in dollars per unit of output, without any profit margin on the additional costs. Cost increases will be counted from the end of 1972; cost increases which occurred earlier but had not been reflected in prices may not be passed on. In addition to the cost rule, there remains the previous limitation on profit margins.

Large firms, those with annual sales in excess of $100,000,000, will be required to notify the Cost of Living Council of intended price increases and may not put them into effect for 30 days. During that period, the Council may deny or suspend the proposed increase.

The wage standards of Phase II and Phase III will remain in force. Notification of wage increases will continue to be required for large employment units.

These are, we recognize, tough rules, in some respects tougher than during Phase II. But the situation is also in many ways more difficult than during Phase II. So long as the system is regarded as temporary, however, we believe that business can continue to prosper, industrial peace can be maintained, and production continue to expand under these rules. Machinery will be established in the Cost of Living Council to consider the need for exceptions from these rules where they may be causing serious injury to the economy. And we will be prepared to consider modifications of the rules themselves when that seems necessary or possible.

THE SPECIAL CASE OF FOOD

Nowhere have the dilemmas of price control been clearer than in the case of food. In the early part of this year, rising food prices were the largest part of the inflation problem, statistically and psychologically. If price restraint was needed anywhere, it was needed for food. But since the ceilings were placed on meat prices on March 29, and especially since the freeze was imposed on June 13, food has given the clearest evidence of the harm that controls do to supplies. We have seen baby chicks drowned, pregnant sows and cows, bearing next year's food, slaughtered, and packing plants closed down. This dilemma is no coincidence. It is because food prices were rising most rapidly that the freeze held prices most below their natural level and therefore had the worst effect on supplies.

We must pick our way carefully between a food price policy so rigid as to cut production sharply and to make shortages inevitable within a few months and a food price policy so loose as to give us an unnecessary and intolerable bulge. On this basis we have decided on the following special rules for food:

1. Effective immediately processors and distributors of food, except beef, may increase their prices, on a cents-per-unit basis, to the extent of the increase of costs of raw agricultural products since the freeze base period (June 1–8).

2. Beef prices remain under present ceilings.

3. The foregoing special rules expire on September 12, after which time the same rules that apply to other products will apply to foods.

4. Raw agricultural products remain exempt from price control.

To relieve the extreme high prices of feeds, which have an important effect on prices of meat, poultry, eggs, and dairy products, we have placed limitations on the export of soybeans and related products until the new crop comes into the market. These limitations will remain in effect for that period. But permanent control of exports is not the policy of this Government, and we do not intend at this time to broaden the controls beyond those now in force. To a considerable degree, export controls are self-defeating as an anti-inflation measure. Limiting our exports reduces our foreign earnings, depresses the value of the dollar, and increases the cost of things we import, which also enter into the cost of living of the American family. Moreover, limiting our agricultural exports runs counter to our basic policy of building up our agricultural markets abroad. Unless present crop expectations are seriously disappointed, or foreign demands are extremely large, export controls will not be needed. However, reports of export orders for agricultural commodities will continue to be required. Our policy must always be guided by the fundamental importance of maintaining adequate supplies of food at home.

The stability of the American economy in the months and years ahead demands maximum farm output. I call upon the American farmer to produce as much as he can. There have been reports that farmers have been reluctant to raise livestock because they are uncertain whether Government regulations will permit them a fair return on their investment, and perhaps also because they resent the imposition of ceilings on food prices. I hope that these reports are untrue. In the past year real net income per farm increased 14 percent, a truly remarkable rise. I can assure the American farmer that there is no intention of the Government to discriminate against him. The rules we are setting forth today should give the farmer confidence that the Government will not keep him from earning a fair return on his investment in providing food.

The Secretary of Agriculture will be offering more specific advice on increasing food production and will be taking several steps to assist, in particular he has decided that there will be no Government set-aside of land in 1974 for feed grains, wheat and cotton.

I am today initiating steps to increase the import of dried skim milk.

When I announced the freeze, I said that special attention would be given, in the post-freeze period, to stabilizing the price of food. That remains a primary objective. But stabilizing the price of food would not be accomplished by low price ceilings and empty shelves, even if the ceilings could be enforced when the shelves are empty. Neither can stabilization be concerned only with a week or a month. The evidence is becoming overwhelming that only if a rise of food prices is permitted now we can avoid shortages and still higher prices later. I hope that the American people will understand this and not be deluded by the idea that we can produce low-priced food out of Acts of Congress or Executive Orders. The American people will continue to be well-fed, at prices which are reasonable relative to their incomes. But they cannot now escape a period in which food prices are higher relative to incomes than we have been accustomed to.

THE PROCESS OF DECONTROL

There is no need for me to reiterate my desire to end controls and return to the free market. I believe that a large proportion of the American people, when faced with a rounded picture of the options, share that desire. Our experience with the freeze has dramatized the essential difficulties of a controlled system—its interference with production, its inequities, its distortions, its evasions, and the obstacles it places in the way of good international relations.

And yet, I must urge a policy of patience. The move to freedom now would most likely turn into a detour, back into a swamp of even more lasting controls. I am impressed by the unanimous recommendation of the leaders of labor and business who constitute the Labor-Management Advisory Committee that the controls should be terminated by the end of 1973. I hope it will be possible to do so and I will do everything in my power to achieve that goal. However, I do not consider it wise to commit ourselves to a specific date for ending all controls at this time.

We shall have to work our way and feel our way out of controls. That is, we shall have to create conditions in which the controls can be terminated without disrupting the economy, and we shall have to move in successive stages to withdraw the controls in parts of the economy where that can be safely done or where the controls are most harmful.

To work our way out of controls means basically to eliminate the excessive growth of total demand which pulls prices up faster and faster. The main lesson of that is to control the budget, and I shall return to that critical subject below.

But while we are working our way to that ultimate condition in which controls are no longer useful, we must be alert to identify those parts of the economy that can be safely decontrolled. Removing the controls in those sectors will not only be a step towards efficiency and freedom there. It will also reduce the burden of administration, permit administrative resources to be concentrated where most needed, and provide an incentive for other firms and industries to reach a similar condition.

During Phase II firms with 60 employees or fewer were exempt from controls. That exemption is now repeated. We are today exempting most regulated public utilities, the lumber industry (where prices are falling), and the price of coal sold under long-term contract. The Cost of Living Council will be studying other sectors for possible decontrol. It will also receive applications from firms or industries that can give assurance of reasonably non-inflationary behavior without controls. In all cases, of course, the Cost of Living Council will retain authority to reimpose controls.

BALANCING THE BUDGET

The key to success of our anti-inflation effort is the budget. If Federal spending soars and the deficit mounts, the control system will not be able to resist the pressure of demand. The most common cause of the breakdown of control systems has been failure to keep fiscal and monetary policy under restraint. We must not let that happen to us.

I am assured that the Federal Reserve will cooperate in the anti-inflation effort by slowing down the expansion of money and credit. But monetary policy should not, and cannot, be expected to exercise the needed restraint alone. A further contribution from the budget is needed.

I propose that we should now take a balanced budget as our goal for the present fiscal year. In the past I have suggested as a standard for the Federal budget that expenditures should not exceed the revenues that would be collected at full employment. We are meeting that standard. But in today's circumstances, that is only a minimum

standard of fiscal prudence. When inflationary pressure is strong, when we are forced to emergency controls to resist that pressure, when confidence in our management of our fiscal affairs is low, at home and abroad, we cannot afford to live by that minimum standard. We must take as our goal the more ambitious one of balancing the actual budget.

Achieving that goal will be difficult, more difficult than it seems at first. My original expenditure budget for fiscal 1974 was $268.7 billion. Since that budget was submitted economic expansion, inflation and other factors have raised the estimated revenues to about the level of the original expenditure estimate. However, while that was happening the probable expenditures have also been rising as a result of higher interest rates, new legislation enacted, failure of Congress to act on some of my recommendations, and Congressional action already far advanced but not completed.

It is clear that several billion dollars will have to be cut from the expenditures that are already probable if we are to balance the budget. That will be hard, because my original budget was tight. However, I regard it as essential and pledge myself to work for it.

We should remember that a little over a year ago I set as a goal for fiscal year 1973 to hold expenditures within a total of $250 billion. There was much skepticism about that at the time, and suggestions that the number was for political consumption only, to be forgotten after the election. But I meant it, the people endorsed it and the Congress cooperated. I am able to report today that the goal was achieved, and total expenditures for Fiscal Year 1973 were below $249 billion.

I will take those steps that I can take administratively to reach the goal of a balanced budget for Fiscal Year 1974. I shall start by ordering that the number of Federal civilian personnel at the end of Fiscal Year 1974 total below the number now budgeted. The Office of Management and Budget will work with the agencies on this and other reductions. I urge the Congress to assist in this effort. Without its cooperation achievement of the goal cannot be realistically expected.

Despite the difficult conditions and choices we now confront, the American economy is stronger. Total production is about 6½ percent above a year ago, employment has risen by 3 million, real incomes are higher than ever. There is every prospect for further increases of output, employment and incomes. Even in the field of inflation our performance is better than in most of the world. So we should not despair of our plight. But we have problems, and they are serious in part because we and the rest of the world expect the highest performance from the American economy. We can do better. And we will, with mutual understanding and the support of the American people.

EXECUTIVE ORDER—FURTHER PROVIDING FOR THE STABILIZATION OF THE ECONOMY

On June 13, 1973, I ordered a freeze for a maximum period of 60 days on the prices of all commodities and services offered for sale except the prices charged for raw agricultural products. At that time, I stated that the freeze period would be used to develop a new and more effective system of controls to follow the freeze. Planning for the Phase IV program has proceeded rapidly and I have, therefore, decided that the freeze on food, except for beef, should be removed and more flexible controls submitted in a two-stage process in the food industry. The first stage will be effective at 4:00 p.m. e.s.t., July 18, 1973. The freeze in other sectors of the economy will continue through August 12, 1973. I am also directing the Cost of Living Council to publish for comment now, proposed plans for Phase IV controls in other sectors of the economy. I have determined that this action is necessary to stabilize the economy, reduce inflation, minimize unemployment, improve the Nation's competitive position in world trade and protect the purchasing power of the dollar, all in the context of sound fiscal management and effective monetary policies.

Now, therefore, by virtue of the authority vested in me by the Constitution and statutes of the United States, particularly the Economic Stabilization Act of 1970, as amended, it is hereby ordered as follows:

Section 1. Executive Order 11723 establishing a freeze on prices effective 9:00 p.m., e.s.t., June 13, 1973, for a maximum period of 60 days is hereby superseded except as hereinafter provided. Under the provisions of Executive Order 11695, the freeze regulations issued by the Cost of Living Council, pursuant to the authority of Executive Order 11723 remain in effect except as the Chairman of the Cost of Living Council may modify them. The price freeze established by Executive Order 11723 remains in effect until 11:59 p.m., e.s.t., August 12, 1973, except to the extent the Chairman of the Cost of Living Council may modify it.

Section 2. All orders, regulations, circulars, rulings, notices or other directives issued and all other actions taken by any agency pursuant to Executive Order 11723, and in effect on the date of this order are hereby confirmed and ratified, and shall remain in full force and effect unless or until altered, amended, or revoked by the Chairman of the Cost of Living Council.

Section 3. This order shall not operate to defeat any suit, action, prosecution, or administrative proceeding, whether heretofore or hereafter commenced, with respect to any right possessed, liability incurred, or offense committed prior to this date.

Section 4. Executive Order 11695 continues to remain in full force and effect.

RICHARD NIXON,
THE WHITE HOUSE, *July 18, 1973.*

PROCLAMATION AMENDING PART 3 OF THE APPENDIX TO THE TARIFF SCHEDULES OF THE UNITED STATES WITH RESPECT TO THE IMPORTATION OF AGRICULTURAL COMMODITIES

(By the President of the United States of America)

A PROCLAMATION

Whereas, pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), limitations have been imposed by Presidential proclamations on the quantities of certain dairy products which may be imported into the United States in any quota year; and

Whereas the import restrictions proclaimed pursuant to said section 22 are set forth in part 3 of the Appendix to the Tariff Schedules of the United States; and

Whereas the Secretary of Agriculture has reported to me that he believes that additional quantities of dried milk provided for in item 950.02 of the Tariff Schedules of the United States (hereinafter referred to as "nonfat dry milk") may be entered for a temporary period without rendering or tending to render ineffective, or materially interfering with, the price support program now conducted by the Department of Agriculture for milk or reducing substantialy the amount of products processed in the United States from domestic milk; and

Whereas, under the authority of section 22, I have requested the United States Tariff Commission to make an investigation with respect to this matter; and

Whereas the Secretary of Agriculture has determined and reported to me that a condition exists with respect to nonfat dry milk which requires emergency treatment and that the quantitative limitation imposed on nonfat dry milk should be increased during the period ending August 31, 1973, without awaiting the recommendations of the United States Tariff Commission with respect to such action; and

Whereas I find and declare that the entry during the period ending August 31, 1973, of an additional quantity of 80,000,000 pounds of nonfat dry milk will not render or tend to render ineffective, or materially interfere with, the price support program which is being undertaken by the Department of Agriculture for milk and will not reduce substantially the amount of products processed in the United States from domestic milk; and that a condition exists which requires emergency treatment and that the quantitative limitation imposed on nonfat dry milk should be increased during such period without awaiting the recommendations of the United States Tariff Commission with respect to such action;

Now, therefore, I, Richard Nixon, President of the United States of America, acting under and by virtue of the authority vested in me as President, and in conformity with the provisions of section 22 of the Agricultural Adjustment Act, as amended, and the Tariff Classification Act of 1962, do hereby proclaim that subdivision (vi) of headnote 3(a) of part 3 of the Appendix to the Tariff Schedules of the United States is amended to read as follows:

"(vi) Notwithstanding any other provision of this part, 25,000,000 pounds of dried milk described in item 115.50 may be entered during the period beginning December 30, 1972, and ending February 15, 1973, 60,000,000 pounds of such milk may be entered during the period beginning May 11, 1973, and ending June 30, 1973, and 80,000,000 pounds of such milk may be entered during the period beginning July 19, 1973, and ending August 31, 1973, in addition to the annual quota quantity specified for such article under item 950.02, and import licenses shall not be required for entering such additional quantities. No individual, partnership, firm, corporation, association, or other legal entity (including its affiliates or subsidiaries) may during each such period enter pursuant to this provision quantities of such additional dried milk totaling in excess of 2,500,000 pounds."

The 80,000,000 pound additional quota quantity provided for herein shall continue in effect pending Presidential action upon receipt of the report and recommendations of the Tariff Commission with respect thereto.

In witness whereof, I have hereunto set my hand this eighteenth day of July in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-eighth.

RICHARD NIXON.

FACT SHEET—ECONOMIC STABILIZATION PROGRAM—PHASE IV

BACKGROUND

On June 13th, the President announced a freeze on prices to last a maximum of sixty days. At that time, he indicated that the freeze period would be used to develop a new and more effective system of controls to follow the freeze. He specifically directed the Cost of Living Council to develop a Phase IV that would stabilize retail prices of both food and gasoline.

The President cautioned, however, that Phase IV would not be designed to get the U.S. permanently into a controlled economy. He promised to avoid action that would lead to rationing, black markets or a recession that would mean more unemployment. Finally, he emphasized that the real key to curbing food prices lies in increasing supplies rather than controls.

During the last month, Secretary Shultz Chairman of the Cost of Living Council, other members of the council, and Senior Staff officials of the Cost of Living Council

have engaged in extensive consultations with consumers, businessmen, farmers, Congressional leaders, and government officials in all parts of the country. More than 30 meetings with over 400 individuals were conducted. In addition, the Cost of Living Council made available a list of 34 specific questions about the design of Phase IV. Businessmen, farmers and consumers were invited to submit written recommendations to the Cost of Living Council on the nature of Phase IV. More than 200 such proposals were received and fully reviewed. The recommendations ranged from complete elimination of controls to establishment of a permanent system of ceiling prices, rationing and a 250,000 man enforcement agency.

Although the freeze was keeping prices stable at the retail levels, it was causing business shut-downs and unemployment, resulting in supply shortages in some sectors.

Among the problems created by the freeze were situations where the cost of producing or distributing goods was above the freeze price. Confectioners, processed grain millers, poultry and egg producers, margarine and vegetable oil processors, and potato chip manufacturers faced costs greater than the price they could charge for their products. In some cases, low market prices prevailing during the base period, and in other cases freeze prices based on last year's crop, caused fresh fruit and vegetable farmers to incur losses and to change their normal patterns of distribution of items such as tomatoes, potatoes and celery.

OBJECTIVES OF ECONOMIC STABILIZATION PROGRAM

To moderate the rate of inflation which has existed in the United States during the first six months of 1973 and to do so with a minimum adverse effect on supply.

To continue expansion of U.S. economy to fulfill its potential with further increases in employment.

To strengthen the international position of the dollar.

To build confidence of business, industry, agriculture, the Congress, and consumers necessary to promote an increase in capacity and supply and to reduce long run inflationary forces.

To work with business, industry, agriculture, and the public to terminate controls as soon as possible in a manner which will avoid unacceptable rates of inflation after Phase IV.

FEATURES OF PHASE IV

A sector-by-sector approach with controls tailored around particular economic conditions of each sector.

Phased implementation of the program between now and September 12. (Implementation calendar attached.)

Publication of major parts of the program for public comment before their effective date of August 12, 1973 so that the constructive national dialogue begun during the consultations may be continued. In particular, proposed regulations for the industrial and service, retail and wholesale, petroleum and insurance sectors to be published on July 19.

More flexible exceptions policy to permit relief in cases of real hardship or to permit necessary supply increases.

Establishment of a senior committee of government officials to hear appeals and to continually assess exceptions and exemptions policy.

A request that Congress expedite action on anti-inflation legislative proposals, including authority for temporary export controls, authority to reduce tariffs temporarily in selected cases, authority for disposal of excess materials from the National Stockpile, authority for construction of the Alaska Pipeline, and farm legislation to permit farmers to earn higher income through greater production rather than higher prices.

FOOD

"Stage A" of the regulations for food become effective immediately.

The system of ceilings on beef prices established on March 29, will continue until September 12.

Price ceilings on all other agricultural products have been lifted to permit pass-through of only raw agricultural product cost increases incurred since June 8th by processors, distributors and retailers on a dollar-for-dollar basis. No cost other than raw material cost increases may be passed through. Decreases in raw agricultural costs must also be passed through. This system of controls on food products except beef will continue until September 12th at which time Stage B of the food controls go into effect.

"Stage B" of the food controls program will terminate the meat ceilings and permit pass-through of other cost increases in a dollar-for-dollar basis. This second stage of the food controls program will place the food sector under control rules similar to the rules for the industrial service, retail and wholesale sectors.

The Tariff Commission has been asked to review temporary suspension of import quotas on non-fat dry milk. In the meantime, an immediate increase of 80 million pounds for non-fat dry milk has been ordered on an emergency basis.

All remaining set aside acres are to be brought back into production in 1974.

Limitations on the export of soybeans and related products will be continued through the remainder of the current crop year. An export reporting system for agricultural commodities will be continued to provide information on the volume of planned export shipments.

INDUSTRIAL AND SERVICE SECTOR

Prices in the industrial and service sector will continue to be frozen until August 12th at which time the Phase IV regulations for this sector go into effect.

Mandatory regulations to take effect on August 12th will be issued tomorrow by the Cost of Living Council for public comment. These proposed regulations will:

Require prenotification by all firms with annual sales of more than $100 million, quarterly reporting by firms with annual sales or revenues of over $50 million, and annual reporting by nonexempt firms with annual sales less than $50 million and over 60 employees.

Establish a new base period for both prices and costs of the last fiscal quarter before January 11, 1973. The base price has already been calculated for CLC–2 forms used in Phase III.

Prohibit use of costs incurred prior to the new Phase IV base period as justification for price increases.

Permit costs to be passed-through only on a dollar-for-dollar basis.

Permit prices raised legally during Phase III to remain in effect; however, further price increases may be made only to cover cost increases incurred since the new base period.

Continue profit margin restraints in addition to other requirements to provide that profit margins may not be increased above the average for the best two out of a firm's last five fiscal years.

Reinstate the Phase II small business exemption (60 employees or fewer).

Permit price increases, which are prenotified to the Cost of Living Council after August 12, to be placed into effect after thirty days if the Cost of Living Council has taken no action to suspend, deny or cut back the price increase. The thirty-day period can be extended by the Cost of Living Council if necessary to obtain additional data justifying the proposed increase. The right is reserved to re-examine price increases after they are placed into effect.

Provide for exceptions to the new regulations only when necessary to relieve gross hardship or inequity or to provide for increased supplies and capacity.

NONFOOD WHOLESALE AND RETAIL SECTOR

Prices remain frozen until August 12 at which time Phase IV regulations become effective.

Regulations to be issued July 19 for public comment. These regulations will require:

Preapproval by the Cost of Living Council of pricing plans based on merchandise categories for companies with sales over $50 million.

Gross realized margin controls on these categories (sales minus cost of goods sold divided by sales).

Continuation of profit margin limitation.

GASOLINE AND PETROLEUM PRODUCTS

Proposed mandatory regulations controlling petroleum prices will be issued Thursday, July 19 by the Cost of Living Council for comment. These regulations, taking into account public comment, will go into effect on August 12.

The proposed regulations will provide two price ceilings: one on prices for gasoline, heating oil and diesel fuel; and, one on prices for domestic crude oil. Both ceilings will be reviewed and adjusted as appropriate.

Ceiling prices and octane ratings must be posted on each gasoline pump.

Increased crude production (new crude petroleum beyond corresponding 1972 levels) from each producing property and an equal amount of current production (old crude petroleum) will be exempt from the ceiling.

The price at which a wholesaler or retailer will be allowed to resell products (other than gasoline, heating oil and diesel fuel) is his cost of product plus his actual dollar-for-dollar markup applied to that product on January 10, 1973.

A manufacturer may not charge a price which exceeds his May 15, 1973 price without prenotification, except to reflect increased cost of imports subsequent to May 15, 1973 and to reflect increased costs of domestic crude petroleum excepted from the ceiling.

Lease agreements between a gasoline manufacturer and gasoline retailer will be held to the terms and conditions as of May, 1973.

HEALTH

On July 19, providers of health services will be removed from the freeze, although they continue to be subject to the mandatory Phase III controls.

This action is effective retroactively to July 1, 1973 for the purpose of determining price increases under cost reimbursement contracts.

The Health Industry Advisory Committee has been directed to develop detailed recommendations to the Cost of Living Council so that revised controls for hospitals and nursing homes can become effective no later than October 1st. The objectives of the modifications in the control rules in this sector are:

To reduce the inflationary rate of increase in the cost of hospital stay.

To moderate the proliferation of new services and selectively control capital expenditures.

To provide economic incentives for the substitution of less expensive ambulatory care in place of inpatient hospital care where possible.

To provide for the development of state—not Federal—administration of health care controls.

To maximize internal flexibility and incentives for health care managers to improve productivity.

To be responsive to cost saving innovations, such as health maintenance organizations and prospective reimbursement plans.

The Cost of Living Council will also consider revisions in the controls for doctors,

dentists and other non-institutional providers of health care.

INSURANCE

Proposed mandatory regulations for the insurance industry will be published by the Cost of Living Council for public comment on July 19. These regulations will become effective, taking into account public comment, on August 12th.

Health, property-liability, and credit life insurance will be subject to mandatory controls on premium increases. Prenotification of significant rate increases by the largest insurers will be required, and smaller insurers will be required to report periodically to the Cost of Living Council.

Formulas for calculating rate changes used in Phase II will be modified to reflect experience gained during the controls program.

As in Phase II, state insurance commissioners will be called on to make determinations as to whether the Cost of Living Council should approve proposed rate changes.

CONSTRUCTION

On July 19, mandatory regulations for prices in the construction industry will be issued, to become effective on August 12. These regulations will be similar to those issued near the end of Phase III.

The regulations will establish special rules applicable to prices charged for construction operations, reaffirm profit margin limitations and provide a procedure for renegotiation of fixed price construction contracts where wages have been reduced.

WAGES

The general wage and benefit standards of Phase II and Phase III will be retained. More detailed information for reporting wage and benefit increases will be required.

Notification of wage and benefit increases by the largest bargaining units will be continued to be required. Prenotification will be regulated in individual cases.

A new organizational component of the Cost of Living Council has been established to review wage and salary and benefit increases in the state and local government sector.

ENFORCEMENT AND PENALTIES FOR VIOLATION

The staff of the Cost of Living Council and the IRS is being substantially augmented to administer and enforce the new Phase IV controls.

Administrative sanctions will be imposed for violation of the price or wage standards and for failure to comply with prenotification and reporting requirements. In addition, judicially imposed civil penalties will be sought where appropriate.

PHASE OUT OF CONTROLS

The Labor-Management Advisory Committee of the Cost of Living Council will be requested to advise further on the orderly phase out of mandatory controls.

The Cost of Living Council will work directly with representatives of special economic sectors to develop plans and commitments for sufficient supply expansion to ensure reasonable prices, as part of a plan to terminate mandatory controls for those sectors.

Rate increases by public utilities, as defined during Phase III, have been exempted from direct Phase IV controls although the Cost of Living Council reserves the right to reimpose mandatory controls on this sector if necessary to achieve the objectives of the program. Almost all public utility rates are already controlled by federal, state or local regulatory bodies. Duplication of price controls on this sector would be unnecessary to ensure that utility rate increases are non-inflationary and provide for adequate service, necessary expansion and minimum rates of return.

Wages and prices in the lumber and plywood industry have also been exempted from Phase IV controls. Price decreases in this sector have been common in recent months, and competitive forces are expected to exert continued restraint on price levels throughout the remainder of the year.

Long-term contracts for production coal mines have also been exempted to provide an incentive for increased supplies of coal to mitigate the energy crisis.

CALENDAR OF PHASE IV ACTIONS

Program Announcement, July 18.
Stage I of Food Regulations:
Ceilings on Beef Continued.
Dollar-for-Dollar Passthrough of other raw agricultural costs permitted.
Freeze on Industrial Prices continued
Proposed Non-Food Regulations Issued for Comment:
Industrial Regulations, July 19.
Insurance Regulations, July 19.
Petroleum Regulations, July 19.
Non-Food Regulations Become Effective:
Health Regulations, July 19.
Construction Regulations, August 12.
Industrial Regulations, August 12.
Petroleum Regulations, August 12.
Insurance Regulations, August 12.
Stage II of Food Regulations, August 12.
Beef Ceilings Terminated; All Food Prices Subject to Cost-Pass-Through Regulations, September 12.

AWARDS PRESENTATIONS, THE ETHEL PERCY ANDRUS GERONTOLOGY CENTER, UNIVERSITY OF SOUTHERN CALIFORNIA, FEBRUARY 13, 1973

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, in February of this year, the Ethel Percy Andrus Gerontology Center of the University of Southern California instituted a new series of awards for distinguished contributions in the field of aging.

The first of these awards were presented in conjunction with the dedication of the center's impressive new facilities.

Mr. Speaker, the recipient of the award for Outstanding Public Service in the Field of Aging was our distinguished colleague from Indiana, Mr. BRADEMAS.

Joining the gentleman from Indiana in accepting awards were: Dr. Nathan W. Shock, chief of the gerontology research center at Baltimore City Hospital, Md., who received the Kesten Memorial Award for his contributions to biomedical sciences and aging; and Dr. Bernice L. Neugarten of the University of Chicago for her outstanding contributions to social science and aging.

Dr. Arthur S. Flemming, the distinguished Chairman of the 1971 White House Conference on Aging, who has recently been named Commissioner on Aging in the Department of Health, Education, and Welfare, accepted a special award presented to the 1971 White House Conference.

Mr. Speaker, I ask unanimous consent to insert the proceedings of the award ceremony at this point in the RECORD.

PRESENTATION OF AWARDS FOR DISTINGUISHED CONTRIBUTIONS IN THE FIELD OF GERONTOLOGY, ETHEL PERCY ANDRUS GERONTOLOGY CENTER, UNIVERSITY OF SOUTHERN CALIFORNIA, FEBRUARY 13, 1973

(By James E. Birren, Ph. D., Director, Ethel Percy Andrus Gerontology Center)

I am pleased to inaugurate a presentation of awards for distinguished contributions in the field of gerontology. The purpose of these awards is to recognize the efforts of those individuals who by their talents, courage and enterprise have made contributions of such merit to the field of aging that we wish to take a moment to accord to them public acclaim for their efforts. This has to be done with obvious humility—for how can one contrive a suitable acknowledgement for someone who has devoted years of constructive effort in their career.

I hope that this is but the first such annual awards presentation, to give evidence that efforts of individual leadership in the field of aging are not going unnoticed or unappreciated.

This past year the faculty staff and students of the Gerontology Center concurred in their desire to give recognition for outstanding contributions in the field of aging. Nominations were invited from all members of the Center for distinguished contributions in biomedical research, social science research, and public service. Following the nominations a long ballot was submitted to all members of the Center for their vote. Those persons who receive awards this evening were judged by their peers and admirers to have made notable contributions in the field of gerontology during this past decade.

The Gerontology Center was fortunate to receive an endowment for an annual lectureship in gerontology. This endowment was set up by Mr. and Mrs. Alan Davis in the memory of their grandparents, Isador and Esther Kesten. To honor our first awardee and Kesten lecturer will be the Chancellor of the University, Dr. Norman Topping. It is particularly suitable for Dr. Topping to make this award in biomedical research since his own career has been, among many other accomplishments, intimately associated with biomedical research.

Those of you who are recent friends of the University may not be aware of the fact that our Chancellor had a distinguished career in medical science and published articles based upon his research in typhus, Q fever, spotted fever, and public health. It is also appropriate that in one of his previous positions as assistant surgeon general of the Public Health Service he was associate director of the National Institutes of Health in Bethesda, Maryland. In this capacity he was our awardee's chief. The Gerontology Center is one of the functions of the University of Southern California that Dr. Topping has helped so intimately. It gives me particular pleasure to ask our former president and now Chancellor of the University to present the Kesten award.

COMMENTS BY DR. TOPPING ABOUT DR. NATHAN W. SHOCK

The name of our Kesten awardee, Dr. Nathan Shock, is familiar to anyone involved in research on aging. He has had since 1941 a full-time career in leading the development of research on aging. In 1941 Dr. Shock went to Baltimore, Maryland to organize a research unit on aging for the U.S. Public Health Service. At that time it had only two men employed. Now it is perhaps the largest single facility devoted exclusively to research on aging in the Western Hemisphere.

Dr. Shock is now in the process of summarizing important information from a longitudinal study of human aging. He initiated a long term physiological study of community

residing men that now extends over six hundred subjects from ages 15 to 96 years.

His publications include more than 200 original research articles including those on changes in kidney function, age changes in cardiovascular and respiratory function, and the effects of physical activity on the processes of aging.

As the immediate past president of the International Association of Gerontology, he was deeply involved in the planning of the International Congress of Gerontology held in Kiev, Russia in July 1972. We are pleased to honor you Dr. Shock with the Kesten award to recognize the pioneering and sustained basic contributions to biomedical research in aging.

Mr. BIRREN. The next award to be given for distinguished contribution in social science research on aging will be presented by Dr. Vern L. Bengtson, associate professor of sociology of the University of Southern California. His personal research in dealing with social changes in aging includes the responsibilities for a large study of generational differences in mental health. He received his doctorate from the University of Chicago where he was a student of the next awardee. For both professional and personal reasons it is highly appropriate that we ask Dr. Bengtson to present the next award.

COMMENTS OF DR. BENGTSON ABOUT DR. BERNICE L. NEUGARTEN

As Dr. Birren has just indicated I was a student of Dr. Bernice L. Neugarten who will receive this award for outstanding contribution to Social Science and Aging.

Bernice Neugarten is a luminary in the field of gerontology. As a researcher, she has successfully bridged two disciplines—psychology and sociology—in making discoveries concerning the aging process. Her work on the sociology of age-grading, age norms, and the social structure of the urban community has attracted wide attention; she is probably even better known for her research on personality and patterns of aging. She has pioneered in research on menopausal women; in cross-cultural and inter-generational research; and in investigations on successful career patterns in middle age.

Equally important is her contribution as a teacher. Several generations of students—now productive young scholars in the field of gerontology—have prospered from her direction and inspiration. The most popular of teachers, she can infuse enthusiasm into gerontological topics and strip bare the essential ideas of the most vaguely-stated premise.

Third, her mastery as an administrator and leader has strengthened the field. She has enhanced and developed institutions linked to the study of the life-cycle—the Committee of Human Development of the University of Chicago, of which she has served two terms as chairman; the Gerontological Society, of which she has been president; and the many study sections and committees of the National Institutes of Health in which she has participated.

Most of all, in the light of this list of productive contributions, is her depth and warmth as a human being. A whirlwind of energy and productivity, she makes people feel better for having been touched by her. She has beautifully combined careers of wife and mother with that of teacher and scholar. For many of us, she is friend as well as mentor, giver as well as taker.

I first met Bernice Neugarten in 1963 when I was a senior in a college. At that time I was looking desperately for a way to stay in the Chicago area for graduate school. Bernice interviewed me for a possible fellowship in adult development and aging. I've never felt so much in awe before or since of this tiny dynamo of words and questions which laid bare my motivations and capacities within a matter of minutes. If my inducements to begin study in the field of aging were personal and financial, the reasons for staying in the area were in large part due to the intellectual excitement generated by Bernice Neugarten. She can infuse enthusiasm in the most abstract of analyses and tear apart sloppy thinking. She has also provided me and many others with boundless quantities of support and encouragement.

Mr. BIRREN. To present the next award for public service is Mr. Uranus Appel, Vice Chairman of the Board of Councillors of the Gerontology Center. Mr. Appel has been a close friend and major donor of the Gerontology Center and is president of American Medical Enterprises. With personal appreciation I would like to turn to Bob Appel to have him introduce our next awardee.

REMARKS OF MR. APPEL ABOUT THE HONORABLE JOHN BRADEMAS

The person to receive our award for outstanding public service in aging is a scholar, a public figure, and a gentleman in the full sense of the word. John Brademas was elected to the United States House of Representatives in 1958 when he was but 31 years of age. Now in his eighth term in Congress, he has been appointed Chief Deputy Whip for the Majority, by Speaker Albert and the new Majority Leader, Thomas O'Neill. As a scholar John Brademas was a graduate of Harvard, Magna Cum Laude, in 1949. In 1950 he entered studies as a Rhodes scholar at Oxford University, England, receiving a Ph.D. in social studies in 1954. In 1972 he was elected an honorary fellow of his old college in Oxford, Brasenose College. This background, plus his activities in legislation, has certainly earned for him the title that a national magazine described "Mr. Education" in Congress. He was a co-sponsor of the Nutrition for the Elderly Act, Older Americans Amendments of 1969, and has supported and introduced other important legislation in the field of aging.

His list of awards is long and detailed. None, however, I trust, are given with as much appreciation for his career in public service as this award. With it are expressed our expectations and hopes for a long and constructive future in legislation to improve the quality of life for the elderly of America.

Mr. BIRREN. It is appropriate at a time of awards to represent the students who are our hope for the future. To present the next award is the President of the Graduate Student Council of the Gerontology Center, Mrs. Eleanore Lisa Pomeroy. She came to the University of Southern California as a graduate student in psychology from the University of Texas with masters degree in 1970. Her native enthusiasm and constructive outlook on life is apparent to all who work with her and makes it entirely appropriate that she represent the coming generation of scholars, researchers and professionals who will soon provide the leadership in the field of gerontology.

REMARKS OF MRS. POMEROY ABOUT DR. ARTHUR S. FLEMMING

As a graduate student still facing examinations, and dissertation writing, you can understand that I might be a little apprehensive in presenting our next award since Dr. Arthur S. Flemming has been president of three institutions of higher learning, Ohio Weslyan University, University of Oregon, and Macalester College.

In December 1971 a notable event was held for those of us gathered here this evening. It was the White House Conference on Aging. It culminated ten years of thinking, hopes and activities. We wish to make an award on behalf of the accomplishment of the White House organization before, during and after. The activities of thousands of persons, government and private, professional and lay, old and young went into that activity. No one epitomizes it more than the man who was chairman of the National Planning Board of the 1971 White House Conference on Aging. Few men in public life have the opportunity to serve as many public and educational roles as Dr. Flemming. To give you a few indications he was Secretary of the Department of Health, Education and Welfare. He is a member of the President's Advisory Committee on Government Organization, he is a Vice President of the National Council of Churches of Christ in America and has served as a member or chairman of many committees and commissions. For example: the War Manpower Commission, and more recently he is serving as a special consultant to the President of the United States on aging.

I am very pleased to speak for my fellow students and to present this award, on behalf of the 1971 White House Conference on Aging, to Dr. Arthur Flemming a public figure who impresses many of us as being a personal professional career model.

Mr. BIRREN. We have now concluded the formal awards ceremony. You will note that we did not make an award in the Humanities this year. I hope that there will be another awards banquet next year and that we will have an opportunity to make an award, along with those of other fields, to some person whose contributions in humanities have dignified and enlarged life in the later years. Before leaving this part of the program I wanted to take the opportunity to thank all the faculty, staff and students of the Gerontology Staff for their efforts in bringing a sense of community to the building that we have just dedicated. I cannot this evening in any way detail their contribution but without their loyalty and efforts there would not now be a building or a Center.

A successful awards banquet, like the completion of the building we have just dedicated, requires the cooperation of many persons. Were it not for the generous gifts of the members of the American Association of Retired Persons and the National Retired Teachers Association we would not have today a building whose activities are directed to the future. The individual donors and corporate contributors were many. I cannot name them all this evening but this should not belie the fact that we are deeply grateful for the generosity.

PROPOSAL TO HOLD EXPOCUBA IN NEW YORK CITY

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ICHORD. Mr. Speaker, plans are being made by supporters of Cuban Communist dictator, Fidel Castro, here in the United States to celebrate the 20th anniversary of Castro's July 26 movement by holding a so-called ExpoCuba in New York City July 26–29, 1973.

The 26th of July, 1953, was the date when Castro and a band of his Communist rebel followers attacked the Moncada Garrison in Cuba during the period when Fulgencia Batista was still President of that island country. The attack failed and most of the participants were killed. However, Fidel Castro escaped and announced that this event marked the launching of guerrilla warfare aimed at the destruction of the Batista government and the installation of a Communist regime.

Of course, in those days, Castro said nothing about communism, per se, because he well understood that to reveal his real intentions and political philos-

ophy would be to destroy any opportunity for taking over Cuba and its people.

But 6 years later he did take over and he promptly doffed his mantle as a democratic liberator to put on his real grab as a Communist determined to impose a Marxist-Leninist tyranny over the Cuban people.

Now, after 14 years of Castro's iron rule and his continued exportation of subversion and terrorism throughout the Western Hemisphere and even to the shores of Africa, we find Americans ready to extol the virtues of communism in Cuba while publicly denouncing the U.S. Government and its policy of opposing the spread of Castro communism both to ourselves and to our neighbors in Latin America.

ExpoCuba appears to enjoy widespread support from those extremists among our own citizens who traveled to Cuba over recent years as members of what is known as the Venceremos Brigade.

The exhibition, hailed by its promoters as a "festival of revolutionary change," will be held in the Martin Luther King Labor Center, Local 1199, 310 West 43d Street, New York City. It will feature films, books, posters, records, and a photographic display allegedly demonstrating the progress Cuba has made under Castro and communism.

Mr. Speaker, I think the Members of this House will also be interested in noting that a series of panel discussions, lectures, and presentations will be made at ExpoCuba on why the United States must give up the Panama Canal, why Puerto Rico should be independent, and a number of related subjects designed to assault and embarrass the people and Government of the United States.

Also justifiably angered by the announced plans for ExpoCuba are the thousands of Cuban exiles who have regained the fresh air of a freedom they once knew but lost in Cuba by risking their life's possessions and even their lives to settle in the United States. They are especially bitter, I am advised, that the city of New York, or any other U.S. city for that matter, should be used as a site for heaping praise on Cuba's tyrant while heaping abuse on our own American Government.

Just what the Cuban community in our country plans to do to protest ExpoCuba this month I am not presently prepared to say but I certainly want to offer this as my personal protest against the holding of this obviously pro-Communist exhibition in New York.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Messrs. ROE, MILFORD, GUNTER, WINN, CAMP, and HANNA (at the request of Mr. HANNA), on account of official business.

Mr. BLATNIK (at the request of Mr. O'NEILL), for today and July 20, on account of official business.

Mr. DANIELSON (at the request of Mr. O'NEILL), for today, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MARTIN of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. ROBISON of New York, for 15 minutes, today.

Mr. RAILSBACK, for 10 minutes, today.

Mr. COHEN, for 5 minutes, today.

Mr. ANDERSON of Illinois, for 10 minutes, today.

Mr. HORTON, for 10 minutes, today.

(The following Members (at the request of Mr. JONES of Oklahoma), to revise and extend their remarks, and to include extraneous matter:)

Mr. HARRINGTON, for 5 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. DRINAN, for 10 minutes, today.

Mr. RUNNELS, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. MELCHER, for 10 minutes, today.

Mr. GIBBONS, for 5 minutes, today.

Mr. TIERNAN, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 10 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, on July 23.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. STRATTON, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $627.

Mr. STRATTON, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,560.35.

Mr. ICHORD, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $888.25.

Mr. ROBERTS.

Mr. MICHEL to follow the remarks of Mr. HUBER during consideration of the farm bill today.

Mr. SEIBERLING, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $627.

(The following Members (at the request of Mr. MARTIN of North Carolina), and to include extraneous material:)

Mr. FREY.

Mr. DERWINSKI.

Mr. FORSYTHE.

Mr. ANDERSON of Illinois in two instances.

Mr. SYMMS in two instances.

Mr. MCCLOSKEY.

Mr. HOSMER in two instances.

Mr. BELL in two instances.

Mr. KEMP in three instances.

Mr. QUIE.

Mr. RAILSBACK in three instances.

Mr. WYATT.

Mr. LENT.

Mr. GOLDWATER.

Mr. FRENZEL.

Mr. DICKINSON.

Mr. HOGAN.

Mr. HINSHAW.

Mr. BRAY in four instances.

Mr. NELSEN.

Mr. FINDLEY.

Mr. SHOUP.

Mr. DU PONT.

Mr. WYMAN.

(The following Members (at the request of Mr. JONES of Oklahoma), and to include extraneous matter:)

Mr. EVINS of Tennessee in two instances.

Mr. ROGERS in 10 instances.

Mr. GONZALEZ, in three instances.

Mr. RARICK in three instances.

Mr. EVANS of Colorado.

Mr. MOAKLEY in five instances.

Mr. CARNEY of Ohio in two instances.

Mr. ASPIN in 10 instances.

Mr. HARRINGTON in three instances.

Mr. GAYDOS in 10 instances.

Mr. WALDIE in two instances.

Mrs. GRIFFITHS.

Mr. HAWKINS.

Mr. TEAGUE of Texas in six instances.

Mr. OBEY in three instances.

Mr. FUQUA.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 118. Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States; to the Committee on Education and Labor.

ADJOURNMENT

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Friday, July 20, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1162. A letter from the Assistant Secretary of Agriculture, transmitting a report on activities under the Horse Protection Act of 1970 (Public Law 91-540), pursuant to section 11 of the act; to the Committee on Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

1163. A letter from the Comptroller General of the United States, transmitting a report on actions needed to provide greater insurance protection to flood-prone communities, under the Federal Insurance Administration of the Department of Housing and Urban Development; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DULSKI: Committee on Post Office and Civil Service. Report on Improved Manpower Management in the Federal Government—Examples for the period July through December 1972. (Rept. No. 93–384). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE of Illinois: Joint Committee on Atomic Energy. H.R. 8867. A bill to amend the EURATOM Cooperation Act of 1958, as amended; (Rept. No. 93–385). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 9395. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois (for himself and Mr. HORTON):

H.R. 9396. A bill to reorganize and consolidate certain functions of several Federal agencies and departments in a new Criminal Justice Services Administration in the Department of Justice to promote more effective operations and management of the federal system of criminal justice; to the Committee on the Judiciary.

By Mr. BELL (for himself, Mr. BURGENER, Mr. CLEVELAND, Mr. HASTINGS, Mr. HORTON, Mr. ICHORD, Mr. PARRIS, Mr. ROBINSON of Virginia, Mr. WHITEHURST, and Mr. WON PAT):

H.R. 9397. A bill to reform the budgetary process of the Congress to improve congressional control over the budget and national priorities, to provide for a legislative budget director and staff, and for other purposes; to the Committee on Rules.

By Mr. BIAGGI:

H.R. 9398. A bill to prohibit the imposition by the States of discriminatory burdens upon interstate commerce in wine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BINGHAM:

H.R. 9399. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

H.R. 9400. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. BROYHILL of Virginia:

H.R. 9401. A bill to amend the act entitled "An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system"; to the Committee on the District of Columbia.

By Mr. CAMP:

H.R. 9402. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER:

H.R. 9403. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. DON H. CLAUSEN:

H.R. 9404. A bill to protect, enhance, and improve fishery and wildlife resources in the construction and operation of Federal public works projects; to the Committee on Interior and Insular Affairs.

By Mr. EDWARDS of California:

H.R. 9405. A bill to amend the Immigration and Nationality Act to reduce to 1 year the period of residence and physical presence required for the naturalization of children adopted by U.S. citizens; to the Committee on the Judiciary.

By Mr. FREY:

H.R. 9406. A bill to amend the guaranteed student loan provisions of the Higher Education Act of 1963 relating to eligibility for interest subsidy; to the Committee on Education and Labor.

H.R. 9407. A bill establishing a Council on Energy Policy; to the Committee on Interstate and Foreign Commerce.

By Mr. HANNA:

H.R. 9408. A bill to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing the disclosure of certain financial institutions to governmental agencies, and for other purposes; to the Committee on Banking and Currency.

By Mr. HUTCHINSON (for himself and Mr. KEATING):

H.R. 9409. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. JARMAN:

H.R. 9410. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. KING:

H.R. 9411. A bill to amend title II of the Social Security Act to provide that illegitimate children of old age insurance beneficiaries may become entitled to child's insurance benefits in certain additional cases; to the Committee on Ways and Means.

By Mr. MATHIS of Georgia:

H.R. 9412. A bill to amend chapter 34 of title 38, United States Code, to extend the time period within which veterans may be entitled to educational assistance under such chapter after their discharge or release from active duty; to the Committee on Veterans' Affairs.

By Mr. MATSUNAGA:

H.R. 9413. A bill to amend the Tariff Act of 1930 so as to exempt commercial aircraft entering or departing from the United States at night or on Sunday or a holiday from provisions requiring payment to the United States for overtime services of customs officers and employees, and for other purposes; to the Committee on Ways and Means.

By Mr. MELCHER (for himself, Mr. ASHLEY, Mr. BLACKBURN, Mr. BUTLER, Mr. DAN DANIEL, Mr. DICKINSON, Mr. DORN, Mr. HINSHAW, Mr. LOTT, Mr. MCCORMACK, Mr. MILFORD, Mr. SHUSTER, Mr. TREEN, Mr. VEYSEY, Mr. WALSH, Mr. CHARLES WILSON of Texas, Mr. WYATT, and Mr. YOUNG of South Carolina):

H.R. 9414. A bill to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOAKLEY:

H.R. 9415. A bill to provide a remedy for sex discrimination by the insurance business with respect to the availability and scope of insurance coverage for women; to the Committee on Interstate and Foreign Commerce.

H.R. 9416. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to amend certain labeling provisions of the food, drug, and cosmetic chapters to assure adequate information for consumers, including cautionary labeling of articles where needed to prevent accidental injury; expand the coverage of the Delaney Clause to apply to mutagenic and teratogenic agents; eliminate the Grandfather's Clause for pre-1958 chemical additives used in food; require nutritional labeling of foods; require labeling of all ingredients in foods, listed in order of predominance; prohibit worthless ingredients in special dietary foods; authorize the establishment of standards for medical devices; require medical devices to be shown safe and efficacious before they are marketed commercially; require all antibiotics to be certified; provide for the certification of certain other drugs; require records and reports bearing on drug safety; limit the distribution of sample drugs; require cosmetics to be shown safe before they are marketed commercially; clarify and strengthen existing inspection authority; make additional provisions of the act applicable to carriers; provide for administrative subpenas; provide for strengthening and facilitating mutual cooperation and assistance, including training of personnel, in the administration of that act and of related State and local laws; prohibit the use of carcinogenic color additives in animal feeds; safeguard the health of children by banning sweetened or flavored aspirin from commerce; authorize a system of coding for prescription drugs; establish a U.S. Drug Compendium; provide additional authority to insure the wholesomeness of fish and fishery products; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9417. A bill to carry out the recommendations of the Presidential Task Force on Women's Rights and Responsibilities, and for other purposes; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H.R. 9418. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. OBEY:

H.R. 9419. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation; to the Committee on Agriculture.

By Mr. PARRIS:

H.R. 9420. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS:

H.R. 9421. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. PODELL:

H.R. 9422. A bill to amend title IV of the Social Security Act to make it clear that an individual who is not working because of a strike or other labor dispute will be considered unemployed for purposes of aid with respect to dependent children of unemployed fathers; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 9423. A bill to authorize the appropriation of such funds as may be necessary to effectuate the transfer of all naval weapons range activities from the island of Culebra to the islands of Desecheo and Monito not later than July 1, 1975; to the Committee on Armed Services.

By Mr. STARK:

H.R. 9424. A bill to govern the disclosure of certain financial information by financial institutions to governmental agencies, to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing disclosure of such information, and for other purposes; to the Committee in Banking and Currency.

By Mrs. BURKE of California:

H.R. 9425. A bill to require that funds be made available for replacement housing in connection with certain highway programs; to the Committee on Public Works.

By Mr. GINN:

H.R. 9426. A bill to amend the Anti-Smuggling Act to provide that a vessel may be prohibited from entering or remaining in the United States, or may be required to post a bond, if any person who owns, controls, or has a monetary interest in such vessel has participated in illegal importation of narcotics; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 9427. A bill to require the labeling of energy-intensive consumer goods with respect to the annual energy costs of operating these goods for an average owner; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself and Mr. HELSTOSKI):

H.R. 9428. A bill to provide for posting information in post offices with respect to registration, voting, and communicating with lawmakers; to the Committee on Post Office and Civil Service.

By Mr. HÉBERT (by request):

H.R. 9429. A bill to authorize the disposal of opium from the national stockpile; to the Committee on Armed Services.

By Mr. HÉBERT (for himself, Mr. PASSMAN, Mr. WAGGONNER, Mr. RARICK, Mr. BREAUX, Mr. LONG of Louisiana, Mr. TREEN, Mr. GRAY, Mr. O'NEILL, Mr. MCFALL, Mr. BLATNIK, Mr. HARSHA, Mr. GROVER, and Mr. PRICE of Illinois):

H.R. 9430. A bill to name the U.S. courthouse and Federal office building under construction in New Orleans, La., as the Hale Boggs Federal Building, and for other purposes; to the Committee on Public Works.

By Mr. McCLOSKEY:

H.R. 9431. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MORGAN (for himself, Mr. GAYDOS, Mr. MOORHEAD of Pennsylvania, Mr. DOMINICK V. DANIELS, Mr. NIX, Mr. ROONEY of Pennsylvania, Mr. BARRETT, Mr. CLARK, Mr. VIGORITO, and Mr. EILBERG):

H.R. 9432. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. RAILSBACK (for himself, Mr. ANDERSON of Illinois, Mr. COHEN, and Mr. HORTON):

H.R. 9433. A bill relating to the employment and training of criminal offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 9434. A bill to encourage consideration of nonstructural alternatives to flood damage prevention; to the Committee on Public Works.

H.R. 9435. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for depreciation on capital expenditures incurred in connecting residential sewerlines to municipal sewage systems; to the Committee on Ways and Means.

By Mr. ROONEY of Pennsylvania (for himself, Mr. CHARLES H. WILSON of California, Mr. PODELL, Mr. WARE, Mr. NIX, Mr. BROWN of California, Mr. FORSYTHE, Mr. CORMAN, Mr. MCDADE, Mr. HECHLER of West Virginia, Mr. WON PAT, Mr. ROE, Ms. ABZUG, Mr. CAREY of New York, Mr. KYROS, Mr. HARRINGTON, Mr. MOSS, Mr. GAYDOS, and Mr. ECKHARDT):

H.R. 9436. A bill to amend section 402 of title 23, United States Code, to extend certain deadlines relating to apportionment of highway safety funds, and for other purposes; to the Committee on Public Works.

By Mr. STAGGERS:

H.R. 9437. A bill to amend the International Travel Act of 1961 to authorize appropriations for fiscal years 1974, 1975, and 1976; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Wisconsin (for himself, Mr. ROBISON of New York, Mr. ANDERSON of Illinois, and Mr. ESCH):

H.R. 9438. A bill to confer U.S. citizenship on certain Vienamese children and to provide for the adoption of such children by American families; to the Committee on the Judiciary.

By Mr. SYMINGTON:

H.R. 9439. A bill to establish a national flood plain policy and to authorize the Secretary of the Interior, in cooperation with Federal agencies and the States, to encourage the dedication of the Nation's flood plains as natural floodways, to protect, conserve, and restore their natural functions and resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 9440. A bill to provide for access to all duly licensed psychologists and optometrists without prior referral in the Federal employee health benefits program; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ:

H.J. Res. 674. Joint resolution to designate February 10 to 16, 1974, as "National Vocational Education and National Vocational Industrial Clubs of America (VICA) Week"; to the Committee on the Judiciary.

By Mr. ROE:

H.J. Res. 675. Joint resolution to provide for the issuance of a special postage stamp in commemoration of Guglielmo Marconi; to the Committee on Post Office and Civil Service.

By Mr. MOAKLEY:

H. Con. Res. 269. Concurrent resolution requesting the President to proclaim August 26, 1973, as "National Women's Suffrage Day"; to the Committee on the Judiciary.

By Mr. WINN:

H. Con. Res. 270. Concurrent resolution expressing the sense of the Congress that no person should be considered for appointment as ambassador or minister if such person or members of his immediate family have contributed more than $5,000 to a candidate for President in the last election; to the Committee on Foreign Affairs.

By Mr. GUDE (for himself, Mr. FRASER, Mr. BROWN of California, Mr. BURTON, Mr. CORMAN, Mr. COUGHLIN, Mr. DAVIS of Georgia, Mr. DRINAN, Mr. FORSYTHE, Mr. HARRINGTON, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. NIX, Mr. OBEY, Ms. SCHROEDER, Mr. SEIBERLING, Mr. VANIK, and Mr. WON PAT):

H. Res. 497. Resolution expressing the sense of the House that the U.S. Government should seek agreement with other members of the United Nations on prohibition of weather modification activity as a weapon of war; to the Committee on Foreign Affairs.

By Mr. GUDE (for himself, Mr. FRASER, Ms. ABZUG, Mr. BINGHAM, Mr. COHEN, Mr. CONYERS, Mr. DELLUMS, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. EILBERG, Mr. FRENZEL, Ms. HOLTZMAN, Mr. HOWARD, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MOSS, Mr. RODINO, Mr. ROSENTHAL, Mr. SARBANES, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. THOMPSON of New Jersey):

H. Res. 498. Resolution expressing the sense of the House that the U.S. Government should seek agreement with other members of the United Nations on prohibition of weather modification activity as a weapon of war; to the Committee on Foreign Affairs.

By Mr. UDALL (for himself, Mr. YOUNG of Texas, and Mr. LONG of Louisiana):

H. Res. 499. Resolution to amend the Rules of the House of Representatives with respect to the time of putting the question on motions to suspend the rules and pass bills and resolutions; to the Committee on Rules.

MEMORIALS

Under clause of rule XXII, memorials were presented and referred as follows:

282. By Mr. DICKINSON: Memorial of the State of Alabama requesting that the President and Congress do all in their power to secure the release and information concerning the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

283. By the SPEAKER: A memorial of Legislature of the State of California, relative to the New Melones Dam project; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WALDIE introduced a bill (H.R. 9441) for the relief of Lt. Col. Harold E. Gladstone and Elsie Gladstone, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

AN ELOQUENT TRIBUTE

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 18, 1973

Mr. DEL CLAWSON. Mr. Speaker, family devotion and honest affection are so frequently ignored in favor of "the roar of the crowd" and the harsher realities of human existence that it is with particular appreciation I insert at this point in the RECORD an article by Jesse L. Robinson, sports editor of the Metropolitan Gazette of Compton, Calif. It is an eloquent tribute which speaks for itself of the richness of emotion between a mother and son. I feel honored that it was sent to me by a friend of many years. The column appeared in the March 15, 1973, issue of the newspaper:

OLYMPIANS AND CHAMPIONS

(By Jesse L. Robinson)

I want to be there when the saints go marching in.

What happened to me last week, has hap-